

FOURTH ANNUAL REPORT

OF THE

PRESIDENT AND DIRECTORS

OF THE

LAKE SHORE

AND

MICHIGAN SOUTHERN

RAILWAY COMPANY,

TO THE STOCKHOLDERS,

FOR THE

FISCAL YEAR ENDING DEC. 31. 1873.

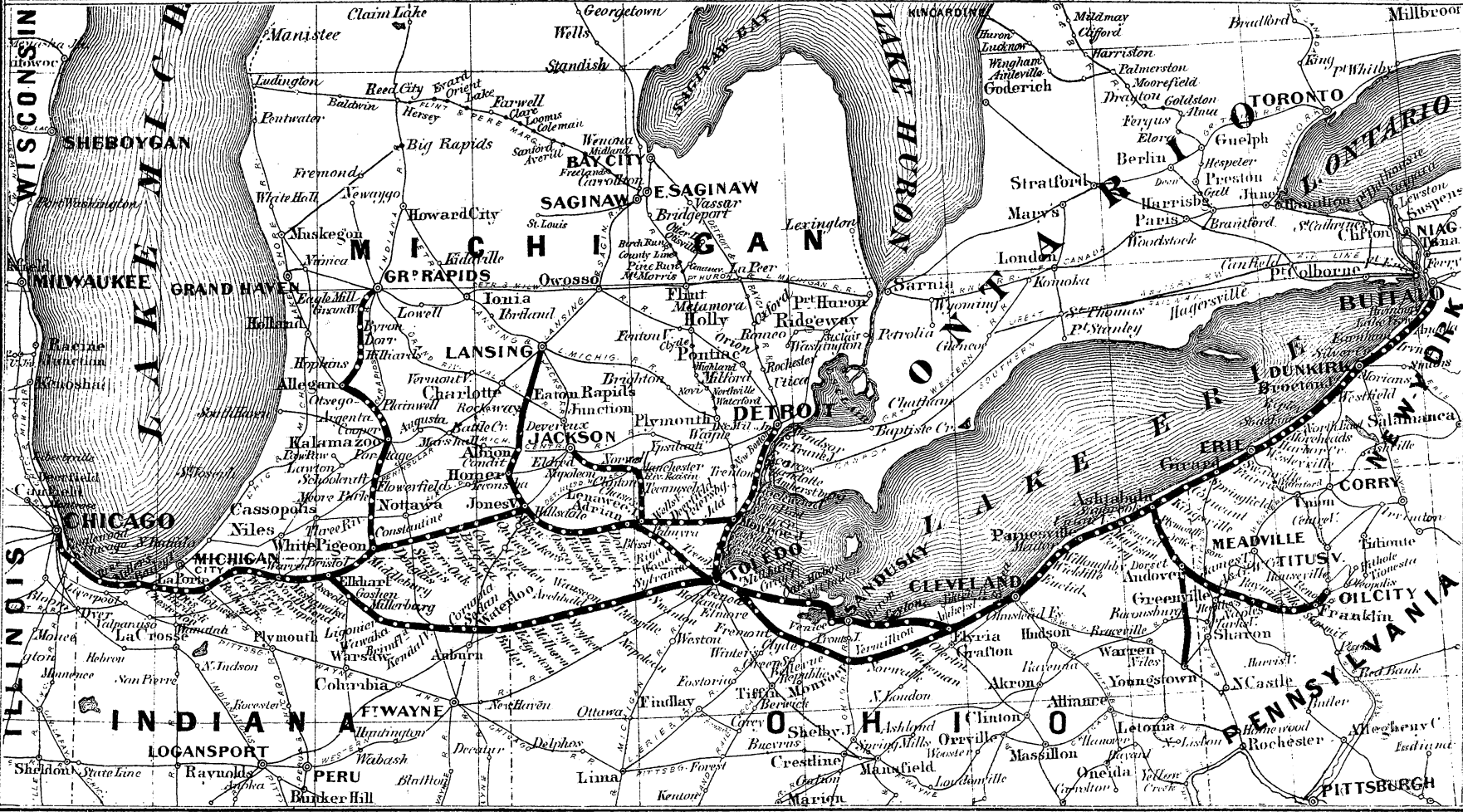


CLEVELAND:

FAIRBANKS, BENEDICT & CO., PRINTERS, HERALD OFFICE.

1874.

MAP OF THE LAKE SHORE AND MICHIGAN SOUTHERN RY.



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ORGANIZATION
OF THE
LAKE SHORE & MICHIGAN SOUTHERN
RAILWAY COMPANY.

MAY 1, 1874.

DIRECTORS:

CORNELIUS VANDERBILT	NEW YORK.
WILLIAM H. VANDERBILT	NEW YORK.
JAMES H. BANKER	NEW YORK.
AUGUSTUS SCHELL	NEW YORK.
AZARIAH BOODY	NEW YORK.
WILLIAM WILLIAMS	BUFFALO, N. Y.
HENRY B. PAYNE	CLEVELAND, O.
AMASA STONE, JR.	CLEVELAND, O.
STILLMAN WITT	CLEVELAND, O.
WILLIAM L. SCOTT	ERIE, PA.
CHARLES M. REED	ERIE, PA.
JOHN A. TRACY	ERIE, PA.
ALBERT KEEP	CHICAGO, ILL.

OFFICERS:

PRESIDENT	CORNELIUS VANDERBILT	NEW YORK.
VICE PRESIDENT	AUGUSTUS SCHELL	NEW YORK.
TREASURER	JAMES H. BANKER	NEW YORK.
SECRETARY AND ASS'T TREASURER	GEORGE B. ELY	CLEVELAND, O.
AUDITOR	C. P. LELAND	CLEVELAND, O.
MANAGING DIRECTOR	AMASA STONE, JR.	CLEVELAND, O.
GENERAL SUPERINTENDENT	CHARLES PAINE	CLEVELAND, O.
GENERAL FREIGHT AGENT	ADDISON HILLY	CLEVELAND, O.
ASS'T GENERAL FREIGHT AGENT	CHARLES M. GRAY	CHICAGO, ILL.
GENERAL TICKET AGENT	J. W. CARY	CLEVELAND, O.
CHIEF ENGINEER	CHARLES COLLINS	CLEVELAND, O.
GENERAL MASTER MECHANIC	JAMES SEDGLEY	CLEVELAND, O.
MASTER CAR BUILDER	JOHN KIRBY	CLEVELAND, O.
PURCHASING AGENT	A. C. ARMSTRONG	CLEVELAND, O.

REPORT.

The President and Directors of the LAKE SHORE & MICHIGAN SOUTHERN RAILWAY COMPANY respectfully submit to the Stockholders the following Report for the year ending December 31, 1873:

HISTORY OF ORGANIZATION.

The Company is a consolidation of the following Roads:

- The *Cleveland, Painesville & Ashtabula Railroad*—extending from the city of Erie, in the State of Pennsylvania, to the city of Cleveland, in the State of Ohio..... 95 miles.
- The *Cleveland & Toledo Railroad*—extending from the city of Cleveland, in the State of Ohio, to the city of Toledo, in the State of Ohio..... 113 miles.
- With a branch, (or Northern Division,) extending from Elyria, (twenty-six miles west of Cleveland,) via the city of Sandusky, in the State of Ohio, to Millbury, (Junction with Main Line near Toledo,)..... 76½ miles.

These two Roads last mentioned were consolidated, under the name of the *Lake Shore Railway Company*, in March, 1869.

- The *Michigan Southern & Northern Indiana Railroad*—extending from the city of Toledo, in the State of Ohio, to the city of Chicago, in the State of Illinois..... 244 miles.

This Road was consolidated with the *Lake Shore Railway Company*, under the name of the *Lake Shore & Michigan Southern Railway Company*, in May, 1869.

In August, 1869, the *Buffalo & Erie Railroad Company*, (eighty-eight miles,) was consolidated with the *Lake Shore & Michigan Southern Railway Company*, under the name of the LAKE SHORE & MICHIGAN SOUTHERN RAILWAY COMPANY, thus forming a continuous line of Railway, five hundred and forty miles in length, between the cities of

Buffalo, in the State of New York, and Chicago, in the State of Illinois.

This Company owns branches as follows:

Ashtabula, Ohio, to Jamestown, Pa.....	36 miles.
Elyria, Ohio, via Sandusky, to Millbury, (Junction with Main Line.).....	76½ miles.
Toledo, Ohio, to Elkhart, Indiana, (Air Line.).....	131 miles.
Adrian, Michigan, to Jackson, Michigan.....	46 miles.
Adrian, Michigan, to Monroe, Michigan.....	33 miles.

The following Roads are under separate organizations, but the capital stock thereof is owned wholly by this Company:

The <i>Detroit, Monroe & Toledo Railroad</i> —extending from Toledo, in the State of Ohio, to the city of Detroit, in the State of Michigan.....	65 miles.
The <i>Kalamazoo & White Pigeon Railroad</i> —extending from White Pigeon, Michigan, to Kalamazoo, Michigan.....	37 miles.
The <i>Northern Central Michigan Railroad</i> —extending from Jonesville, Michigan, to Lansing, Michigan.....	60 miles.

The following Roads are operated by this Company under leases:

The <i>Jamestown & Franklin Railroad</i> —extending from Jamestown, Pennsylvania, (where it connects with the Ashtabula Branch,) to Oil City, Pennsylvania.....	51 miles.
---	-----------

This Company has a large proprietary interest in this Road, and operates it under a lease for sixty per cent. of the earnings.

The <i>Kalamazoo, Allegan & Grand Rapids Railroad</i> —extending from Kalamazoo, Michigan, to Grand Rapids, Michigan.....	58 miles.
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The terms of this lease are, the payment of interest on bonds and stock amounting to \$103,800 per annum.

That portion of the Main Line, from Toledo, Ohio, to Adrian, Mich., thirty-three miles, was acquired by a perpetual lease from the Erie & Kalamazoo Railroad Company, by the terms of which this Company pays the sum of \$30,000 per annum.

Under a contract with the Cleveland, Columbus, Cincinnati & Indianapolis Railroad Company, this Company has the right to use their track between Cleveland and Berea, (twelve miles,) for all Passenger Trains, at an annual rental of \$42,000 for sixty (60) trains per week; for any trains beyond that number, \$8 per train.

The aggregate length of the system of roads operated by this Company, including one hundred and nine miles of leased road, was by last Report eleven hundred and thirty-six and one-half miles.

On the first day of August the Mahoning Coal Railroad, extending from Andover, on the Ashtabula Branch, (twenty-four miles from Ashtabula,) to the large and flourishing city of Youngstown, Ohio, a distance of thirty-eight miles—with two short branches into coal mines, since built—was opened for business. This Company operates the Mahoning Coal Railroad, under the lease printed in the last Annual Report, for sixty per cent. of its gross earnings, paying over to that Company monthly forty per cent. of the gross earnings. This Company assumed no liability whatever beyond this division of the earnings.

As the business of the Mahoning Coal Railroad is almost wholly the transportation of coal and iron, it was found necessary to reach Lake Erie at the harbor of Ashtabula, hence the Ashtabula Branch was extended from Ashtabula to the harbor, a distance of two and one-half miles, at a cost of \$123,723.69.

The panic of September, following immediately upon the opening of the Mahoning Coal Railroad, was especially depressing in its effects upon the iron and coal interests. This, together with the lack of dock facilities at the harbor, has rendered it impossible to judge, as yet, what the Road will earn under more favorable circumstances. We believe, however, that it will take care of itself, and give this Road a large and fairly remunerative business.

The average number of miles operated by this Company was :

In 1873, 1,154 miles, earning per mile.....	\$16,824
In 1872, 1,061 " " " "	16,682

The whole number of miles of Railroad owned and leased by this Company is one thousand one hundred and eighty-one.

EQUIPMENT.

During the year 1873, the equipment was increased to the extent of forty-four new engines and eight hundred and thirty cars of various classes, at a cost of \$1,196,502.13.

The equipment at the close of the year 1873 stood as follows :

Locomotives	462
Passenger Cars—all classes.....	253
Freight Cars—all classes.....	9,843

We are now supplied with an abundance of motive power, of which forty-five per cent. (two hundred and eight locomotives,) is new, and the rest in good working condition.

Of the ten thousand and ninety-six cars on the Road, four thousand two hundred and ninety-eight (forty-three per cent.) are new, having been added to the equipment since the consolidation in 1869, while large numbers have been built to replace cars worn out or destroyed. It is, therefore, safe to say that nearly one-half of our entire rolling stock is but two years old.

CAPITAL STOCK.

The Capital Stock of the Company is \$50,000,000. Of this sum \$533,500 is the ten per cent. guaranteed stock of the late The Michigan Southern & Northern Indiana Railroad Company. Of this guaranteed stock \$350,600 is "assented," (claim for dividends between 1857 and 1863 settled,) and \$182,900 is "unassented."

BONDED DEBT.

The Bonded Debt of the Company stood—

At the close of the year 1873.....	\$30,195,000
December 31, 1872.....	24,971,000
	<hr/>
INCREASE.....	\$5,224,000

in the bonds of 1882, (\$6,000,000 issue,) described on page eight of the last Annual Report.

This increase yielded to the Company \$4,325,235.28.

The discount, \$898,764.72, was charged to "Income Account," as heretofore, and in accordance with the uniform and conservative policy of the Company in this respect.

The Funded Debt of this Company, and the annual charge for interest thereon, is as follows :

Lake Shore & Michigan Southern.....	\$30,195,000	Interest, 7 per cent.....	\$2,113,650
Detroit, Monroe & Toledo.....	924,000	Interest, 7 per cent.....	64,680
White Pigeon & Kalamazoo.....	600,000	Interest, 7 and 8 per cent.....	44,000
	<u>\$31,719,000</u>		<u>\$2,222,330</u>

A detailed table of the various classes of bonds will be found elsewhere in this Report.

It being soon ascertained that the issue of \$6,000,000, bonds of 1882, was wholly inadequate to meet the pressing necessities of the Road for construction and equipment, and also for the extinguishment of the large floating debt, your Board of Directors resolved upon providing for these purposes, and for the retirement of the \$6,000,000, bonds of 1882, by a second general mortgage of \$25,000,000, a copy of which is hereto appended.

None of these bonds were issued in 1873 ; they are seven per cent. bonds, both registered and coupon, interest payable June 1st and December 1st. Bonds mature December 1, 1903.

The security is a second mortgage (first mortgage being \$25,000,000,) upon a Road and equipment which earned, in 1873, more than \$19,000,000.

It is expected that the issue of \$12,000,000 of these bonds will retire the \$6,000,000, "Bonds of 1882," and extinguish the floating debt. The balance of the \$25,000,000 will be held in reserve for purposes of construction and equipment that will increase the earning capacity of the Road, and will not be used except in case of the most urgent necessity.

EARNINGS—1873.

From Freight	\$14,192,398 77
From Passengers	4,569,729 74
From all other sources	652,380 75
TOTAL	\$19,414,509 26
Operating Expenses and Taxes—seventy and nine-tenths per cent.	13,746,598 54
NET EARNINGS.....	\$ 5,667,910 72
Deduct Interest and Leases.....	\$2,601,210 57
Dividend—ten per cent.—on Guaranteed Stock	53,350 00
	<hr/> 2,654,560 57
Leaving for the Stock—six and one-tenth per cent.....	\$ 3,013,350 15
Paid dividend August 1st—four per cent.....	1,978,040 00
	<hr/> \$ 1,035,310 15
	<hr/>
Gross Earnings—1870.....	\$13,509,235 53
Gross Earnings—1871.....	14,906,280 89
Gross Earnings—1872.....	17,699,935 28
Gross Earnings—1873.....	19,414,509 26

These earnings include the *entire amount* of the earnings of the Jamestown & Franklin Railroad, instead of our sixty per cent., as heretofore stated; forty per cent. is afterward deducted as rental of that road. This corrected basis of comparison is adopted in all the statistics given in this Report.

Increase in gross earnings, 187³ over 187², \$1,714,673.98, which is nine and one-half per cent.

Of this increase \$1,367,536.57 is from freight, an increase of ten and seven-tenths per cent., and \$351,186.45 from passengers, eight and one-half per cent.

Earnings from other sources show a decrease of \$4,049.04.

The average rate per ton per mile on East bound freight, (which is seventy-three per cent. of our entire freight movement,) was one and two hundred and ninety-seven one-thousandths ($1\frac{297}{1000}$) cents in 1873, against one and two hundred and seventy-two one-thousandths ($1\frac{272}{1000}$) in 1872, a slight improvement; but the rate per ton per mile on West bound freight, (which this Company cannot control,) was but one and four hundred and thirty-seven one-thousandths ($1\frac{437}{1000}$) cents in 1873, against one and six hundred and thirty-eight

one-thousandths ($1\frac{638}{1000}$) in 1872—a reduction of two hundred and one one-thousandths ($\frac{201}{1000}$) of one cent—equal to ten per cent. on the entire movement of freight westward; resulting in a loss of *net* earnings of \$411,000, and accounting for one and one-half of the four per cent. increase in operating expenses, (the other two and one-half per cent. is wholly in the excess of steel rail laid in 1873 over the amount put down in 1872, which will be shown under its proper head,) as we were compelled to move seventeen per cent. more tonnage to secure ten and seven-tenths per cent. more earnings.

We continue the record of the steady downward movement in the rate per ton per mile of the entire freight movement of this Road for the past six years.

1868.....	2 43-100 cents per ton per mile.
1869.....	2 34-100 cents per ton per mile.
1870.....	1 50-100 cents per ton per mile.
1871.....	1 39-100 cents per ton per mile.
1872.....	1 37-100 cents per ton per mile.
1873.....	1 33-100 cents per ton per mile.

Had we been able to obtain even the low rate of 1870—one and one-half cents per ton per mile—the net earnings from freight would have been larger by \$1,739,497, and we should have earned the usual February dividend of four per cent., with a handsome surplus besides.

Earnings from passengers show an increase of \$351,186.45, which is eight and one-half per cent.

This increase is derived mainly from local business.

CONSTRUCTION.

This account, in 1873, amounted to \$2,349,959.84. The following details will best explain this expenditure:

Harbor Extension of Ashtabula Branch, $2\frac{1}{2}$ miles.....	\$123,723 69
Second Track, from Elkhart west, $6\frac{1}{4}$ miles.....	111,519 05
Additional Side Tracks, $79\frac{1}{4}$ miles.....	980,993 73
Stone and Iron Bridges.....	327,045 97
Real Estate purchased.....	187,542 41
New Buildings and Machinery.....	553,382 19
Completion Chicago Passenger Depot, (our half,).....	85,752 80

Upon the death of our late President, Hon. HORACE F. CLARK, which occurred June 19, 1873, and the reluctant acceptance of the presidency by the present incumbent, July 1st, it was deemed prudent, in view of the financial condition of the Company, to stop all construction work that could be postponed without actual loss.

Hence the work of building the second track from Elkhart to Chicago—one hundred miles—which had just been entered upon, was stopped at Osceola, six and one-fourth miles west of Elkhart.

A contract for twenty thousand tons of steel rail, of which about half was intended for this hundred miles, could not, however, be canceled, and we received and paid for, in 1873, about fourteen thousand tons of steel rail on this contract. The balance, six thousand tons, we are taking in 1874. This rail was put down in the main track as fast as iron rails needed to be taken out, and amounted to one hundred and forty-one and one-half miles—the entire cost of which has been charged to operating expenses; although the cost over iron rail amounted to \$578,909. This large excess of steel rail laid in 1873 over the amount laid in 1872, (seventy-nine miles,) accounts for two and one-half of the four per cent. increase in operating expenses.

We now have in the main track between Buffalo and Chicago four hundred and thirteen miles of steel rails, equal to forty-four per cent. of both tracks. Of the Road between Buffalo and Cleveland, one hundred and eighty-three miles of double track—equal to three hundred and sixty-six miles of single track—all is steel except eighty-eight miles of single track. On the Cleveland & Toledo Division the steel rail amounts to forty-three miles, and between Toledo and Chicago, ninety-two miles.

Experience has abundantly shown that one steel rail will last as long, at least, as ten iron rails laid opposite to it; hence the policy of renewing track with steel—where the traffic is heavy—needs no defence. Under the present

low rates of transportation no trunk line can afford to put down iron rails.

It was found necessary, to relieve the crowded narrow passage through Cleveland, where the business required the passing of twelve hundred cars per day, to purchase land outside the city for distributing yards, engine house, repair shop, etc.; similar to the improvement at Air Line Junction, outside of Toledo, described in our last Report. After long negotiations, our Chief Engineer secured several different tracts, aggregating one hundred and sixty acres, lying in a body on both sides of our track at Collamer, seven miles east of Cleveland, at \$650 per acre. This land has been graded, several miles of tracks put down, an engine house with twenty-one stalls, and office, is nearly completed. Through freight trains in either direction are now run directly through Cleveland, without stopping to switch, all distributing and switching being done in this yard at Collamer. This improvement, when completed, will enable us to pass through Cleveland fifty per cent. more cars than formerly. Without it we could not have increased the business passing through Cleveland. The maximum had been reached.

The expenditure for construction in 1874 will be limited to the completion of this improvement and other unfinished work, and will be small in the aggregate.

The entire outlay for construction was—

In 1873.....	\$2,349,959 84
In 1872.....	5,504,217 99
In 1871.....	3,343,383 70
In 1870.....	1,113,560 90
TOTAL—four years	<u>\$12,311,122 43</u>

For additional equipment—

1873.....	44 Engines.....	828 Cars.....	\$1,196,502 13
1872.....	72 Engines.....	1,718 Cars.....	1,953,852 90
1871.....	47 Engines.....	1,151 Cars.....	1,301,402 50
1870.....	25 Engines.....	601 Cars.....	654,309 45
TOTAL	188	4,298	<u>5,106,066 98</u>
TOTAL OUTLAY FOR CONSTRUCTION AND EQUIPMENT—four years			<u>\$17,417,189 41</u>

GENERAL REMARKS.

Immediately upon the acceptance of the position of President by the present incumbent, and of Managing Director on the Line by Mr. Amasa Stone, Jr., a conservative and economical policy was inaugurated. Construction work to the amount of \$1,500,000, already ordered, was stopped; a reduction of pay-roll, both by discharge of men and reduction of wages, as far as practicable, was carried out after the panic.

Although the balance sheet printed herewith shows an increase of about \$5,500,000 of debt in 1873, it is proper to say that but \$400,000 of this amount was incurred in the last half of the year, and that was for construction and equipment contracted for prior to July 1st.

With the recent extraordinary open winter in our favor, we enter upon the spring with the Road and equipment in first-class condition, and with fair rates for even the present diminished volume of business, the percentage of operating expenses should be considerably less, and we hope to show a more favorable result in 1874 than for the past year.

When I accepted the position of President of the Company, July 1, 1873, I found its financial affairs in an embarrassed condition by reason of a large floating debt which had been incurred for construction and equipment. This embarrassment was greatly increased by the panic which followed immediately.

When, therefore, the time arrived for the declaration of the usual February dividend, it was deemed sound policy and for the best interest of the stockholders to pass it.

At this time a more encouraging state of affairs exist. The floating debt has been largely reduced, and it is expected that it will be entirely extinguished within a short time.

Your property possesses great value and resources, and with economical management and a fair degree of prosperity

in the business of the country, we think its owners may expect hereafter a regular and fair return upon their capital.

Detailed statements of the earnings and expenses, the resources of the year and disposition of same, the assets and liabilities of the Company, and full statistical information of the results of the past year are hereto appended, to which your attention is invited.

The President and Board of Directors again place upon record their acknowledgment of the energy, fidelity and ability of Mr. CHARLES PAINE, General Superintendent, Mr. CHARLES COLLINS, the Chief Engineer, and other officers of the Company.

C. VANDERBILT,
President.

Cleveland, May 6, 1874.

LAKE SHORE & MICHIGAN SOUTHERN RAILWAY CO.

Per Cent.	1872.	EARNINGS.	1873.	Per Cent.
72.5	\$12,824,862 20	..... From Freight	\$14,192,398 77	73.1
23.8	4,218,543 29	..... " Passengers	4,569,729 74	23.6
1.8	318,367 35	..... " Express	317,257 49	1.6
1.4	240,558 79	..... " Mails	234,695 20	1.2
.2	39,545 64	..... " Rents	43,507 69	.2
.3	58,058 01	..... " all other sources	56,920 37	.3
100.	\$17,699,935 28	..... TOTAL	\$19,414,509 26	100.
Per Cent. of Earnings.	1872.	EXPENSES.	1873.	Per Cent. of Earnings.
1.09	\$ 193,612 89	.... General Office Expenses	\$ 196,590 44	1.01
3.85	681,884 94	.... Conductors and Trainmen	769,442 99	3.97
4.43	783,133 05	.... Enginemen and Firemen	900,217 79	4.65
10.22	1,807,863 27	.... Agents and Station Labor	2,071,504 83	10.68
.19	31,239 44	.... Telegraph Repairs and Supplies	43,505 94	.22
.20	34,694 59	.... Gas-Light Account	38,991 34	.21
4.52	799,861 01	.... Repairs—Engines and Tenders	774,487 35	3.99
5.43	961,107 57	.... " Cars	1,070,049 12	5.52
9.96	1,762,777 90	.... " Roadway and Track	2,113,846 57	10.89
5.30	939,258 28	.... Steel and Iron Rails	1,577,500 83	8.12
.85	151,290 14	.... Repairs—Bridges	73,871 95	.39
.65	121,319 86	.... " Fences	87,650 14	.45
1.82	320,978 15	.... " Buildings	306,270 61	1.58
8.19	1,449,481 75	.... Fuel Consumed	1,521,393 83	7.83
.92	162,824 66	.... Oil and Tallow	169,140 31	.87
.25	44,059 09	.... Waste and Rags	52,385 71	.27
1.37	242,931 44	.... Office, Train and Station Supplies	276,714 14	1.42
.36	62,372 10	.... Damage and Loss—Freight and Baggage	67,863 55	.35
.17	30,653 35	.... Damage to Property and Cattle killed	36,121 70	.19
.34	58,469 31	.... Personal Injuries	57,719 07	.30
.16	28,079 45	.... Law Expenses	68,723 44	.36
.04	6,743 50	.... New York office	15,238 47	.08
.38	68,671 51	.... Rents Payable	73,550 43	.38
1.18	209,803 67	.... Outside Agencies and Advertising	220,828 86	1.14
.18	32,340 03	.... Contingencies	30,893 25	.16
2.75	487,580 70	.... Hire of Cars	673,501 63	3.47
64.8	\$11,473,031 65	..... TOTAL	\$13,288,004 29	68.5
2.1	366,493 97	..... Taxes	458,594 25	2.4
66.9	\$11,839,525 62	..... TOTAL OPERATING EXPENSES AND TAXES	\$13,746,598 54	70.9
33.1	5,860,409 66	..... NET EARNINGS	5,667,910 72	29.1
100.				100.

RESOURCES OF THE YEAR.

NET EARNINGS.....\$5,667,910 72

Deduct—

Interest on Funded Debt	\$2,063,832 61	
" " Floating Debt.....	278,464 54	
Rental—Erie & Kalamazoo Railroad	30,000 00	
" Kalamazoo, Allegan & Grand Rapids Railroad	103,800 00	
" Jamestown & Franklin Railroad.....	113,185 78	
" Mahoning Coal Railroad (five months).....	11,927 64	
Dividend of ten per cent. on Guaranteed Stock.....	53,350 00	
" " August 1st (four per cent.)	1,978,040 00	
	4,632,600 57	

BALANCE.....\$1,035,310 15

Now add—

Increase of Funded Debt	5,224,000 00	
" " Floating Debt (table below).....	304,401 11	
Final Collection on Third Installment New Stock	2,024 10	
Jamestown & Franklin Railroad—Proportion (forty per cent.) of earnings of that Road retained.....	\$113,185 78	
Less Advances to that Company for Interest, etc.....	48,241 58	
	64,944 20	
Dunkirk, Warren & Pittsburgh Gold Bonds (\$50,000) sold for.....	51,250 00	
Loan to same Company paid.....	30,000 00	
Collected on Lockwood notes	12,666 56	
Settlement with P. H. Watson (right of way matters)	20,978 66	

TOTAL TO BE ACCOUNTED FOR.....\$6,745,574 78

FLOATING LIABILITIES.

	Dec. 31, 1873.	Dec. 31, 1872
Bills Payable.....	\$4,736,048 31	\$2,325,219 27
United States Tax Claim.....	114,933 57	-----
Interest due January 1st	287,780 00	250,112 35
Dividend due February 1st	26,675 00*	2,004,315 00
Other Dividends not called for.....	58,435 78	-----
December Liabilities payable in January.....	1,430,548 99	1,319,849 86
Union Trust Company of New York.....	-----	450,524 06
TOTAL.....	\$6,654,421 65	\$6,350,020 54

INCREASE.....\$304,401 11

* Guaranteed Stock.

DISPOSITION OF RESOURCES.

CONSTRUCTION.

Harbor Extension of Ashtabula Branch (2½ miles).....	\$ 123,723 69
Second Track (6¼ miles)	111,519 05
New Side Tracks (79 39-100 miles)	960,993 73
Real Estate purchased	187,542 41
New Buildings and Shop Machinery	553,382 19
New Stone Bridges	327,045 97
Completion Chicago Passenger Depot (our half)	85,752 80
TOTAL CONSTRUCTION	\$2,349,959 84

EQUIPMENT.

Engines increased from 418 to 462 = 44	\$532,483 78
Cars increased from 9,266 to 10,096 = 830	664,018 35
	<u>1,196,502 13</u>

MISCELLANEOUS.

Pacific Hotel Company First Mortgage Bonds (\$175,000)	\$173,112 50
Cincinnati, Wabash & Mich. Gold Bonds (bought under a traffic agreement)	15,000 00
Advances to Northern Central Michigan Railroad	161,286 15
Capital advanced to Co-operative Despatch Lines	73,154 39
Bills Receivable, New York	500,000 00
Lake Shore & Tuscarawas Valley Railroad First Mortgage 7 per cent. Gold Bonds (\$400,000)	400,000 00
Mahoning Coal Railroad First Mortgage 7 per cent. Bonds (\$200,000)	200,000 00
Discount on Bonds sold (\$5,224,000)	898,764 72
Government Tax Claim of 1870 and 1871	114,933 57

TOTAL AMOUNT DISPOSED OF

Balance is on hand in increase of Floating Assets, as per table below.. 662,861 48

TOTAL AMOUNT ACCOUNTED FOR

\$6,745,574 78

FLOATING ASSETS.

	Dec. 31, 1873.	Dec. 31, 1872.
Cash in New York	\$ 400,000 00	\$
Cash in Cleveland	66,849 73	62,220 83
Uncollected Earnings	972,795 16	864,287 68
Individual Accounts	36,489 95	105,362 79
Supplies—Rails, Fuel, etc.	2,663,479 39	2,442,516 54
Bills Receivable	33,404 74	36,851 19
Bond Scrips	1,737 54	656 00
TOTAL	\$4,174,756 51	\$3,511,895 03
INCREASE	\$662,861 48	

CONDENSED BALANCE SHEET, DECEMBER 31, 1873.

A S S E T S .

Lake Shore & Michigan Southern Railway and Branches, 869 miles.....	\$63,495,167	93
Detroit, Monroe & Toledo Railroad, 65 miles.....	1,291,968	13
White Pigeon & Kalamazoo Railroad, 36 miles.....	610,000	00
Northern Central Michigan Railroad, 61 miles.....	1,327,240	96
Jamestown & Franklin Railroad, 51 miles—		
Advances to December 31, 1873.....	\$804,743	20
First Mortgage Bonds, (\$312,000).....	279,300	00
Second Mortgage Bonds, (\$300,000).....	255,000	00
Stock, (\$400,000).....	320,000	00
	1,659,043	20
Equipment for 1,181 miles Road, 462 Locomotives, 10,096 Cars.....	13,580,688	93
Lake Shore & Michigan Southern Railway Stock, (2,514 shares).....	251,400	00
Detroit, Monroe & Toledo Railroad Stock, (4,136 shares).....	413,600	00
Toledo, Wabash & Western Railway Stock, (1,000 shares).....	77,416	11
Philadelphia & Erie Railroad Stock.....	\$500,000	00
Union Stock Yard Stock, (Chicago,).....	200,000	00
Empire Transportation Stock.....	60,750	00
Merchants' Despatch Transportation Company Stock.....	50,000	00
Capital advanced to Co-operative Despatch Lines.....	85,154	39
Oil Creek & Allegheny River Railroad Stock.....	300	00
Lake Shore & Tuscarawas Valley R'y—1st Mortgage Bonds.....	\$400,000	00
Mahoning Coal Railroad—1st Mortgage Bonds.....	200,000	00
Buffalo, Corry and Pittsburgh Railroad—1st Mortgage Bonds..	100,000	00
Erie & Pittsburgh Railroad—1st Mortgage Bonds.....	14,000	00
Grand Rapid, Newago & L. S. Railroad—1st Mortgage Bonds...	10,000	00
White Pigeon & Kalamazoo Railroad—1st Mortgage Bonds....	58,000	00
Michigan Lake Shore Railroad—1st Mortgage Bonds.....	6,000	00
Cincinnati, Wabash & Michigan Railroad—1st Mortgage Bonds.	15,000	00
Toledo, Wabash & West'n R'y Sink. Fund—1st Mortgage Bonds,	6,000	00
Leavenworth (Kansas) County Bonds.....	66,000	00
Sundry Bond Scrips, (our own issues,).....	1,737	54
Pacific Hotel Company, Chicago—		
First Mortgage Bonds, (\$175,000).....	\$173,112	50
Second Mortgage Bonds, (\$196,000).....	117,600	00
Stock, (\$125,000).....	125,000	00
	415,712	50
Bills Receivable—New York.....	500,000	00
Bills Receivable—Cleveland.....	33,404	74
Bills Receivable—Lockwood.....	309,333	44
Cash in New York.....	400,000	00
Cash in Cleveland.....	66,849	73
Uncollected Earnings.....	972,795	16
Individual Accounts.....	36,489	95
General Office Building, Cleveland, (40 per cent.).....	11,612	14
Supplies, Rails, Fuel, etc.....	2,663,479	39
	\$89,802,097	09

* Amount realized in Cash since Jan. 1, 1874, from sale of the Road.

LAKE SHORE & MICHIGAN SOUTHERN RAILWAY.

LIABILITIES.

Capital Stock, (\$533,500 ten per cent. guaranteed,)..... \$50,000,000 00

Funded Debt, (detailed table elsewhere,)—

Lake Shore & Michigan Southern Railway Company.....	30,195,000 00
Detroit, Monroe & Toledo Railroad.....	924,000 00
White Pigeon & Kalamazoo Railroad.....	600,000 00

Floating Debt—

Bills Payable.....	\$4,736,048 31	
United States Tax Claim.....	114,933 57	
Interest Due January 1, 1874.....	287,780 00	
Dividend on Guaranteed Stock, February 1, 1874.....	26,675 00	
Other Dividends Unpaid.....	58,435 78	
		5,223,872 66

December Liabilities, payable in January..... 1,430,548 99

Income or Profit and Loss Account..... 1,428,675 44

\$89,802,097 09

LAKE SHORE & MICHIGAN SOUTHERN RAILWAY.

EARNINGS AND EXPENSES IN DETAIL,

FOR THE YEAR 1873.

1873.	Per Cent.	January.	February.	March.	April.	May.
EARNINGS.						
From Freight	73.1	1,131,069 48	1,285,344 24	1,375,558 25	1,269,458 99	1,227,533 89
“ Passengers	23.6	262,279 16	262,995 04	345,317 01	386,364 38	379,596 81
“ Express	1.6	24,958 97	23,952 24	26,035 39	27,463 29	28,859 05
“ Mails	1.2	19,557 93	19,557 93	19,557 93	19,557 93	19,557 93
“ Rents .....	.2	2,842 37	4,207 58	3,563 43	2,194 15	2,856 65
“ All other sources .....	.3	4,511 98	4,876 12	4,095 56	4,841 45	4,636 13
TOTALS	100.	1,445,219 89	1,600,933 15	1,774,127 57	1,709,880 19	1,663,040 46
EXPENSES.						
General Office Expenses	1.40	17,120 08	18,156 80	16,936 31	17,824 92	17,137 58
Conductors and Trainmen	5.80	66,484 61	64,023 11	66,419 60	63,498 56	66,753 46
Enginemen and Firemen	6.77	78,287 60	72,444 17	77,440 12	73,292 53	78,883 46
Agents and Station Labor	15.60	172,871 84	165,928 02	174,988 43	174,283 13	175,625 35
Telegraph Repairs and Supplies .....	.33	2,841 56	2,704 07	2,048 27	3,034 77	3,536 06
Gaslight Account .....	.29	3,972 00	3,621 42	3,343 90	3,213 19	3,362 19
Repairs Engines and Tenders	5.82	70,085 33	66,097 36	66,420 51	65,843 97	70,065 41
“ Cars	8.05	92,509 21	84,512 34	103,258 57	95,437 26	83,022 07
“ Roadway and Track	15.91	111,493 96	148,252 15	144,553 55	168,533 81	231,518 45
Rail Account—Steel and Iron	11.88	86,642 08	98,951 51	207,819 61	183,914 96	94,803 83
Repairs Bridges .....	.55	3,968 81	5,046 43	4,446 27	5,407 74	6,638 61
“ Fences .....	.66	1,100 99	3,241 49	3,659 39	6,267 98	12,401 19
“ Buildings and Fixtures	2.30	14,862 78	28,367 75	25,174 62	16,288 95	23,139 57
Fuel Consumed	11.46	120,000 00	120,000 00	120,000 00	120,000 00	120,000 00
Oil and Tallow	1.27	13,666 58	15,420 87	14,904 02	14,231 77	14,292 11
Waste and Rags .....	.39	4,282 00	4,099 81	5,706 16	4,866 85	4,269 87
Office, Train & Station Supplies	2.09	30,907 56	21,112 34	20,368 23	23,929 80	25,169 95
Damage & Loss, Fr'ght & Bag'ge .....	.59	13,893 33	13,618 41	2,348 49	3,634 30	4,364 07
Dam'ge to Prop'ty & Cattle kill'd .....	.27	2,205 25	4,453 25	9,084 45	4,811 00	4,432 62
Personal Injuries .....	.43	5,259 68	7,774 85	5,404 24	5,952 21	4,680 37
Law Expenses .....	.52	3,178 59	4,968 21	3,500 13	5,713 78	5,159 55
New York Office .....	.11	.....	2,765 64	141 40	1,166 50	.....
Rents Payable .....	.55	4,830 67	4,821 67	6,074 42	11,178 62	6,109 21
Outside Agencies & Advertising	1.66	19,463 14	21,741 67	17,808 18	15,627 77	20,553 45
Contingencies .....	.23	1,159 23	9,326 83	3,440 87	3,714 70	2,546 21
Hire of Cars	5.07	56,144 17	62,081 94	65,258 42	64,995 67	56,071 92
TOTALS	100.	997,231 05	1,053,532 11	1,170,554 16	1,156,664 74	1,134,536 56

LAKE SHORE & MICHIGAN SOUTHERN RAILWAY.

EARNINGS AND EXPENSES IN DETAIL,

FOR THE YEAR 1873.

June.	July.	August.	September.	October.	November.	December.	TOTAL.
1,149,576 91	992,066 12	1,071,911 00	1,221,989 58	1,236,533 55	1,037,176 46	1,194,180 30	\$14,192,398 77
401,598 35	423,629 05	445,746 95	514,786 07	492,627 16	338,804 75	315,985 01	4,569,729 74
24,620 03	22,847 94	21,700 00	25,303 33	28,358 97	30,271 04	32,887 24	317,257 49
19,557 93	19,557 93	19,557 93	19,557 94	19,557 94	19,557 94	19,557 94	234,695 20
4,681 28	4,952 94	3,877 90	4,469 99	2,700 15	2,746 20	4,415 05	43,507 69
4,413 18	3,902 54	4,120 72	5,268 74	5,408 31	5,178 39	5,667 25	56,920 37
1,604,447 68	1,466,956 52	1,566,914 50	1,791,375 65	1,785,186 08	1,433,734 78	1,572,692 79	\$19,414,509 26
16,006 75	15,847 91	14,877 29	15,510 82	14,908 26	15,206 89	17,056 83	196,590 44
67,886 78	62,313 12	61,384 08	65,661 74	64,315 45	57,435 03	63,767 45	769,442 99
77,464 42	74,982 01	73,784 40	76,130 61	77,040 83	69,045 91	71,421 73	900,217 79
172,144 59	174,346 85	175,629 82	184,120 50	177,314 51	159,368 95	164,882 84	2,071,504 83
3,925 08	5,639 47	4,822 25	4,521 27	4,708 06	3,254 96	2,470 12	43,505 94
2,138 62	2,547 09	2,451 53	2,989 79	2,759 51	4,157 64	4,434 46	38,991 84
64,997 75	63,133 08	69,171 73	66,381 81	59,549 65	54,567 24	58,167 51	774,487 35
91,720 70	87,267 75	82,729 52	83,645 12	81,896 88	77,466 85	106,582 85	1,070,049 12
226,283 70	206,393 37	226,197 83	212,521 82	205,203 93	131,536 96	101,357 04	2,113,846 57
132,178 15	136,438 37	84,553 88	119,992 82	159,422 76	137,460 85	135,322 01	1,577,500 83
10,233 60	10,495 95	7,760 24	5,548 69	7,192 73	3,805 10	3,327 78	73,871 95
13,201 23	12,547 56	12,330 97	7,542 15	9,039 73	4,520 55	1,796 91	87,650 14
34,868 15	25,625 34	25,744 67	25,807 55	36,684 25	26,548 51	23,158 47	306,270 61
120,000 00	120,000 00	120,000 00	120,000 00	126,584 44	130,927 94	183,381 45	1,521,393 83
13,987 02	13,972 14	13,142 72	14,053 13	15,143 52	13,100 34	13,226 09	169,140 31
4,295 18	4,045 69	3,832 47	4,737 84	4,969 06	4,114 17	3,166 61	52,385 71
19,375 11	21,589 29	22,707 41	23,091 99	26,481 81	19,066 63	22,914 02	276,714 14
15,080 18	3,383 09	1,466 10	3,220 89	3,919 74	2,036 11	898 84	67,863 55
2,505 51	1,464 74	2,616 21	739 74	1,024 11	2,130 82	654 00	36,121 70
3,593 03	4,107 02	2,987 04	5,780 27	3,295 89	2,844 11	6,035 36	57,719 07
17,439 93	4,324 81	5,969 91	5,015 63	2,022 56	2,342 62	9,087 72	68,723 44
2,806 45	3,314 78	4,438 75	141 85	141 00	138 50	133 60	15,238 47
5,002 35	9,049 09	5,588 37	4,959 67	6,129 02	5,182 67	4,624 67	73,550 43
17,811 83	17,073 40	16,455 85	17,763 97	13,254 37	13,401 81	24,873 42	220,828 86
2,666 46	1,684 24	1,511 75	962 48	1,902 97	927 17	1,050 34	30,893 25
69,132 42	52,052 39	42,533 44	52,146 51	64,864 56	40,252 67	47,917 52	673,501 63
1,206,299 99	1,133,638 55	1,084,738 23	1,122,988 66	1,174,769 60	980,841 00	1,072,209 64	\$13,288,094 29
Taxes.....							458,594 25
TOTAL—OPERATING EXPENSES AND TAXES.....							\$13,746,598 54

DETAILED STATEMENT

OF THE

FUNDED DEBT OF THE LAKE SHORE & MICHIGAN SOUTHERN RAILWAY CO.

DATE OF ISSUE.	NAME AND CHARACTER.	WHEN DUE.	AMOUNT- OUTSTAND- ING.	RATE OF INTEREST AND WHEN PAYABLE.	ANNUAL INTEREST.
July 1, 1884	Cleveland, Painesville & Ashtabula—Special Mortgage.....	July 1, 1874	\$ 500,000	7% January and July.....	\$ 35,000
Jan. 1, 1889	Cleveland, Painesville & Ashtabula Registered—Mortgage.....	Jan. 1, 1880	1,000,000	7 January and July.....	70,000
Oct. 1, 1887	Cleveland, Painesville & Ashtabula—Third Mortgage.....	Oct. 1, 1882	1,000,000	7 April and October.....	70,000
April 1, 1889	Lake Shore Railway—Dividend Bonds.....	April 1, 1889	1,498,000	7 April and October.....	104,860
Oct. 1, 1889	Lake Shore & Michigan Southern—Sinking Fund Mortgage.....	Oct. 1, 1879	1,600,000	7 April and October.....	112,000
July 1, 1870	Lake Shore & Michigan Southern—Consol. Mortgage Sinking Fund, (Registered)	July 1, 1900	4,280,000	7 Jan., April, July & Oct.,	298,600
July 1, 1870	Lake Shore & Michigan Southern—Consol. Mortgage Sinking Fund, (Coupon)....	July 1, 1900	1,209,000	7 January and July.....	84,630
Oct. 1, 1872	Lake Shore & Michigan Southern—Bonds of 1882, (Registered and Coupon).....	Oct. 1, 1882	5,205,000	7 April and October.....	364,350
May 1, 1885	Michigan Southern & Northern Indiana—First Mortgage.....	May 1, 1885	5,258,000	7 May and November.....	367,920
Nov. 1, 1887	Michigan Southern & Northern Indiana—Second Mortgage.....	Nov. 1, 1877	2,692,000	7 May and November.....	188,440
July 1, 1885	Cleveland & Toledo—First Mortgage.....	July 1, 1885	1,595,000	7 January and July.....	111,650
April 1, 1886	Cleveland & Toledo—Second Mortgage.....	April 1, 1886	860,000	7 April and October.....	60,200
July 1, 1882	Buffalo & Erie—Mortgage.....	July 1, 1882	200,000	7 January and July.....	14,000
Sept. 1, 1886	Buffalo & Erie—Mortgage.....	Sept. 1, 1886	300,000	7 March and September.....	21,000
April 1, 1888	Buffalo & Erie—Mortgage.....	April 1, 1888	3,000,000	7 April and October.....	210,000
TOTAL DEBT—LAKE SHORE & MICHIGAN SOUTHERN RAILWAY PROPER.....			\$30,195,000		\$2,113,650

DEBT OF ROADS OWNED WHOLLY BY LAKE SHORE & MICHIGAN SOUTHERN RAILWAY.

DATE OF ISSUE.	NAME AND CHARACTER.	WHEN DUE.	AMOUNT OUTSTANDING.	RATE OF INTEREST AND WHEN PAYABLE.	ANNUAL INTEREST.
Aug. 1, 1856	Detroit, Monroe & Toledo—First Mortgage.....	Aug. 1, 1876	\$924,000	7% February and August..	\$64,680
Sept. 1, 1869	Kalamazoo & White Pigeon—First Mortgage.....	Jan. 1, 1890	400,000	7 January and July.....	28,000
Oct. 1, 1867	Schoolcraft & Three Rivers—First Mortgage.....	July 1, 1887	100,000	8 January and July.....	8,000
Oct. 1, 1867	Kalamazoo & Schoolcraft—First Mortgage.....	July 1, 1887	100,000	8 January and July.....	8,000
			\$1,524,000		\$108,680

DEBT OF LEASED ROADS.

DATE OF ISSUE.	NAME AND CHARACTER.	WHEN DUE.	AMOUNT OUTSTANDING.	RATE OF INTEREST AND WHEN PAYABLE.	ANNUAL INTEREST.
June 1, 1868	Kalamazoo, Allegan & Grand Rapids—First Mortgage.....	July 1, 1888	\$840,000	8% January and July.....	\$67,200
July 1, 1863	Jamestown & Franklin—First Mortgage.....	Diff't dates.	468,000	7 January and July.....	32,760
June 1, 1869	Jamestown & Franklin—Second Mortgage.....	June 1, 1894	500,000	7 December and June.....	35,000
			\$1,808,000		\$134,960
	Kalamazoo, Allegan & Grand Rapids Railroad—Stook.....		610,000	6% April and October.....	36,600

INCOME ACCOUNT—1873.

Balance to the credit of this account January 1, 1873	\$ 1,417,629 74
Add—	
Gross Earnings, 1873	19,414,509 26
Stock Dividend—Union Stock-Yard Stock	100,000 00
Profit on sale of Dunkirk, Warren & Pittsburgh Bonds (\$50,000) ...	6,250 00
Final Payment "Third Installment" New Stock.....	2,024 10
TOTAL	\$20,940,413 10

Dr.

To Operating Expenses, 1873	\$13,288,004 29
" Taxes, 1873.....	458,594 25
" Interest Funded Debt, 1873.....	2,063,832 61
" " Floating Debt, 1873.....	278,464 54
" Rent Leased Roads, 1873.....	258,913 42
" Dividend of August 1st (four per cent.).....	1,978,040 00
" Dividend "Guaranteed Stock" (ten per cent.)	53,350 00
" Government Claim—Taxes for 1870 and 1871.....	114,933 57
" Discount on Bonds sold (\$5,224,000)	898,764 72
" Loss of Advances to Buffalo, Corry & Pittsburgh Railroad by sale of the Road.....	55,398 11
" Loss on Bonds (\$100,000) same Road, [realized from sale \$36,557.85]	63,442 15
TOTAL DEBIT	19,511,737 66
CREDIT BALANCE DECEMBER 31, 1873.....	\$ 1,428,675 44

CHIEF ENGINEER'S DEPARTMENT.

GENERAL SUMMARY OF OPERATIONS, 1873.

CONSTRUCTION.

Harbor Extension of Ashtabula Branch (2½ miles)	\$ 123,723 69
Second Track—Elkhart to Osceola (6¼ miles)	111,519 05
New Side Tracks (79 39-100 miles)	960,993 73
Real Estate purchased	187,542 41
New Buildings and Shop Machinery	553,382 19
New Stone Bridges	327,045 97
Completion Chicago Passenger Depot (our half)	85,752 80
TOTAL	\$2,349,959 84

REPAIRS AND RENEWALS.

(Included in Operating Expenses.)

Steel Rail	13,463 tons	141.59 miles.
Silicon Steel Rail	771 tons	8.19 miles.
New and Re-rolled Iron Rail	13,633 tons	142.14 miles.
	27,867 tons	291.92 miles.
Repaired Iron Rail	6,944 tons	73.65 miles.
TOTAL	34,811 tons	365.57 miles.
Cross-Ties renewed, 403,645, equal to		154.43 miles.
Fence built		176.42 miles.
Track ballasted in 1873—Stone		26.35 miles.
Gravel		322.81 miles.
Fuel consumed—Wood		169,956 cords.
Coal		229,486 tons.
Average Cost of Wood used for Locomotives		\$3.48 per cord.
Average Cost of Coal used for Locomotives		\$3.92 per ton.

CHIEF ENGINEER'S TABLE OF ROAD OPERATED

BY THE

LAKE SHORE & MICHIGAN SOUTHERN RAILWAY COMPANY.

JANUARY 1, 1874.

MAIN LINE.

Buffalo to Erie	88.00	MILES.
Erie to Cleveland	95.50	
Cleveland to west end Toledo Bridge, via Norwalk	111.77	
West end Toledo Bridge to Toledo	1.10	
Toledo to Chicago, via Adrian	244.00	
	<u>540.37</u>	

BRANCHES.

Elyria Junction to Millbury Junction, via Sandusky	72.95
Sandusky Pier, from Junction to Old Depot	3.74
Air Line Junction to Elkhart	130.70
Toledo to Detroit, (Detroit, Monroe & Toledo R. R.)	64.79
Adrian to Jackson	46.00
Adrian to Monroe	33.60
White Pigeon to Grand Rapids, (Kal. & W. P. and Kal., All'gn & G. R. R.'s)	94.68
Jonesville to North Lansing, (Northern Central Michigan R. R.)	61.14
Jamestown & Franklin R. R.	51.10
Ashtabula to Jamestown	36.09
Harbor—Ashtabula Station to the Harbor	2.51
Mahoning—Andover to Youngstown, (Mahoning Coal R. R.)	38.00
Vienna—Tyrrel Hill to Vienna	2.60
Sharon—Coalburgh to New York .....	.98
Junction with D. W. & P. R. R. at Dunkirk	1.50
	<u>640.38</u>
TOTAL SINGLE TRACK	1,180.75

SECOND TRACK.

Between Buffalo and Erie	88.00
Between Erie and Cleveland	95.50
Between Cleveland and west end Toledo Bridge	32.50
West end Toledo Bridge to Toledo	1.10
Toledo to Air Line Junction	2.50
Elkhart to Osceola West Switch	6.25
Terre Coupee to Carlisle	1.75
Grand Crossing to Englewood	2.40
	<u>230.00</u>

SIDE TRACKS.

Buffalo Division	49.20
Erie Division	53.75
Toledo Division	97.98
Franklin Division	18.38
Michigan Southern Division	169.24
	<u>388.55</u>
TOTAL TRACK	1,799.30

RECAPITULATION.

DIVISION.	MAIN LINE.	BRANCHES.	SIDINGS.	SECOND.	TOTAL.
Lake Shore	Miles. 295.27	Miles. 209.47	Miles. 219.31	Miles. 216.00	Miles. 940.05
Michigan Southern	245.10	430.91	169.24	14.00	859.25
TOTAL	540.37	640.38	388.55	230.00	1,799.30

LAKE SHORE & MICHIGAN SOUTHERN RAILWAY.

TABLE OF TRACKS,

JANUARY 1, 1874.

Showing the Length of same in each State through which the Line passes.

TRACKS.	STATE.						TOTAL.
	N. Y.	PENN.	OHIO.	IND'NA.	MICH.	ILLIN'S.	
Single Track—	Miles.	Miles.	Miles.	Miles.	Miles.	Miles.	Miles.
Main Line	69.50	44.06	195.00	101.90	115.90	14.00	540.36
Branches	1.50	56.39	226.69	65.80	290.01	-----	640.39
Sidings	39.49	38.17	183.92	52.02	54.78	20.17	388.55
TOTAL SINGLE TRACK	110.49	138.62	605.62	219.72	460.69	34.17	1,569.30
Second Track	69.50	44.06	106.06	8.00	-----	2.40	230.00
TOTAL MILES	180.00	182.68	711.68	227.72	460.69	36.57	1,799.30

RECAPITULATION.

STATE OF—	SINGLE TRACK.				SECOND TRACK.	TOTAL.
	MAIN LINE.	BRANCHES	SIDINGS.	TOTAL.		
	Miles.	Miles.	Miles.	Miles.	Miles.	Miles.
New York	69.50	1.50	39.49	110.49	69.50	179.99
Pennsylvania	44.06	56.39	38.17	138.62	44.06	182.68
Ohio	195.01	226.69	183.93	605.63	106.06	711.69
Indiana	101.90	65.80	52.02	219.72	8.00	227.72
Michigan	115.90	290.01	54.78	460.69	-----	460.69
Illinois	14.00	-----	20.17	34.17	2.40	36.57
TOTAL	540.37	640.38	388.55	1,569.32	230.00	1,799.30

MILEAGE STATISTICS.

1872.	1873.
1,061.....Average number of Miles operated.....	1,154
\$16,682.....Gross Earnings per Mile of Road.....	\$16,824
\$11,177.....Operating Expenses and Taxes per Mile of Road.....	\$11,928
<u>\$5,505.....NET EARNINGS PER MILE OF ROAD.....</u>	<u>\$4,896</u>
87.....Per Centage Operating Expenses and Taxes.....	70.9

MILEAGE OF TRAINS.

7,121,795.....Freight Train Mileage.....	8,026,320
\$1 80.....Freight Train Earnings per Mile.....	\$1 77
1 21.....Freight Train Expenses per Mile.....	1 25½
<u>\$0 59.....NET EARNINGS FREIGHT TRAINS PER MILE.....</u>	<u>\$0 51½</u>
2,640,344.....Passenger Train Mileage.....	2,952,823
\$1 81.....Earnings Passenger Trains per Mile.....	\$1 74
1 21.....Expenses Passenger Trains per Mile.....	1 23½
<u>\$0 60.....NET EARNINGS PASSENGER TRAINS PER MILE.....</u>	<u>\$0 50½</u>

MILEAGE OF FREIGHT AND PASSENGERS.

FREIGHT EARNING REVENUE.

924,844,140.....Tons carried One Mile.....	1,053,927.189
Cents, 1.374.....Earnings per Ton per Mile.....	Cents, 1.335
“ 0.920.....Expenses per Ton per Mile.....	“ 0.946
<u>Cents, 0.454.....NET EARNINGS PER TON PER MILE.....</u>	<u>Cents, 0.389</u>

FREIGHT NOT EARNING REVENUE.—(Being for use of the Company.)

29,129,012.....Tons moved in Freight Trains One Mile.....	37,655,074
Cents, 0.920.....Cost per Ton per Mile.....	Cents, 0.946
<u>\$267,987.....Amount of Cost of this Transportation.....</u>	<u>\$356,217 00</u>

PASSENGERS.

162,308,495.....Number carried One Mile.....	179,363,173
Cents, 2.60.....Earnings per Passenger per Mile.....	Cents, 2.55
“ 1.74.....Expenses per Passenger per Mile.....	“ 1.81
<u>“ 0.86.....NET EARNINGS PER PASSENGER PER MILE.....</u>	<u>“ 0.74</u>

EQUIPMENT.

	Dec. 31, 1873.	Dec. 31, 1872.
LOCOMOTIVES.....	462	418

PASSENGER EQUIPMENT.

First Class Passenger Cars.....	133	122
Second Class and Smoking Cars.....	11	14
Emigrant Cars.....	27	23
Railroad Postal Cars.....	12	13
Baggage Cars.....	57	56
Paymasters' Cars.....	2	2
Express Freight.....	11	11
TOTAL.....	253	241

FREIGHT EQUIPMENT.

Box Cars.....	4,916	4,595
Stock Cars.....	1,323	1,323
Oil Cars, (sixty-four bbls.).....	200	.....
Platform Cars.....	1,789	1,757
Coal Cars.....	1,210	962
Caboose Cars.....	248	232
Derrick Cars.....	9	8
Dumper Cars.....	148	148
TOTAL.....	9,843	9,025
Total Cars—all classes.....	10,096	9,266
INCREASE.....	830	

LOCOMOTIVE DEPARTMENT.

	1873.	1872.
Miles run by Engines	15,421,208	13,477,534
Cost of Repairs Engines	\$774,487 35	\$799,861 01
Cost of Repairs Engines per Mile run.....	Cents, 5.02	Cents, 5.93
Cost of Enginemmen and Firemen.....	\$900,217 79	\$783,133 05
Cost of Enginemmen and Firemen per Mile run	Cents, 5.8	Cents, 5.8
Cost of Fuel consumed	\$1,521,393 83	\$1,449,481 75
Cost of Fuel consumed per Mile run.....	Cents, 9.2	Cents, 10.7

RENEWALS AND REPAIRS.

	1873.	1872.
New Stationary Boilers	5	3
New Boilers (complete).....	11	16
New Fire-Boxes (steel).....	21	8
New Driving Wheels.....	21	22
New Driving Axles.....	20	12
Steel Tyres.....	96	72
Truck and Tender Wheels.....	3,353	2,551
Truck and Tender Axles	201	198
Crown Sheets (steel)	28	22
Crown Sheets (iron)	1	4
Flue Sheets (steel).....	46	45
Flue Sheets (iron)	2	5
Iron Flues	sets, 26	28
Cylinders.....	11	8
Engine Pilots.....	134	112
Engine Cabs	43	47
Engine Tanks	9	21
Engines changed to Coal-Burners	27	35
Engines to which Westinghouse Brake has been attached	13	30
Number of Engines on the Road December 31st.....	462	418

CAR DEPARTMENT.

Repairs of Cars—all classes—(including 204 New Cars, built to replace Cars worn out or destroyed)—Cost in 1873	\$1,070,049 12
Average Number of Cars in service	9,546
New Wheels used in Repairs of Cars	14,219
(Equal to 18½ per cent. of Whole Number of Wheels in service.)	
New Axles used in Repairs of Cars'	2,743
(Equal to 7 per cent. of Whole Number of Axles in service.)	
Coaches painted	25
Second-Class Cars painted	10
Baggage and Mail Cars painted	16
New six-wheel Trucks put under Coaches	pairs, 1
New four-wheel Trucks put under Coaches	pairs, 7
New four-wheel Trucks put under Baggage Cars	pairs, 2
Westinghouse Air Brake applied to 33 Cars, as follows:	
Sleeping and Drawing Room Cars	2
First-Class Coaches	15
Smoking and Second-Class Cars	15
Baggage and Express Cars	1
Total Number of Cars in service in 1873—	
January	9,266
February	9,280
March	9,277
April	9,278
May	9,306
June	9,446
July	9,631
August	9,644
September	9,697
October	9,786
November	9,839
December	10,096

GENERAL SUMMARY OF FREIGHT BUSINESS

FOR THE YEAR ENDING DECEMBER 31, 1873.

TONNAGE AND EARNINGS.

	TONS.	EARNINGS.	TONS CARRIED ONE MILE.	RATE PER TON PER MILE. CENTS.
East-bound Freight.....	3,546,009	\$ 9,994,546 44	770,423,785	1.297
West-bound Freight.....	1,965,909	4,074,855 93	283,503,404	1.437
TOTALS.....	5,511,918	\$14,069,402 37	1,053,927,189	1.335
Storage, Elevating, etc.,		53,281 44		
E. & P. R. R. Freight, between Erie and Girard...		69,714 96		
TOTAL REVENUE.....		\$14,192,398 77		

TONNAGE AND EARNINGS—Compared with Last Year.

	1873.		1872.	
	TONS.	EARNINGS.	TONS.	EARNINGS.
East-bound Freight.....	3,546,009	\$ 9,994,546 44	3,012,673	\$ 8,488,927 09
West-bound Freight.....	1,965,909	4,074,855 93	1,702,060	4,217,956 37
Storage, Elevating, etc.....		53,281 44		54,037 19
E. & P. R. R. Freight.....		69,714 96		63,941 55
TOTALS.....	5,511,918	\$14,192,398 77	4,714,733	\$12,824,862 20
INCREASE OF TONNAGE—East-bound.....		533,336	“	17.7 per cent.
“ “ “ West-bound.....		263,849	“	15.5 “
INCREASE OF TOTAL TONNAGE.....		797,185	“	16.9 “
INCREASE OF EARNINGS—East-bound.....		\$1,505,619 35	“	17.7 “
DECREASE “ “ West-bound.....		143,100 44	“	3.4 “
INCREASE OF TOTAL EARNINGS, Excluding Storage, etc.		\$1,362,518 91	“	10.7 “
“ “ “ Including Storage, etc.		1,367,536 57	“	10.7 “

TONS CARRIED ONE MILE AND RATE—Compared with Last Year.

	PER CENTAGE THIS YEAR.	1873.		1872.	
		TONS CARRIED ONE MILE.	RATE. CENTS.	TONS CARRIED ONE MILE.	RATE. CENTS.
East-bound Freight.....	73	770,423,785	1.297	667,369,119	1.272
West-bound Freight.....	27	283,503,404	1.437	257,475,021	1.648
TOTALS.....		1,053,927,189	1.335	924,844,140	1.374

The Increase of Freight Movement this year is, on East-bound, fifteen and four-tenths per cent.; West-bound, ten and one-tenth per cent.; Total, fourteen per cent. The average haul for each ton carried, was one hundred and ninety-one miles.

The Rate on East-bound was increased 25-1000 of a cent; on West-bound it was reduced 201-1000, causing a reduction in the average Rate for all Freight of 39-1000 of a cent., or a loss in Net Revenue of about \$411,000.00.

COMPARATIVE STATEMENT,

SHOWING

TONNAGE AND PERCENTAGE OF ARTICLES CARRIED IN 1873.

COMPARED WITH 1872.

JAMESTOWN & FRANKLIN AND MAHONING COAL BRANCHES NOT INCLUDED.*

ARTICLES.	1873.		1872.		INCREASE AND DECREASE THIS YEAR.
	Per Ct.	Tons.	Per Ct.	Tons.	
Coal	07.9	396,296	06.5	283,902	Per Cent. Inc. 39.6
Stone and Lime	03.3	164,680	03.2	142,109	Inc. 15.9
Petroleum	12.6	634,801	08.4	367,851	Inc. 72.6
Railroad and Pig Iron	01.3	67,122	02.1	91,413	Dec. 26.6
Other Iron and Castings	02.0	98,575	02.1	90,499	Inc. 08.9
Lumber and other Forest Products	10.4	526,381	10.4	455,451	Inc. 15.6
Animals	09.5	480,490	09.6	421,463	Inc. 14.0
Grain	16.2	815,825	21.2	928,693	Dec. 12.2
Agricult'l Products, except Grain,	04.6	232,490	03.8	167,029	Inc. 39.2
Flour	05.4	272,452	05.3	230,332	Inc. 18.3
Provisions	05.5	278,675	05.3	233,695	Inc. 19.2
Manufactures	03.6	179,858	04.4	193,951	Dec. 07.3
Merchandise and other articles ...	17.7	891,784	17.7	775,855	Inc. 15.0
TOTALS	100.	5,039,429	100.	4,382,243	Inc. 15.0

*In 1873—317,926 Tons of Freight moved on the Jamestown & Franklin Branch, and 17,331 Tons moved on the Mahoning Coal Branch, were carried to and from points on the Main Road. This tonnage was added to the business of the termini of those Branches—Jamestown and Andover—for the purpose of showing the gross business of each Branch separately, and is therefore included twice in the General Summary of gross tonnage. For this reason a comparison of the articles carried is shown *exclusive* of the tonnage of the Branches referred to.

FREIGHT FORWARDED & RECEIVED AT EACH STATION

FOR THE YEAR ENDING DECEMBER 31, 1873.

STATIONS.	FREIGHT FORWARDED.		FREIGHT RECEIVED.	
	Weight—Lbs.	Revenue.	Weight—Lbs.	Revenue.
BUFFALO	767,252.071	\$ 1,505,649.49	4,372,665,713	\$ 7,127,242.94
Hamburg	109,019	100.12	582,464	673.01
Lake View	1,127,458	810.30	1,177,357	911.93
Derby	28,679	36.76	128,257	128.18
Angola	5,232,429	4,033.14	7,031,222	9,071.18
Farnham	1,252,830	764.07	606,582	449.72
Irving	1,767,058	1,617.55	698,804	701.68
Silver Creek	4,652,141	6,994.13	7,173,987	6,005.35
Dunkirk	312,712.096	219,655.04	171,110,715	250,463.63
Brocton	188,453,885	75,640.68	26,153,484	24,589.42
Westfield	4,337,899	6,593.82	12,656,007	12,364.91
Ripley	2,677,511	3,201.65	1,505,862	1,414.55
State Line	809,444	733.76	265,227	280.62
Marvin's	120,000	108.00		
North East	6,256,514	7,127.95	8,898,393	9,748.41
Moorhead	798,919	576.71	250,808	222.03
Harbor Creek	830,153	586.94	121,966	172.05
ERIE	437,527,194	433,874.15	631,715,410	851,316.35
Swanville	303,537	217.60	1,047,419	1,162.58
Fairview	4,130,213	3,404.54	2,118,294	1,881.25
Girard	168,437,451	114,401.80	25,816,008	22,914.02
Springfield	2,435,530	2,184.29	1,576,988	2,012.66
Conneaut	9,741,228	11,647.69	9,960,903	8,272.60
Kingsville	6,083,587	6,293.62	2,545,049	3,035.00
Ashtabula	13,378,739	13,247.68	53,702,960	37,066.70
Ashtabula Harbor	4,013,750	1,710.71	398,477	168.98
Saybrook	823,388	1,101.38	440,661	531.56
Geneva	6,391,185	8,579.34	9,435,784	10,245.73
Unionville	3,967,315	5,809.83	1,037,162	1,115.84
Madison	8,907,074	12,310.22	4,553,101	4,006.56
Perry	4,956,995	5,221.87	863,543	861.48
Painesville	9,874,258	13,602.40	28,720,977	21,858.70
Mentor	1,727,295	2,099.12	1,668,134	1,285.39
Willoughby	5,288,186	4,218.75	3,903,524	2,798.14
Wickliffe	100,431	78.93	135,106	95.87
Euclid	10,116,680	3,100.52	2,038,423	1,132.61
Glenville	88,655	120.61	442,256	441.42
CLEVELAND	2,420,467,869	2,618,489.05	1,417,796,291	1,286,099.71
Jamestown	471,005,788	226,192.91	28,788,978	25,834.61
Simon	1,398,312	1,827.75	142,720	187.24
Andover	33,832,159	21,871.03	12,209,014	8,497.76
Leon	568,100	775.24	761,638	1,029.18
Dorset	1,990,130	1,515.92	77,938	75.53
Jefferson	3,661,349	4,101.01	5,449,767	6,195.05
Rockport			617,075	460.28
Berea	28,085,657	28,280.47	11,364,184	9,612.69
Olmsted Falls	1,706,525	1,573.47	1,989,881	1,376.74
Ridgville	1,467,684	1,005.50	702,628	535.90
Elyria	33,467,170	25,375.85	27,766,585	26,324.91
Oberlin	2,442,564	4,054.70	14,348,046	11,731.61
Kipton	469,997	799.83	1,146,442	1,150.64
Wakeman	5,544,428	7,355.10	4,806,848	4,211.98

FREIGHT FORWARDED AND RECEIVED—CONTINUED.

STATIONS.	FREIGHT FORWARDED.		FREIGHT RECEIVED.	
	Weight—Lbs.	Revenue.	Weight—Lbs.	Revenue.
Collins	2,933,019	\$ 4,142.57	1,145,532	\$ 1,383.27
Norwalk	17,719,058	22,566.54	22,630,415	21,888.80
Monroeville	244,600,204	204,820.33	202,138,720	166,610.13
Bellevue	45,286,858	50,394.15	28,049,183	19,557.94
Clyde	55,248,713	71,506.52	12,900,186	15,219.25
Fremont	87,656,921	111,531.93	30,079,950	32,645.62
Lindsey	6,357,457	5,999.18	1,159,584	1,442.94
Elmore	9,904,871	10,375.38	2,974,280	3,837.87
Genoa	33,610,788	34,606.07	3,221,837	3,203.24
Millbury	11,211,944	8,273.14	1,440,147	1,231.61
North Amherst...	91,032,239	56,430.25	18,337,987	8,835.65
Brownhelm	27,854,342	11,421.91	1,392,133	1,014.07
Vermillion	5,321,604	5,363.61	34,539,146	11,999.61
Ceylon	4,999,597	7,031.08	904,679	1,068.83
Huron	5,666,875	5,688.02	4,405,865	3,286.24
Sandusky	68,463,568	63,205.44	62,052,145	44,220.84
Venice	2,798,255	2,071.07	1,089,204	657.40
Danbury	123,890	175.86	162,370	148.85
Gypsum	2,745,591	1,167.14	551,011	394.33
Port Clinton	3,333,182	4,736.75	4,635,542	3,966.61
Carroll	266,954	233.95	730,126	482.84
Oak Harbor	4,732,143	3,913.26	1,737,657	1,926.19
Rocky Ridge	3,280,355	1,934.83	170,686	164.24
Graytown	11,779,134	7,387.15	854,736	767.62
Martin	12,417,619	10,504.66	864,903	672.58
DETROIT	152,493,158	157,239.71	229,112,850	255,532.05
Grand Trunk Jun.	3,058,734	2,143.89	31,384,110	35,845.08
Ecorces	300,000	161.00	67,225	48.26
Wyandotte	11,792,811	6,989.01	34,174,043	20,638.06
Trenton	13,233,160	5,403.16	6,742,357	4,848.78
Rockwood	4,919,653	5,560.54	1,759,887	1,735.33
Newport	1,461,529	1,345.69	500,743	576.55
Stony Creek	28,850	31.70	4,750	4.00
Monroe	225,411,183	94,683.36	63,706,919	52,185.03
La Salle			42,000	22.00
Vienna	107,980	98.08	125,065	84.44
Tremainsville	1,343,924	1,664.74	6,408,555	3,299.15
Ida	4,945,763	3,186.88	688,483	820.41
Petersburg	5,338,373	7,379.17	1,424,319	2,344.91
Deerfield	6,867,272	5,494.39	634,904	963.35
Sissons			20,000	18.00
Wellsville	501,285	312.55	22,240	23.89
Tecumseh	16,788,006	20,991.92	11,021,903	12,867.06
Clinton	6,759,088	9,081.70	5,735,838	5,947.54
Manchester	5,058,864	8,872.81	7,230,832	6,346.72
Norvell	2,929,251	2,448.02	1,494,430	993.15
Napoleon	2,323,834	3,483.45	2,346,653	2,188.23
Jackson	61,752,486	57,282.87	72,650,693	86,073.17
TOLEDO	1,443,230,830	1,952,624.10	956,974,339	848,783.61
Holland	3,838,620	2,418.35	148,064	151.13
Swanton	1,628,739	1,258.42	930,602	972.84
Delta	5,619,389	7,519.87	2,601,009	3,361.07
Wauseon	10,798,481	15,890.92	5,233,459	7,067.60
Pettisville	2,475,281	2,769.46	737,972	822.74
Archbald	6,696,041	7,478.03	2,087,962	2,706.41

FREIGHT FORWARDED AND RECEIVED—CONTINUED.

STATIONS.	FREIGHT FORWARDED.		FREIGHT RECEIVED.	
	Weight—Lbs.	Revenue.	Weight—Lbs.	Revenue.
Stryker	8,628,102	\$ 12,687.22	2,812,146	\$ 4,746.13
Bryan	23,101,592	37,908.20	12,550,369	17,409.01
Melbern	1,076,973	1,093.58	111,585	170.25
Edgerton	10,856,266	15,797.28	2,728,271	4,535.40
Butler	16,504,497	24,825.98	4,117,780	5,782.44
Waterloo	34,188,061	46,050.71	9,447,096	15,749.84
Sedan	952,813	1,164.88	215,696	425.30
Corunna	5,010,596	7,311.75	427,805	722.13
Kendallville	15,004,996	24,608.33	6,255,862	9,671.87
Brimfield	2,691,672	4,415.32	1,225,921	2,478.86
Wawaka	3,019,979	3,943.18	419,295	704.84
Ligonier	23,192,824	39,872.42	5,384,256	10,074.63
Millersburg	3,202,759	3,739.96	532,290	1,091.49
Goshen	67,301,382	88,475.33	26,597,660	35,124.49
Sylvania	1,393,651	1,124.36	809,801	757.63
Ottawa Lake	8,379,687	5,101.77	487,552	463.42
Wood	2,730,000	1,547.00	2,426	2.33
Riga	5,389,253	3,633.52	773,620	835.42
Blissfield	12,744,788	11,567.17	4,243,446	5,159.48
Blissfield Junction	9,484,008	10,061.38	4,079,533	4,818.60
Palmyra	348,301	256.64	47,138	62.96
Adrian	26,543,729	38,640.67	39,725,294	43,562.88
Clayton	3,202,135	4,985.55	1,080,782	1,681.71
Hudson	19,969,324	34,857.01	7,922,983	11,809.79
Pittsford	580,115	1,221.19	416,733	562.91
Osseo	903,136	1,694.50	641,721	1,118.31
Hillsdale	12,532,660	28,743.59	15,849,765	18,804.13
Jonesville	8,608,702	15,682.07	7,148,936	10,000.69
Allen	4,399,469	7,878.46	904,994	1,429.10
Quincy	7,637,883	12,509.37	2,987,342	4,512.16
Coldwater	18,450,932	36,995.38	14,892,548	25,036.87
Bronson	10,083,614	18,519.87	2,352,664	4,453.20
Burr Oak	5,103,751	8,097.65	1,950,441	3,338.66
Sturgis	20,097,247	25,655.34	6,624,233	9,793.26
Douglass	1,230,004	1,321.42	215,758	286.05
White Pigeon	4,069,263	6,888.04	3,739,886	5,190.45
Middlebury	3,426,093	5,231.80	1,774,837	2,591.69
Bristol	4,981,601	7,865.10	4,201,197	5,201.06
Elkhart	24,813,844	46,571.51	42,130,778	40,777.84
Litchfield	4,017,938	5,614.03	2,401,552	3,128.11
Homer	1,963,317	3,465.08	1,025,319	1,522.27
Condit	189,687	242.32	21,440	16.04
Albion	4,741,990	10,657.57	4,874,545	5,921.47
Devereux	866,652	1,484.76	386,542	308.83
Springport	2,179,174	3,639.45	1,137,101	1,659.48
Brockway	143,896	142.77	1,633	3.06
Eaton Rapids	5,510,819	11,884.27	2,776,121	3,979.87
Dimondale	1,338,475	1,953.06	386,457	510.26
Lansing	8,750,825	11,521.62	13,827,304	25,557.88
Constantine	7,441,929	11,996.00	6,271,847	7,925.57
Florence	-----	-----	160,250	128.28
Three Rivers	9,265,807	21,575.50	12,969,588	15,232.87
Moorepark	1,304,844	1,191.82	1,269,908	1,088.03
Flowerfield	1,845,419	2,395.33	328,490	398.70
Schoolcraft	10,036,258	19,760.79	6,544,277	10,011.25

FREIGHT FORWARDED AND RECEIVED—CONTINUED.

STATIONS.	FREIGHT FORWARDED.		FREIGHT RECEIVED.	
	Weight—Lbs.	Revenue.	Weight—Lbs.	Revenue.
Portage			161,020	\$ 120.28
Kalamazoo	35,153,999	\$ 71,905.10	36,560,627	42,078.69
Cooper			40,000	20.00
Argenta	54,408	70.34	454,302	336.40
Plainwell	8,420,491	17,562.64	5,026,961	5,776.08
Otsego	3,402,788	4,962.26	2,408,895	3,145.82
Abronia	2,289,407	2,564.18	132,223	82.07
Allegan	16,936,211	18,085.02	5,089,422	11,546.01
Hopkins	1,921,094	2,122.27	264,414	397.89
Hilliards	1,978,148	1,649.58	179,396	269.02
Dorr	15,660,110	10,698.14	1,030,930	1,230.00
Byron Centre	3,729,767	1,689.39	303,250	336.59
Eagle Mills	48,311,000	32,871.08	11,250	4.03
Grand Rapids	73,090,776	108,027.96	60,419,115	63,011.67
Osceola	114,570	104.86	128,776	196.93
Mishawaka	13,110,818	22,767.97	18,334,250	22,185.31
South Bend	25,068,808	49,013.74	68,452,928	77,125.74
Terre Coupee	10,420,050	8,811.48	176,435	222.48
Carlisle	4,265,124	4,779.60	1,248,826	1,924.30
Rolling Prairie	6,914,052	5,735.37	413,224	614.64
La Porte	70,854,491	69,452.36	37,885,833	51,625.69
Holmesville	851,625	808.17	119,666	136.66
Otis	11,442,213	7,644.81	5,200,794	7,381.89
Selkirk	2,555,200	2,387.20		
Burdick	3,465,300	2,211.79	62,412	87.41
Morrison	2,932,300	1,942.24		
Chesterton	6,572,931	5,456.03	1,339,764	1,599.60
Bailey Town	385,500	473.80	405	50
Millers	210,107	229.21	851,961	769.53
Pine	221,235	145.87	224,641	188.56
Whiting	4,970	7.51	101,716	70.69
South Chicago	474,350	403.25	7,520,311	3,396.13
Grand Crossing	40,000	12.00	383,146	140.15
Englewood	48,955,299	115,052.18	33,504,202	101,605.66
CHICAGO	1,403,600,998	3,978,760.57	693,267,676	1,524,656.13
TOTALS	10,078,857,177	\$13,814,495.41	10,078,857,177	\$13,814,495.41
Add Storage, Elevating, etc.				53,104.31
E. & P. R. Freight, (Girard and Erie.)				69,714.96
Sixty per cent. Mahoning Coal R. R. Earnings				16,483.75
TOTAL REVENUE				\$13,953,797.83

FREIGHT FORWARDED AND RECEIVED—CONCLUDED.

JAMESTOWN & FRANKLIN RAILROAD.

STATIONS.	FREIGHT FORWARDED.		FREIGHT RECEIVED.	
	Weight—Lbs.	Revenue.	Weight—Lbs.	Revenue.
Oil City	501,219.989	\$ 137,296.75	60,394,175	\$ 28,865.33
Reno	12,198,217	3,349.53	4,014,116	1,672.83
Run	2,500,000	633.00	751,070	289.47
Franklin	15,795,988	6,702.17	48,497,987	19,542.50
Polk	1,318,367	845.47	690,562	481.09
Raymilton	59,204,420	17,734.54	2,995,579	1,824.82
Sandy Lake	1,052,672	801.99	2,565,871	1,706.97
Stoneboro	161,231,576	31,360.91	1,865,231	1,276.29
Clark	5,305,503	2,182.43	432,029	250.65
Hadley	1,891,118	1,494.04	1,545,442	754.35
Salem	160,766	89.89	45,692	29.15
Jamestown	43,833,578	25,023.37	681,214,440	170,820.64
TOTALS	805,012,194	\$ 227,514.09	805,012,194	\$ 227,514.09
Add Switching, etc.				177.13
TOTAL REVENUE				\$ 227,691.22

MAHONING COAL RAILROAD.

STATIONS.	FREIGHT FORWARDED.		FREIGHT RECEIVED.	
	Weight—Lbs.	Revenue.	Weight—Lbs.	Revenue.
Youngstown	31,840,647	\$ 11,389.67	105,313,763	\$ 15,190.08
No. 3 Bank	17,546,800	2,893.95		
Stewart Bank	50,861,170	6,408.29		
Long Bank	30,507,680	4,275.36		
Coalburg			426,637	250.32
Chew Bank	4,395,873	590.70		
Tyrrell	80,000	32.00	28,700	19.40
Fowler	53,040	59.27	179,188	84.22
Kinsman	1,024,299	379.73	841,932	381.12
Williamsfield	1,007,482	201.31	580,186	205.04
Andover	2,648,936	1,162.59	32,595,521	11,262.69
TOTALS	139,965,927	\$ 27,392.87	139,965,927	\$ 27,392.87
Less Sixty per cent. to L. S. & M. S. Railway				16,483.15
NET REVENUE Mahoning Coal R. R.				\$ 10,909.72

SUMMARY.

	Weight—Lbs.	Revenue.
Lake Shore & Michigan Southern Railway	10,078,857,177	\$13,953,797.83
Jamestown & Franklin Railroad	805,012,194	227,691.22
Mahoning Coal Railroad	139,965,927	10,909.72
GRAND TOTALS	11,023,835,298	\$14,192,398.77

DESCRIPTIVE STATEMENT OF FREIGHT FORWARDED FROM EACH STATION,

For the Year Ending December 31, 1873.

STATIONS.	COAL.	STONE AND LIME.	PETRO-LEUM.	RAILROAD AND PIG IRON.	OTHER IRON AND CASTINGS.	LUMBER & OTHER FOREST PRODUCTS.	ANIMALS.	GRAIN.	AGRIC'L PRODUCTS, (except Grain.)	FLOUR.	PROVI-SIONS.	MANUFAC-TURES.	MERCHAN-DISE AND OTHER ARTICLES.	TOTAL.
	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.
BUFFALO	3,144,760	24,945,632	29,700	19,079,532	10,738,703	1,081,424	2,553,705	945,647	22,974,932	1,324,881	68,463,080	100,477,842	510,894,263	767,252,071
Hamburg	2,629	80,000	2,000	1,900	1,900	.....	26,036	9,875	13,015	109,019
Lake View	3,341	700,000	4,000	5,959	7,811	.....	3,485	323,706	68,216	1,127,458
Derby	1,200	.....	.....	775,810	1,310	16,073	28,679
Angola	20,657	2,914,098	4,000	8,628	1,218,709	1,276	.....	88,296	200,955	5,232,429
Farnham	1,012,570	4,000	5,948	164,335	.....	.....	6,160	59,817	1,252,830
Irving	12,188	286,660	.....	17,430	891,224	.....	.....	1,855	57,701	1,767,058
Silver Creek	51,678	165,980	385,800	20,000	1,278,677	3,543	12,980	1,206,526	1,526,957	4,652,141
Dunkirk	846,066	187,758,796	917,382	1,283,975	13,007,510	682,865	249,916	2,348,590	254,859	566,752	17,877,943	74,754,942	312,712,046
Brockton	100,000	27,730,877	.....	2,598,829	9,534,830	227,250	97,836	1,464,723	826,638	2,506,229	2,506,229	3,116,351	188,453,885
Westfield	33,229	40,900	1,791,000	48,791	1,069,636	118,898	277,612	598,928	448,905	4,337,399
Ripley	3,499	803,000	60,000	114,835	1,360,823	2,180	254,982	6,000	74,312	2,677,511
State Line	2,604	342,484	2,300	54,044	141,940	.....	2,715	49,026	212,151	809,444
Marvins	120,000	186,600	352,067	1,394,070	107,035	364,698	1,280,392	228,069	120,000
North-East	14,229	2,357,854	77,000	222,026	594,500	75,170	.....	.....	30,223	6,256,514
Moorhead	466,625	32,000	32,000	1,901,430	10,303	.....	.....	29,251	798,919
Harbor Creek	466,625	1,059,037	485,720	2,800,430	360,024	300,430	30,502,438	155,503,680	830,153
ERIE	204,391,370	638,309	8,810,703	8,622,518	13,114,878	11,937,586	1,059,037	485,720	1,901,430	360,024	300,430	30,502,438	155,503,680	437,573,194
Swarville	20,000	3,700	.....	88,410	146,937	5,000	26,308	15,281	303,637
Fairview	751,157	3,700	184,263	2,962,317	104,649	.....	.....	92,120	4,130,213
Girard	7,246,681	700,000	274,680	1,074,783	2,638,717	66,465	.....	.....	14,083	168,437,451
Springfield	300,000	98,637	295,508	1,633,168	.....	.....	323,257	3,151	1,150,511
Conneaut	163,450	3,605,700	1,006,164	159,789	2,827,197	.....	.....	.....	.....	2,465,650
Kingsville	2,585	1,438,106	.....	13,248	8,067,163	.....	.....	.....	.....	860,050
Ashtabula	74,586	2,775,729	723,000	276,677	2,607,149	215,260	.....	.....	.....	9,741,228
Ashtabula Harbor	3,947,500	4,000	.....	707,776	1,753	1,605,906	1,750,223	2,531,974	13,378,739
Saybrook	4,127	.....	.....	.....	.....	.....	.....	.....	.....	4,013,750
Geneva	52,200	.....	.....	49,802	304,635	991,100	2,000	1,844,174	10,295	56,508	10,295	38,928	823,388
Unionville	9,000	9,000	8,223	3,372,640	1,876	952,620	1,025,349	1,164,429	6,301,185
Madison	11,450	222,353	680,200	8,125	6,787,491	149,585	266,662	313,465	154,336	3,997,315
Perry	122,000	5,000	6,355	4,164,677	1,410	1,479,461	262,481	518,727	8,907,074
Painesville	7,395	.....	440,870	680,198	1,418,600	58,455	3,594,549	93,514	.....	323,182	1,763,034	9,874,258

DESCRIPTIVE STATEMENT OF FREIGHT FORWARDED FROM EACH STATION—CONTINUED.

STATIONS.	COAL.	STONE AND LIME.	PETROLEUM.	RAILROAD AND PIG IRON.	OTHER IRON AND CASTINGS.	LUMBER & OTHER FOREST PRODUCTS.	ANIMALS.	GRAIN.	AGRIC'L. PRODUCTS. (except Grain.)	FLOUR.	PROVISIONS.	MANUFACTURES.	MERCH. DISC. AND OTHER ARTICLES.	TOTAL.
	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.
Port Clinton	165,370					966,600	860,000	464,010	221,100	13,750	357,420	42,200	441,732	3,333,182
Carroll						122,550	21,000	105,872			2,476	5,000	10,056	296,954
Oak Harbor						4,142,826	33,600	75,954			79,830	14,089	397,273	4,752,143
Rocky Ridge						3,250,950							29,405	3,280,355
Graytown						11,650,085	44,000	3,900			6,760		11,779,134	11,779,134
Martin	5,246,600					4,854,100	4,000						42,002	12,417,619
DETROIT	289,820					12,069,106	313,950	13,849,811	10,530,888	10,375,508	4,638,396	220,000	22,462,860	152,493,158
Grand Trunk Junc.	404,042					60,000			76,390	40,000			151,375	3,058,734
Ecorse						200,000							100,000	300,000
Wyandotte						2,404,523	1,320,230		3,716	9,048	29,182	136,119	758,620	11,732,811
Trenton						49,881	262,690				104,757	50,210	326,772	13,238,160
Rockwood						7,076	1,104,619		176,452	11,610	32,284	3,009,414	480,775	4,619,653
Newport						183,550	60,800	70,127	25,172	1,288	14,615	1,009,189	96,788	1,461,329
Stony Creek						20,000					8,850			28,850
Monroe						589,299	335,400	386,671	3,029,830	2,562,886	1,633,350	11,377,764	69,656,483	225,411,183
Vienna							440,200		83,850				24,130	107,980
Tremainsville						3,000				9,218			841,506	1,343,324
Ida						19,827		264,982	98,881		84,703			4,945,763
Petersburg						1,120		2,850	815,032	110,301	31,645			5,388,373
Deerfield									92,250	11,237				6,897,272
Wellsville						500,785							190,880	500,295
Tecumseh						15,476	2,655,230							500
Clinton						55,899	1,863,000	345,304	1,504,843	6,118,014	1,232,517	1,091,658	1,981,969	16,788,006
Manchester						3,078	600,000	878,936	1,346,838	2,337,902	676,628	461,371	381,514	6,759,088
Norvell						28,368	732,000	1,399,005	359,597	1,112,754	334,654	466,243	543,363	5,058,864
Napoleon						3,061		48,957	157,773	1,835,812	123,316		232,232	2,929,251
Jackson						3,220	420,000	48,825	1,430,903		11,659		83,037	2,323,834
TOLEDO	4,696,270					502,611	361,150	2,928,830	900,130	144,812	847,328	2,354,258	6,747,860	61,752,486
Holland	55,296,210					20,332,240	168,978,079	505,637,717	101,250,000	129,612,230	83,904,755	22,673,006	169,938,587	1,443,230,830
Swanton						2,000	4,000		1,925		1,400	1,625	220,370	3,838,620
Delta						31,385	609,500	1,404,050	268,210	22,383	102,004	1,200	11,019	1,628,739
Wauson						35,117	2,134,800	2,569,265	654,471	182,860	913,389	95,149	511,021	5,619,089
Pettusville						34,623	200,000	383,805	311,252	1,067,049	1,978,237	1,483,210	790,511	10,795,481
Archbald						2,671	323,000	3,106,744	94,414	6,720	74,856	2,032	35,829	2,475,251
Stryker						15,330	592,000	3,723,740	427,941		696,178	131,924	246,588	6,646,041
Bryan						1,367,657	3,292,000	6,298,390	596,723		536,926	739,525	576,190	8,628,102
Melbern						297,000	6,627,000	726,180	643,357	214,740	1,777,168	2,085,913	8,809	23,101,692
Edgerton						24,980	1,528,000	4,947,710	741,037	16,913	450,334	1,006,733	298,999	10,856,266

DESCRIPTIVE STATEMENT OF FREIGHT FORWARDED FROM EACH STATION—CONTINUED.

STATIONS.	COAL.	STONE AND LIME.	PETROLEUM.	RAILROAD AND PIG IRON.	OTHER IRON AND CASTINGS.	LUMBER & OTHER FOREST PRODUCTS.	ANIMALS.	GRAIN.	AGRIC'L PRODUCTS, (except Grain.)	FLOUR.	PROVISIONS.	MANUFACTURES.	MECHANICAL AND OTHER ARTICLES.	TOTAL.
	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.
Millers	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Pine	.....	.....	.....	.....	.....	60,250	.....	.....	.....	.....	.....	.....	.....	.....
Whiting	.....	.....	.....	.....	.....	208,080	.....	.....	.....	.....	.....	.....	.....	.....
South Chicago	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Grand Crossing	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Englewood	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
CHICAGO	3,901,680	1,732,210	.....	3,022,110	11,463,048	10,915,365	484,803,737	878,447,998	15,070,846	71,731,500	226,766,737	3,157,713	192,357,412	1,406,600,998
TOTAL.....	792,590,622	829,359,709	1,269,602,846	134,243,890	197,149,718	1,052,762,568	960,980,217	1,631,649,380	464,979,149	544,904,459	557,349,915	359,716,618	1,783,563,592	10,078,857,177

DESCRIPTIVE STATEMENT OF FREIGHT FORWARDED FROM EACH STATION—CONCLUDED.

JAMESTOWN AND FRANKLIN RAILROAD.

STATIONS.	COAL.	STONE AND LIME.	PETROLEUM.	RAILROAD AND PIG IRON.	OTHER IRON AND CASTINGS.	LUMBER & OTHER FOREST PRODUCTS.	ANIMALS.	GRAIN.	AGRIC'L PRODUCTS (except Grain.)	FLOUR.	PROVISIONS.	MANUFACTURES.	MERCHANDISE AND OTHER ARTICLES.	TOTAL.
	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.
Oil City.....	1,009,860		494,039,922		180,200	1,855,773	16,800	11,450	6,315	2,116	1,960	2,407,744	1,689,349	501,219,989
Reno.....			12,103,401		6,886				2,450			5,732	80,039	12,198,217
Kun.....													2,500,000	2,500,000
Franklin.....	56,980	390,780	11,139,892		348,723	101,180	43,200	2,470	356,452	378,991	35,779		2,241,591	15,096,988
Polk.....			2,438		17,961	246,717	4,500	15,380	2,047	20,422		942,550	84,293	1,318,367
Kaymiton.....	48,731,728		9,781,117		39,536	120,700	1,800	105,232	2,200	15,285	10,555	375,080	132,997	59,204,420
Sandy Lake.....					4,813	469,180	6,500	61,549	51,901	21,501	8,470	16,814	293,503	1,052,672
Stoneboro.....	160,473,742				8,500	140,000	60,900	9,494	11,670	1,773	114,785	33,270	451,985	161,231,576
Clark.....						5,119,270	60,900	6,000	15,800	5,765	21,953		39,045	5,305,503
Hadley.....						1,099,470		245,000	72,890	3,464	84,452	296,408	89,344	1,891,118
Salem.....						152,000		1,250			2,926		4,590	160,766
Jamesstown.....	13,396,997	1,061,642	3,300	119,831	1,118,010	1,465,845	92,800	8,318,506	405,422	3,648,605	1,084,000	6,318,484	6,200,086	43,838,578
TOTAL.....	223,668,757	2,052,422	527,067,632	119,831	1,722,096	10,767,435	225,500	8,732,279	570,395	4,075,383	1,417,959	10,785,633	13,806,822	805,012,194

MAHONING COAL RAILROAD.

Youngstown.....	27,722,576			3,250,630	586,000	40,000		12,360		6,660		4,620	217,801	31,840,647
No. 3 Bank.....	17,546,800													17,546,800
Stewart Bank.....	50,861,170													50,861,170
Long Bank.....	30,507,680													30,507,680
Ches Bank.....	4,395,873													4,395,873
Tyrell.....		80,000												80,000
Fowler.....													7,555	7,555
Kinsman.....							74,000	30,550		14,906	113,170	17,015	19,388	58,040
Williamsfield.....					1,306	866,038		8,400	5,356		96,612		29,770	1,024,239
Andover.....		100,000				40,000		1,132,518	503,100	235,600	318,184		277,584	1,007,482
TOTAL.....	131,034,089	180,000		3,250,630	587,306	1,718,388	74,000	1,208,828	510,456	277,166	556,436	21,635	552,013	139,965,927

STATEMENT OF FREIGHT BUSINESS FROM JANUARY 1, 1870.

YEAR	EAST-BOUND.				WEST-BOUND.				TOTAL, EAST AND WEST.				MISCEL- LANEOUS EARNINGS, STORAGE, E.&P.F.R.T., ETC.	TOTAL EARNINGS, including Miscella- neous.	PERCENT. AGE OF FREIGHT MOVE- MENTS.	
	Tons.	Earnings.	Tons Carried One Mile.	Rate Per Ton Per Mile.	Tons.	Earnings.	Tons Carried One Mile.	Rate Per Ton Per Mile.	Tons.	Earnings.	Tons Carried One Mile.	Rate Per Ton Per Mile.			Eastward.	Westward.
1870	2,044,380	5,586,697 18	412,067,965	1,356	1,023,542	3,047,774 30	161,967,606	1,882	3,007,892	8,634,471 48	574,035,571	1,504	111,654 17	8,746,125 65	71.8	28.2
1871	2,580,701	7,143,074 99	526,397,486	1,357	1,455,872	3,062,784 18	207,273,210	1,478	4,036,573	10,205,859 17	733,670,696	1,391	135,368 83	10,341,218 00	71.7	28.3
1872	3,012,673	8,488,927 09	667,369,119	1,272	1,702,000	4,217,956 37	257,475,021	1,638	4,714,733	12,706,883 46	924,844,140	1,374	117,978 74	12,824,862 20	72.2	27.8
1873	3,546,009	9,994,546 44	770,423,785	1,297	1,965,909	4,074,855 93	283,503,404	1,437	5,511,918	14,069,402 37	1,053,927,189	1,335	122,996 40	14,192,398 77	73.1	26.9

GENERAL SUMMARY OF PASSENGER BUSINESS.

FOR THE YEAR ENDING DECEMBER 31, 1873.

MOVEMENT.

THROUGH PASSENGERS, (Buffalo and Chicago)	1873.	1872.	INCREASE.
First Class.....	65,577	62,116	
Second Class.....	9,687	10,046	
Emigrant.....	7,031	8,518	
TOTAL THROUGH.....	82,295	80,680	1,615, or 2 per cent.
WAY PASSENGERS—			
First Class.....	2,713,512	2,092,465	
Second Class.....	22,238	22,369	
Emigrant.....	27,118	17,240	
TOTAL WAY.....	2,762,868	2,132,074	630,794 or 29½ per cent.
TOTAL THROUGH AND WAY.....	2,845,163	2,212,754	632,409 or 28½ per cent.
	1873.	1872.	INCREASE.
Number of Passengers Moved Westward.....	1,464,288	1,143,771	320,517
“ “ “ Eastward.....	1,380,875	1,068,983	311,892
TOTAL.....	2,845,163	2,212,754	632,409

EARNINGS.

	1873.	1872.	INCREASE.
From Through Passengers.....	\$ 945,072 65	\$ 930,214 98	\$ 14,857 67, or 1 6-10 per Cent.
“ Way “.....	3,624,657 09	3,288,328 31	336,328 78, or 10½ per Cent.
TOTAL.....	\$4,569,729 74	\$4,218,543 29	\$351,186 45, or 8½ per Cent.

MILEAGE.

	1873.	1872.	INCREASE.
Number Miles Traveled by Through Passengers.....	44,439,300	43,567,200	872,100, or 2 per Cent.
“ “ “ Way “.....	134,923,873	118,741,295	16,182,578, or 13½ “
TOTAL.....	179,363,173	162,308,495	17,054,678, or 10½ “
Average Distance traveled by each Through Passenger.....	540 miles.	540 miles.	
“ “ “ “ Way “.....	49 “	56 “	
“ “ “ “ All “.....	63 “	73 “	

RATES.

	1873.	1872.
Average Fare from each Through Passenger.....	\$11.48	\$11.53
“ “ “ “ Way “.....	1.31	1.54
“ “ “ “ All “.....	1.60	1.91
Average per mile—Through Passengers (all classes).....	Cents, 2.13	Cents, 2.14
“ “ “ Way Passengers, (all classes).....	“ 2.69	“ 2.77
“ “ “ All Passengers, (all classes).....	“ 2.55	“ 2.60

NUMBER OF PASSENGERS LEAVING EACH STATION,
AND
REVENUE DERIVED THEREFROM.

STATIONS.	NUMBER OF PASSENGERS.			EARNINGS.		
	1873.	1872.	1871.	1873.	1872.	1871.
Buffalo.....	200,039	200,023	175,683	\$1,011,252 59	\$1,002,151 56	\$ 868,190 90
Hamburg.....	3,456	4,446	3,447	1,452 80	1,692 65	1,323 60
Lake View.....	4,966	4,572	4,316	2,011 60	2,266 60	1,939 15
Derby.....	3,007	-----	-----	1,154 05	-----	-----
Angola.....	12,521	11,128	10,432	7,387 20	7,404 45	6,856 30
Farnham.....	2,116	1,573	1,598	881 65	640 50	605 70
Irving.....	4,621	2,729	2,939	2,158 40	1,278 30	1,272 40
Silver Creek.....	10,753	8,634	9,435	5,615 33	5,820 50	6,235 55
Sheridan.....	546	229	148	169 60	86 10	33 00
Dunkirk.....	64,138	53,797	48,361	114,141 52	101,567 42	77,002 51
Morians.....	217	191	83	95 35	67 55	20 80
Brocton.....	29,143	33,467	33,898	29,328 92	34,988 57	37,359 45
Portland.....	330	449	348	129 62	145 75	113 90
Westfield.....	13,894	12,421	10,724	11,478 93	12,272 59	11,478 10
Ripley Crossing.....	782	475	404	251 17	186 65	161 10
Ripley.....	5,855	4,329	3,255	3,225 15	2,422 55	2,312 50
State Line.....	2,717	1,722	1,246	1,375 85	878 60	715 60
North East.....	17,020	13,700	9,286	10,636 84	9,950 76	8,932 20
Moorheads.....	2,211	670	383	875 25	215 40	141 50
Harbor Creek.....	5,476	4,041	2,256	1,650 05	1,321 45	1,097 55
Wesleyville.....	711	200	112	122 60	81 75	50 85
Erie.....	82,754	65,323	59,484	128,112 09	119,904 89	124,520 45
Swanville.....	2,488	829	535	747 20	230 35	161 85
Fairview.....	5,694	5,138	3,832	2,412 20	2,335 20	1,829 50
Girard.....	26,365	25,623	22,854	25,708 37	29,169 19	32,360 55
Springfield.....	3,265	2,693	1,901	2,308 55	2,164 25	2,037 30
Conneaut.....	10,815	9,231	7,684	10,517 80	10,355 70	10,085 21
Amboy.....	751	575	174	351 05	225 20	114 35
Kingsville.....	5,496	4,616	4,215	3,996 70	4,094 45	4,530 50
Oil City.....	12,840	24,153	29,156	8,856 43	11,877 98	13,665 30
Reno.....	3,450	7,692	7,851	767 85	1,309 92	1,396 50
Franklin.....	26,343	29,322	30,621	13,906 14	14,268 31	14,579 95
Summit.....	419	608	515	136 60	154 50	103 85
Polk.....	4,537	3,712	4,512	1,440 95	1,389 50	1,741 25
Raymlton.....	5,398	3,858	4,134	2,265 60	1,773 45	2,169 75
Sandy Lake.....	8,925	7,099	6,234	3,651 85	3,623 99	3,917 75
Stoneboro.....	7,203	6,268	4,923	2,946 55	3,177 18	3,000 55
Clark.....	2,397	1,401	893	883 00	610 95	476 60
Hadley.....	3,585	2,784	2,147	1,567 45	1,544 05	1,359 80
Salem.....	1,124	815	706	570 55	544 20	552 90
A. & G. W. Crossing.....	2,428	1,644	1,531	1,180 74	1,150 20	1,278 05
Jamestown.....	20,143	13,138	10,043	23,833 94	17,159 60	12,607 50
Turner.....	772	261	-----	170 55	54 20	-----
Simond.....	2,053	718	-----	921 65	303 80	-----
Youngstown.....	1,571	-----	-----	744 62	-----	-----
Thornhill.....	66	-----	-----	39 00	-----	-----
Doughton.....	97	-----	-----	31 10	-----	-----
Coalburg.....	986	-----	-----	271 15	-----	-----
Tyrell Hill.....	324	-----	-----	92 50	-----	-----
Fowler.....	373	-----	-----	150 80	-----	-----
Johnson.....	117	-----	-----	43 60	-----	-----
Kinsman.....	658	-----	-----	308 70	-----	-----
Williamsfield.....	826	-----	-----	227 30	-----	-----
Andover.....	8,572	2,126	-----	5,555 90	1,657 60	-----
Leon.....	2,834	544	-----	1,443 75	206 15	-----
Dorset.....	1,494	376	-----	515 20	111 20	-----
Jefferson.....	15,240	7,226	-----	9,183 90	4,881 60	-----
Plymouth.....	1,165	445	-----	328 25	131 45	-----
A-htabula.....	34,652	21,720	14,296	32,340 65	23,606 30	19,822 60
Saybrook.....	2,099	1,187	767	989 51	632 00	514 85
Geneva.....	15,016	13,548	12,698	13,417 00	13,396 65	15,165 35
Unionville.....	3,166	1,949	1,291	1,876 90	1,141 60	702 50
Madison.....	9,838	8,751	7,293	6,652 75	6,517 20	6,855 65
Perry.....	5,043	4,455	3,083	2,361 70	2,141 55	1,396 60
Painesville.....	37,298	32,402	27,917	38,114 55	33,067 59	31,867 20

NUMBER OF PASSENGERS LEAVING EACH STATION—CONTINUED.

STATIONS.	NUMBER OF PASSENGERS.			EARNINGS.		
	1873.	1872.	1871.	1873.	1872.	1871.
Mentor	6,233	5,289	3,776	\$ 3,544 65	\$ 3,006 95	\$ 2,366 65
Willoughby	13,355	11,228	10,246	7,872 16	7,603 75	7,792 90
Wickliffe	2,309	1,093	1,086	850 50	437 05	445 80
Northwood	670	404	-----	193 80	137 30	-----
Euclid	9,338	6,114	4,788	2,869 05	1,942 85	1,666 90
Collamer	1,924	1,036	759	385 80	278 90	193 10
Coits	1,477	744	-----	286 65	163 45	-----
Glenville	36,338	32,488	40,537	10,743 85	9,163 82	11,884 55
Cleveland	239,397	216,238	219,280	612,974 76	601,451 96	626,049 41
Rockport	96	-----	-----	35 37	-----	-----
Berea	18,615	14,882	14,217	13,456 32	12,456 41	12,436 40
Olmsted	5,955	3,850	4,272	2,505 84	1,515 25	1,704 05
Ridgeville	3,869	2,849	2,485	2,163 21	1,782 76	1,694 75
Elyria	46,635	31,410	27,685	45,173 54	31,912 41	27,439 95
North Amherst	13,529	8,642	6,079	8,195 37	6,097 40	3,523 20
Brownhelm	4,001	2,211	2,082	1,816 32	1,186 10	1,021 45
Vermillion	9,790	4,971	4,666	6,896 60	4,040 50	3,284 50
Ceylon	4,206	2,282	2,656	3,193 35	1,599 60	1,631 10
Huron	6,258	3,554	3,757	4,471 91	2,869 05	2,299 40
Sandusky	27,523	12,502	4,886	38,470 22	21,384 46	7,206 50
Venice	1,110	345	-----	566 73	116 55	-----
Danbury	2,090	-----	-----	758 86	-----	-----
Gypsum	1,224	-----	-----	432 15	-----	-----
Port Clinton	11,684	3,751	-----	8,524 39	3,938 10	-----
Carroll	1,569	-----	-----	598 17	-----	-----
Oak Harbor	6,755	1,619	-----	4,167 36	1,239 00	-----
Rocky Ridge	849	-----	-----	368 70	-----	-----
Graytown	2,367	651	-----	1,613 15	377 25	-----
Martin	2,861	677	-----	1,522 64	414 90	-----
Oberlin	24,456	20,094	20,577	25,663 74	23,179 38	24,702 10
Kipton	3,580	2,350	2,200	2,895 50	2,441 25	2,325 80
Walkeman	8,221	6,120	5,493	6,885 35	6,431 75	6,380 15
Collins	4,791	3,079	2,457	3,821 30	2,980 63	2,523 90
Northwalk	33,971	26,093	27,738	34,067 72	33,270 06	33,680 15
Monroeville	28,689	27,389	28,057	38,368 10	41,846 01	44,678 43
Bellevue	15,937	11,909	12,050	12,942 69	11,716 07	11,702 45
Clyde	28,028	27,419	30,801	31,760 68	35,691 22	43,804 70
Fremont	32,806	28,117	28,501	32,693 10	31,764 91	31,873 50
Lindsey	4,481	2,061	1,873	2,555 90	1,393 70	1,110 45
Elmore	11,994	10,708	11,444	8,358 95	9,026 75	10,455 65
Genoa	9,483	6,102	5,208	5,093 05	4,059 05	3,426 05
Milbury	8,718	4,096	3,164	4,133 43	2,234 70	1,651 00
East Toledo	1,238	-----	-----	599 90	-----	-----
Detroit	48,424	46,638	46,185	105,265 91	99,588 15	109,745 00
Grand Trunk Junc.	9,538	8,062	9,598	14,859 32	14,482 27	17,853 78
Ecocres	1,271	367	684	458 95	110 60	223 85
Wyandotte	12,010	9,718	8,933	6,661 75	5,991 70	5,227 40
Trenton	11,557	8,762	6,370	6,256 80	5,186 10	3,205 00
Rockwood	6,795	5,794	5,593	3,805 10	3,361 70	3,464 00
Newport	5,763	4,659	4,257	2,415 80	1,948 80	1,802 00
Stony Creek	437	279	239	93 15	72 05	56 10
Monroe	39,841	28,279	22,836	44,557 27	25,832 11	20,950 20
Ida	2,813	2,073	1,810	1,347 00	1,031 35	935 75
Petersburg	7,146	5,652	4,966	4,866 85	4,324 45	4,092 05
Dersfield	5,470	4,027	3,489	2,783 05	2,234 95	1,847 05
Sisson	1,782	2,399	403 31	403 31	545	-----
Wellsville	1,094	904	930	258 35	338 95	224 15
LaSalle	427	197	263	159 25	68 35	87 65
Vienna	3,963	2,588	2,688	2,080 15	427 40	1,550 25
Alexis	212	-----	120	95 85	36 80	45 75
Tremainsville	893	779	483	506 35	455 90	397 20
Toledo	162,668	133,646	125,320	316,124 88	289,868 85	289,245 54
Sylvania	9,163	6,714	5,421	4,629 90	3,868 85	3,451 05
Ottawa Lake	4,612	2,857	973	1,890 70	1,049 55	376 05
Wood	265	82	75	105 00	34 50	32 55
Riga	4,507	3,109	2,307	2,024 15	1,644 50	1,373 25
Blissfield	11,536	8,408	6,511	6,696 40	5,401 20	4,487 40
Blissfield Junction	4,105	-----	-----	2,916 95	-----	-----
Palmyra	1,860	2,355	1,579	751 50	1,176 90	790 70
Lenawee	8,711	5,681	4,276	4,554 85	3,086 20	2,213 95
Chases	716	614	572	211 20	169 70	141 80
Tecumseh	15,756	12,825	11,818	12,985 24	11,865 59	10,954 90

NUMBER OF PASSENGERS LEAVING EACH STATION—CONTINUED.

STATIONS.	NUMBER OF PASSENGERS.			EARNINGS.		
	1873.	1872.	1871.	1873.	1872.	1871.
Clinton	7,366	5,864	5,936	\$ 4,471 90	\$ 3,635 15	\$ 4,146 30
River Raisin	446	470	438	149 90	160 30	126 50
Manchester	8,888	7,651	6,878	5,658 39	5,029 50	4,508 50
Norvell	2,746	2,168	1,945	1,254 30	1,112 15	1,124 65
Napoleon	5,254	3,995	3,713	2,531 15	2,359 45	2,152 00
Eldred	209	262	310	84 55	84 45	82 85
Jackson	22,267	19,854	18,958	40,101 23	39,985 29	40,989 50
Adrian	53,343	43,616	40,042	57,496 15	52,705 93	49,247 50
Clayton	6,925	6,488	6,180	5,507 65	5,534 55	5,593 60
Hudson	19,437	16,236	15,220	20,118 15	17,779 24	17,969 50
Pittsford	4,416	3,335	3,229	2,182 00	1,784 55	1,821 10
Osseo	4,032	2,762	2,950	2,660 65	2,370 75	2,502 45
Hillsdale	25,498	21,217	19,284	27,834 22	24,686 54	23,640 60
Jonesville	23,434	18,815	15,568	20,701 61	15,682 33	14,174 65
Litchfield	6,328	3,764	-----	3,453 75	1,282 80	-----
Homer	7,505	2,976	-----	3,595 60	1,190 10	-----
Condit	1,083	355	-----	399 00	54 45	-----
Albion	14,185	5,063	-----	9,123 68	3,259 34	-----
Devereux	1,945	279	-----	677 90	58 35	-----
Springport	5,227	1,045	-----	2,195 00	386 50	-----
Brockway	1,303	130	-----	313 25	26 10	-----
Eaton Rapids	11,271	1,095	-----	9,034 76	1,264 15	-----
Dimondale	4,256	-----	-----	1,690 80	-----	-----
Lansing	11,387	-----	-----	12,854 70	-----	-----
Allens	4,414	3,418	3,645	2,942 30	2,817 30	3,110 20
Quincy	9,091	7,007	6,647	7,176 86	6,492 55	6,649 10
Coldwater	24,688	18,104	19,467	31,860 11	27,652 21	29,898 85
Batavia	147	-----	-----	51 45	-----	-----
Bronson	7,678	4,277	4,829	6,658 30	4,312 66	4,850 45
Burr Oak	7,153	4,484	4,670	5,681 95	4,569 10	4,486 95
Sturgis	13,461	10,494	10,461	16,877 69	15,959 66	15,826 10
Douglas	1,092	375	-----	449 55	202 25	-----
White Pigeon	17,532	15,452	16,839	14,721 83	14,567 96	17,301 80
Constantine	9,829	8,137	8,715	15,442 95	4,799 70	5,298 55
Florence	506	-----	-----	264 15	-----	-----
Three Rivers	15,635	14,296	15,778	11,990 49	11,899 36	12,427 20
Moorepark	1,975	1,639	1,068	1,020 20	729 95	375 55
Flowerfie'd	2,053	2,076	2,291	1,011 00	1,056 65	1,110 50
Schoolcraft	9,432	8,765	9,774	5,582 35	5,046 00	5,255 50
Portage	1,160	1,027	1,023	419 75	271 70	252 85
Kalamazoo	28,051	27,818	34,634	31,782 08	31,280 51	34,855 15
Cooper	402	392	599	118 50	109 95	161 95
Argenta	2,391	2,308	2,802	883 30	796 75	897 85
Plainwell	8,037	7,229	10,036	4,534 35	3,934 90	4,752 90
Osego	9,359	8,831	10,521	4,675 81	4,452 75	4,993 85
Abronia	1,392	637	683	409 70	181 05	180 75
Allegan	17,487	17,191	24,507	14,572 06	14,883 45	24,775 35
Hopkins	3,022	1,952	1,641	1,785 60	867 67	639 95
Hilliards	1,724	1,476	1,811	1,169 05	1,114 80	1,210 55
Dorr	4,454	4,012	3,557	3,050 40	2,978 45	2,397 40
Byron	4,756	4,585	3,497	2,583 83	2,516 20	1,871 15
Grandville	1,013	1,247	1,590	346 20	360 25	516 45
Eagle Mills	531	465	361	93 80	76 70	43 75
Grand Rapids	20,988	16,328	16,390	30,570 70	26,676 63	26,665 85
Middlebury	2,024	1,290	1,273	1,408 75	1,179 90	1,123 45
Bristol	5,902	4,372	3,150	3,074 75	2,655 80	2,232 85
Holland	2,188	1,217	1,567	1,141 00	839 00	917 00
Swanton	4,585	2,741	2,848	2,899 95	2,065 75	2,012 85
Delta	6,673	4,836	4,625	4,812 80	4,084 20	4,047 80
Wauseon	14,053	9,320	9,524	13,485 30	10,987 55	11,069 60
Pettisville	2,729	2,289	3,218	1,310 75	1,287 90	1,704 30
Archbald	4,913	3,316	3,327	3,712 85	3,307 45	3,003 75
Stryker	5,757	4,144	4,242	5,396 55	5,213 40	5,043 35
Bryan	15,428	9,669	9,724	18,583 95	14,720 45	14,389 20
Melburn	819	519	539	480 55	549 00	393 30
Edgerton	7,906	4,763	5,081	7,584 90	6,356 95	6,196 85
Butler	6,746	3,687	3,462	4,914 84	3,047 22	2,968 55
Waterloo	15,511	9,627	9,479	16,337 57	12,021 79	12,189 60
Sedan	1,423	863	998	540 45	405 85	498 15
Corunna	2,528	1,711	1,682	1,067 20	965 20	1,090 25
Kendallville	16,359	11,899	11,494	17,955 92	14,099 03	13,535 70
Brimfield	3,584	2,261	2,477	2,496 95	1,789 85	2,197 95

NUMBER OF PASSENGERS LEAVING EACH STATION—CONCLUDED.

STATIONS.	NUMBER OF PASSENGERS.			EARNINGS.		
	1873.	1872.	1871.	1873.	1872.	1871.
Wawaka	2,405	1,610	1,945	\$ 1,384 80	\$ 1,037 65	\$ 1,166 95
Ligonier	11,503	8,513	8,126	11,583 40	8,974 70	8,492 00
Millersburg	2,167	1,610	1,689	1,230 70	956 90	944 30
Goshen	17,811	15,489	14,854	16,287 12	15,361 75	15,270 20
Elkhart	49,898	34,612	28,826	55,303 00	41,004 89	35,304 85
Osceola	1,816	1,128	1,062	624 50	444 80	453 85
Mishawaka	12,636	8,445	8,749	8,599 05	7,088 80	6,931 30
South Bend	38,745	26,984	22,488	48,327 34	39,301 19	32,119 10
Warrentown	715	255	.....	223 10	60 15	.....
Terre Coupee	1,401	920	957	721 40	493 40	534 30
New Carlisle	4,771	3,194	3,177	3,255 50	2,383 95	2,758 55
Rolling Prairie	3,525	2,475	2,464	1,703 40	1,432 75	1,502 00
La Porte	26,814	19,184	18,127	33,015 49	25,930 81	24,381 65
Forester	339	.....	.....	79 55	.....	.....
Holmesville	361	281	182	118 40	83 55	77 10
Otis	5,867	4,512	5,989	4,992 54	3,866 88	6,279 92
Burdick	676	.....	.....	327 15	.....	.....
Chesterton	3,326	1,952	1,321	2,773 65	1,861 35	1,431 55
Bailey Town	10	6	.....	5 65	4 35	.....
Millers	1,289	426	284	1,054 40	357 95	418 70
Pine	413	49	.....	250 05	51 05	.....
Whiting	513	211	25	256 85	103 25	18 50
South Chicago	8,665	3,621	797	2,648 30	1,367 15	404 80
Grand Crossing	3,296	1,681	978	5,338 17	4,590 16	3,774 23
Englewood	9,423	6,181	1,860	4,338 97	3,253 71	2,208 15
Chicago	190,702	105,900	84,493	713,281 66	695,421 38	647,834 70
TOTAL	2,845,163	2,112,833	1,943,162	\$4,569,729 74	\$4,218,543 29	\$4,006,723 58

SECOND GENERAL MORTGAGE.

This Indenture, made at the city of New York, the FIFTEENTH DAY OF OCTOBER, ONE THOUSAND EIGHT HUNDRED AND SEVENTY-THREE, between THE LAKE SHORE AND MICHIGAN SOUTHERN RAILWAY COMPANY, of the First Part, and THE UNION TRUST COMPANY OF NEW YORK, of the Second Part.

WHEREAS, the said party of the First Part is the owner of a railroad, extending from the City of Buffalo, in the State of New York, to the city of Chicago, in the State of Illinois, with the several branches thereof:

AND WHEREAS, there is now outstanding one mortgage executed by the said Company to secure Bonds issued and to be issued amounting to TWENTY-FIVE MILLIONS OF DOLLARS (\$25,000,000), which sum represents the entire Bonded indebtedness of the Company, which has heretofore been secured by Mortgage on its property, inclusive of all outstanding Bonds and Mortgages executed by the corporations whose roads and franchises are consolidated into and now constitute the said THE LAKE SHORE AND MICHIGAN SOUTHERN RAILWAY COMPANY:

AND WHEREAS, other Bonds, denominated Income Bonds, amounting to SIX MILLIONS OF DOLLARS (\$6,000,000), heretofore issued by the said Company for equipment and construction, are outstanding, and other indebtedness exists, incurred in making double track of the main line and in constructing branches and other permanent and necessary improvements:

AND WHEREAS, further extensions and improvements, important to the development of the increasing business and traffic of the road are contemplated, requiring the expenditure of money, and it is intended to consolidate all indebtedness now outstanding against, and which may hereafter be contracted by said Company,

and to have the same represented by Bonds secured by this and the before-mentioned Mortgage.

NOW, THEREFORE, THIS INDENTURE WITNESSETH, that for the purpose of securing the payment of the principal and interest of the proposed additional Bonds of said Company which may be issued to an amount not to exceed the sum of TWENTY-FIVE MILLIONS OF DOLLARS (\$25,000,000), such Bonds to be in the several denominations of ONE THOUSAND DOLLARS (\$1,000), FIVE THOUSAND DOLLARS (\$5,000), and TEN THOUSAND DOLLARS (\$10,000), as may be determined by the Company, and to be PAYABLE ON THE FIRST DAY OF DECEMBER, ONE THOUSAND NINE HUNDRED AND THREE, WITH INTEREST THEREON AT THE RATE OF SEVEN PER CENT. PER ANNUM, PAYABLE HALF-YEARLY, from and after the FIRST DAY OF DECEMBER, ONE THOUSAND [EIGHT HUNDRED AND SEVENTY-THREE, the same to make apt reference to this Mortgage, and to be of the kind known as "COUPON" Bonds, or of the kind known as "REGISTERED" Bonds, in such proportions as the said party may elect to issue, and to be in such general form as it may prescribe, and to be certified by means of the countersignature of the said party of the Second Part, to be of the issue intended to be secured by this Mortgage, the said THE LAKE SHORE AND MICHIGAN SOUTHERN RAILWAY COMPANY, the said party of the First Part hath granted, bargained, sold, released, conveyed and confirmed, and by these presents doth grant, bargain, sell, release, convey and confirm unto the said party of the Second Part and its successors, as Trustees, for whomsoever may from time to time be the holders of the said Bonds hereby intended to be secured, all the right, title, estate and interest of the said THE LAKE SHORE AND MICHIGAN SOUTHERN RAILWAY COMPANY, the said party of the First Part, of, in and to all and singular the several pieces or parcels of land forming the track or roadway of the said Company, from Buffalo, in the State of New York, to Chicago, in the State of Illinois.

ALSO, the Railroad of the said party of the First Part, and any and all branches thereof, together with all the Rails, Bridges, Fences, Stations, Station Houses, Wood Houses, Buildings and other structures and appurtenances thereunto belonging.

AND ALSO, all the tolls, income, rents, issues and profits and alienable franchise of the said party of the First Part connected with its Railway or relating thereto, including its rights and franchises as a corporation, or connected with or appertaining to any of the several Railroad Corporations which have become consolidated into the said THE LAKE SHORE AND MICHIGAN SOUTHERN RAILWAY COMPANY, including all the rights and franchises of such several Railroad Corporations.

AND, ALSO, all the rolling stock, locomotives, tenders, all the passenger cars, baggage, mail and express cars, freight, stock and dumping cars, flat cars, and cars of every description; also, all fuel.

AND, ALSO, all the machine shops, car shops and blacksmith shops; also, all the machinery, stationary engines and belting, and all the articles used in the construction, replacing and repairing of roads, engines and cars, and in the running thereof, together with all the tools, patterns and materials in the machine shops, car shops and blacksmith shops; together with all articles and implements connected with the equipment, working, operating, conducting and repairing of the said road, now owned, or hereafter to be acquired by the said party of the First Part. All of which chattels are declared to be fixtures and appurtenances to said Railroad, and are to be used therewith, and not separated therefrom, and are to be deemed and taken as a part thereof.

ALSO, all the locomotives, cars, and other rolling stock, fixtures, stations and station houses, buildings and appurtenances, and all other articles, implements and materials connected with the proper equipment, working, conducting and repairing of any and all Branch Railroads now owned, or hereafter to be acquired by the said party of the First Part; all of which rolling stock and other articles are declared to be fixtures and appurtenances to such Branch Railroads of the said party of the First Part, and are to be used and sold therewith, and not separated therefrom, and are to be taken as a part thereof.

TO HAVE AND TO HOLD, all and singular, the hereby granted premises, with the appurtenances, and the goods and

chattels herein before bargained and sold unto the said party of the Second Part and its successors forever.

PROVIDED ALWAYS, AND THESE PRESENTS ARE UPON THE EXPRESS CONDITION, that, if the said party of the First Part shall well and truly pay to the holders of the Bonds to be issued, as herein before stated, or of such of the said Bonds as shall from time to time be outstanding and unpaid, and every of them, the principal and interest moneys to grow due on said Bonds respectively, at the times and in the manner mentioned in the said Bonds according to the true intent and meaning of the same.

AND, PROVIDED, ALSO, that, if the said party of the First Part shall keep and perform all the covenants on its part herein contained, and shall until the full payment of the principal and interest of the Bonds hereby secured, and whenever required by said Trustees, keep paid off and discharged all taxes and assessments which may at any time be imposed upon the real or personal estate hereby granted, bargained and sold, or intended so to be, or upon any portion of either.

AND, PROVIDED, ALSO, that if the said party of the First Part shall at all times, until all prior Mortgages shall have been extinguished by the payment of the Bonds thereby secured, or by the substitution therefor of the Bonds hereby secured, or until the Bonds hereby secured shall have been fully paid, keep paid off and discharged any and all interest which shall become due and payable upon the Bonds secured by such prior Mortgages, then and from thenceforth, these presents and the estate hereby granted shall cease, determine and be null and void.

BUT IN CASE DEFAULT should be made in the payment of the principal or interest of said Bonds hereby secured, or such of them as may, from time to time, be outstanding, or any of them, or any part of either, as said principal or interest shall fall due, according to the tenor of said Bonds, or in case the said party of the First Part shall fail to keep paid off and discharged the taxes and assessments which may be imposed upon the mortgaged premises or property, or any part thereof, as herein before provided; or in case the said party of the First Part shall fail to keep

paid off and discharged the interest to accrue from time to time upon the Bonds secured by the prior mortgages upon said railroad, or such of them as shall from time to time remain outstanding, or in case the said party of the First Part shall make default in the performance of any of the covenants on its part herein contained, then, and in either of the cases above mentioned, the conveyance herein contained shall be in full FORCE AND VIRTUE; and it shall be lawful for the said party of the Second Part, or its successors, and the said party of the First Part doth hereby fully authorize and empower them, with the aid and assistance of any person or persons, to enter into and upon and to take possession of the said Railroad and the Branches thereof, and all and singular the lands, tenements, car and engine houses, machine shops, goods, chattels and property, real and personal, hereby mortgaged, and every or any part thereof, and to hold the same as mortgagees thereof in possession for the benefit of the holders of the Bonds hereby secured, and to retain and keep possession of said property, real and personal, use and operate the same, and to make, from time to time, all necessary or proper repairs and replacements, and to receive the earnings, rents, issues and profits thereof, until a sale thereof shall be made pursuant to law, rendering an account thereof to the said party of the First Part; and after paying all current expenses, and the expenses of necessary repairs and replacements, and all other proper costs, charges and expenses, taxes, assessments, interest on prior mortgages, and making all other payments necessary for the protection of the security hereby created, to apply the surplus, if any, to the payment, *pro rata*, of the interest and principal of the Bonds hereby secured, or such of them as may be then outstanding.

AND IN CASE DEFAULT shall be made in the payment of the interest, as it falls due upon the said Bonds hereby secured, or any of them, or in the payment of the principal thereof, or of any of them, when due, or in making any of the payments of taxes, assessments, principal or interest of prior incumbrances, or any of the payments herein agreed to be made by the said party of the First Part, or in the performance of any of the covenants, provisos, or conditions herein contained, the said party of the

Second Part to these presents, or its successors, are hereby authorized and empowered, after such default, for ninety days, and after publication of notice of sale in one leading newspaper published in the city of New York, and in one such newspaper, published in each of the States respectively in which said Railroad is situate, to grant, bargain and sell the property and premises hereby mortgaged, and all the right, title, interest and equity of redemption of the said party of the First Part therein, at public auction, in the city of New York; and as the attorneys of the said party of the First Part, by these presents duly constituted and appointed, to make, execute, seal and deliver to the purchaser or purchasers thereof, a good and sufficient deed or deeds, bill or bills of sale, conveyance or conveyances, in fee simple, for the same, and out of the moneys arising from such sale, after paying the expenses of such such sale, and all moneys expended for necessary repairs or replacements, or necessary expenses, and the amount unpaid of the prior incumbrances on the property of the said party of the First Part, to pay to the several holders of the Bonds and Coupons hereby secured, the amount of principal and interest which may be due or unpaid to them respectively, rendering the overplus, if any, to the said party of the First Part, its successors or assigns, which sale, so to be made, shall forever be a perpetual bar, both in law and in equity, against the said party of the First Part, its successors and assigns, and all other persons claiming or to claim the premises so sold, or any part thereof, by, from or under the said party of the First Part, its successors or assigns.

AND THIS INDENTURE FURTHER WITNESSETH, that it is hereby covenanted and agreed that SIX MILLIONS OF DOLLARS (\$6,000,000) in amount of the said Bonds hereby intended to be secured, shall be reserved by the said party of the Second Part, and shall not be issued, except for the purpose of being exchanged for, or for the payment of the principal of the before-mentioned Income Bonds, which become due in ONE THOUSAND EIGHT HUNDRED AND EIGHTY-TWO, and which are now outstanding, or are as yet unissued and held by said party of the First Part.

AND IT HAS BEEN FURTHER AGREED, that any of the "COUPON" Bonds, the issue whereof is herein provided for, may, at the option of the holder thereof, be converted into or exchanged for a like amount of "REGISTERED" Bonds, the issue whereof is herein before provided for, on the FIRST DAYS OF JUNE AND DECEMBER in any year.

AND IT HAS BEEN FURTHER AGREED, that the said party of the First Part shall permit the holders of the said "REGISTERED" Bonds, from time to time, to transfer the same, and that it will provide for the issue of new "REGISTERED" Bonds, in the place and stead of those surrendered for cancelment on such transfer. And that this Mortgage shall inure to the benefit and security of the holders of the new Bonds, which may be issued on such transfer and cancelment.

AND IT HAS BEEN FURTHER AGREED, that, if at any time hereafter, the said party of the First Part should desire to have any portion of the property now, or hereafter, used for depot or station purposes, and included in this Mortgage, released from the operation hereof, and other property equally available for depot or station purposes, as the case may be, substituted in lieu thereof, as part of the Mortgage security, the said party of the Second Part, or its successors, shall release the same from the operation of this Mortgage, and receive such substituted depot or station property in lieu thereof; but such substitution shall not be made, unless, in the opinion of the said party of the Second Part, or its successors, such substituted depot or station property is equally available for depot or station purposes, as the case may be, as the premises so released.

AND IT HAS BEEN FURTHER AGREED, by and between the parties to these presents, that the said party of the Second Part will, whenever and as often as it may be requested by a resolution of the Board of Directors of the said party of the First Part, release any portion of the real estate hereby mortgaged, other than the track of the railroad, or the depot or station grounds; and which shall not be in use for railroad purposes; or which, in the opinion of the said party of the First Part, may not be needed for such purposes, from the lien and operation of this Mortgage, upon the payment and cancelment by the said

party of the First Part of so much of the debt hereby intended to be secured as shall be equal in amount to the value of the property released.

AND IT HAS BEEN FURTHER AGREED, by and between the parties to these Presents, that, if at any time the said party of the First Part shall change the line of its roadway, or change any station, or remove any establishment connected with the business of the Company, or shall cease to use, for the purposes of the Railway Company in operating its Railroad, any land now owned or used by it, such roadway, site or land so abandoned shall not be deemed to have been covered by this Mortgage, but this Mortgage shall be deemed to apply to and cover any roadway, site or land which shall be substituted therefor.

AND IT IS HEREBY FURTHER EXPRESSLY AGREED, that if the said party of the First Part shall by and with the consent of the holders of unpaid Bonds, issued under the prior mortgage hereinbefore mentioned, and which is now designated as the "CONSOLIDATED MORTGAGE," at any time extend the time for the payment of the principal thereof, or shall, with the consent of such holders, substitute other Bonds, or another Mortgage, for the security of other Bonds to be issued in exchange for Bonds issued under said "CONSOLIDATED MORTGAGE;" such extension or exchange may be made, and such Mortgage may be extended, and the lien of this Indenture and of the Bonds secured thereby shall be subject and subordinate to the lien of the "CONSOLIDATED MORTGAGE" for its Bonds so extended, or of the Bonds or Mortgage and Bonds to be executed in substitution therefor, but only on the express condition that the Bonds so given in exchange or substitution shall in no event exceed the principal of the Bonds now covered by said existing "CONSOLIDATED MORTGAGE."

AND THE SAID PARTY OF THE FIRST PART, for itself and its successors, further covenants with the said party of the Second Part, and its successors, that the said party of the First Part will, at the reasonable request of the said party of the Second Part or its successors, make and execute all further assurances, conveyances and instruments needful or proper to assure or convey unto it all the premises, property and fixtures hereby intended to be mortgaged, and all premises, property, fixtures and appurtenances which may hereafter be acquired by the said party of the First Part, and may

appertain to the said Railway or its branches, so that the said party of the Second Part may hold such hereafter acquired property in the same manner as if it had belonged to the said party of the First Part at the time of the execution of this Mortgage, and had been herein specifically described.

It is understood that this Mortgage will be operative on so much of the property of the Company as is situate within the State of Illinois, after the same shall have been authorized by the stockholders as required by the laws of that State.

IN WITNESS WHEREOF, the said party of the First Part has caused its corporate seal to be affixed hereto and attested by the signature of its Secretary, and these Presents to be subscribed by its Vice President; and the said party of the Second Part, in witness of its acceptance of the conveyance and trust herein conferred, has caused its corporate seal to be also hereto affixed and attested by its President, the day and year first herein written.

THE LAKE SHORE AND MICHIGAN
SOUTHERN RAILWAY COMPANY,
BY AUGUSTUS SCHELL,
VICE PRESIDENT.

Seal of the
L. S. & M. S.
Ry Co.

Attest.

E. D. WORCESTER,
Acting Secretary.

THE UNION TRUST COMPANY
OF NEW YORK,
BY I. H. FROTHINGHAM,
PRESIDENT.

Seal of the
Union Trust Co.
of New York.

STATE OF NEW YORK, }
CITY AND COUNTY OF NEW YORK, } ss.:

On this 22d day of November, 1873, before me personally appeared AUGUSTUS SCHELL, to me known, who, being by me duly sworn, did depose and say that he resides in the City of New York, County of New York, and State of New York, that he is Vice-President of THE LAKE SHORE AND MICHIGAN SOUTHERN RAILWAY COMPANY;

that he knows the corporate seal of the said Company; that the seal affixed to the foregoing instrument and purporting to be the corporate seal of the said Company, is such corporate seal; that it was so affixed by order of the Board of Directors of the said Company, and that by like order he signed the same as Vice President of the said Company.

JAS. H. OGILVIE,

Notary Public, New York County.

[Seal]

STATE OF NEW YORK, }
CITY AND COUNTY OF NEW YORK, } ss.:

I, Charles E. Loew, Clerk of the City and County of New York, and also Clerk of the Supreme Court for the said City and County, the same being a Court of Record, do hereby certify, that James H. Ogilvie, whose name is subscribed to the certificate of the proof or acknowledgment of the annexed instrument, and thereon written, was at the time of taking such proof or acknowledgment a *Notary Public* in and for the City and County of New York, dwelling in the said City, commissioned and sworn and duly authorized to take the same.

And further, that I am well acquainted with the handwriting of such Notary, and verily believe that the signature to the said certificate of proof or acknowledgment is genuine.

In Testimony Whereof, I have hereunto set my hand and affixed the seal of the said Court and County the 22d day of November, 1873.

[Seal]

CHAS. E. LOEW,

Clerk City and County of New York.

STATE OF NEW YORK, }
CITY AND COUNTY OF NEW YORK, } ss.:

On this 22d day of November, 1873, personally appeared before me, I. H. FROTHINGHAM, to me known, who being by me duly sworn, did depose and say that he resides in the City of Brooklyn, County of Kings, and State of New York; that he is the President of THE UNION TRUST COMPANY OF NEW YORK; that he knows the Corporate Seal of the said Company: that the Seal affixed to the foregoing instrument and purporting to be the

Corporate Seal of the said Company, is such Corporate Seal; that it was so affixed by order of the Board of Directors of the said Company, and that by like authority he signed the same as President of the said Company.

JAS. H. OGILVIE,

[Seal]

Notary Public, New York County.

STATE OF NEW YORK, }
CITY AND COUNTY OF NEW YORK, }^{ss.:}

I, Charles E. Loew, Clerk of the City and County of New York, and also Clerk of the Supreme Court for said City and County, the same being a Court of Record, do hereby certify, that James H. Ogilvie, whose name is subscribed to the certificate of the proof or acknowledgment of the annexed instrument, and thereon written, was at the time of taking such proof or acknowledgment, a Notary Public, in and for the City and County of New York, dwelling in the said City, commissioned and sworn, and duly authorized to take the same.

And further, that I am well acquainted with the handwriting of such Notary, and verily believe that the signature to the said certificate of proof or acknowledgment is genuine.

In Testimony Whereof, I have hereunto set my hand
[Seal] and affixed the seal of the said Court and County,
the 22d day of November, 1873.

CHAS. E. LOEW,

Clerk City and County of New York.