

Ex. 13–6

a. Cash.....	400,000	
Common Stock (10,000 × \$40)		400,000
b. Organizational Expenses.....	30,000	
Common Stock (750 × \$40)		30,000
Cash.....	800,000	
Common Stock (20,000 × \$40)		800,000
c. Land.....	125,000	
Building	600,000	
Interest Payable*		7,000
Mortgage Note Payable.....		400,000
Common Stock.....		318,000

*An acceptable alternative would be to credit Interest Expense.

Ex. 13–7

Buildings.....	200,000	
Land.....	125,000	
Preferred Stock		250,000
Paid-In Capital in Excess of Par—Preferred Stock		75,000
Cash	475,000	
Common Stock.....		300,000
Paid-In Capital in Excess of Par—Common Stock		175,000