

ANNUAL DEBT STATEMENT

AS REQUIRED BY N.J.S.A. 40A:2-40

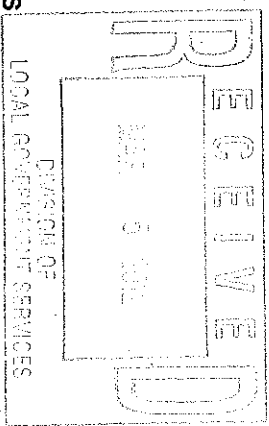
of the Borough of Peapack & Gladstone, County of Somerset
 Prepared as of December 31, 2011

	Gross	Deduction	Net
1. (a) Total Bonds and Notes for School Purposes	\$ 7,879,045.46		\$ 7,879,045.46
(b) Less Applicable Deductions	(50011-00)	(50012-00)	NONE
(c) Net Debt for School Purposes			(50013-00)
2. (a) Total Bonds and Notes for Self-Liquidating Purposes	\$ 825,000.00		\$ 825,000.00
(b) Less Applicable Deductions	(50014-00)	(50015-00)	NONE
(c) Net Debt for Self-Liquidating Purposes			(50016-00)
3. (a) Total Other Bonds, Notes and Loans	\$ 5,435,624.16		\$ 5,435,624.16
(b) Less Applicable Deductions	(50017-00)	(50018-00)	(50019-00)
(c) Net Debt for Other Purposes			Total Gross Debt-
	\$ 14,139,669.62		Total Deductions
	(50020-00)		\$ 8,704,045.46
4. TOTAL NET DEBT DECEMBER 31, 2011			\$ 5,435,624.16

EQUALIZED VALUATION BASIS

Equalized valuation basis (the average of the equalized valuations of real estate, including improvements, and the assessed valuation of class II railroad property of the local unit for the last 3 preceding years).

(1) 2009 Equalized Valuation Real Property with Improvements plus assessed valuation of class II R.R. property	\$ 867,368,420.00
(2) 2010 Equalized Valuation Real Property with Improvements plus assessed valuation of class II R.R. property	\$ 811,128,663.00
(3) 2011 Equalized Valuation Real Property with Improvements plus assessed valuation of class II R.R. property	\$ 744,890,344.00
	\$ 807,795,809.00



5. EQUALIZED VALUATIONS BASIS - Average of (1), (2), and (3).
 6. PERCENTAGE OF NET DEBT OF EQUALIZED VALUATION BASIS
 The percentage that the net debt (Line 4 above) bears to the equalized valuation basis (Line 5 above):
 _____ per cent (0.67%)
67/100 of one (50039-00)

AFFIDAVIT

STATE OF NEW JERSEY }
 County of Somerset }ss.

Mary P. Robinson, being duly sworn, deposes and says:

Deponent is the chief financial officer of the Borough of Gladstone County of Somerset here and in the statement hereinafter mentioned called "the municipality" or "the county." The Annual Debt Statement annexed hereto and hereby made a part hereof is a true statement of the debt condition of the municipality or county as of December 31, 2011 and is computed as provided by the Local Bond Law of New Jersey (N.J.S.A. 40A:2-1 et. seq.). The amounts of such items as are indefinite or uncertain-able are estimated and are so marked.

Subscribed and sworn to before me
 this 1st day of March, 2012
Margaret J. Stodd
Kotary Public of New Jersey

Name: Mary P. Robinson
 Title: Chief Financial Officer
 Address: P.O. Box 218, School Street
Peapack, New Jersey 07977
 Phone: 908-234-2250
 Fax: 908-781-0042

NOTE - One copy must be filed no later than January 31, with Division of Local Government Services, P.O. Box 803, Trenton, N.J. 08625-0803. The code numbers in brackets () are for Division of Local Government Services use only.

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 DIVISION OF LOCAL GOVERNMENT SERVICES
 TRENTON, NJ
 My Commission Expires Dec 13