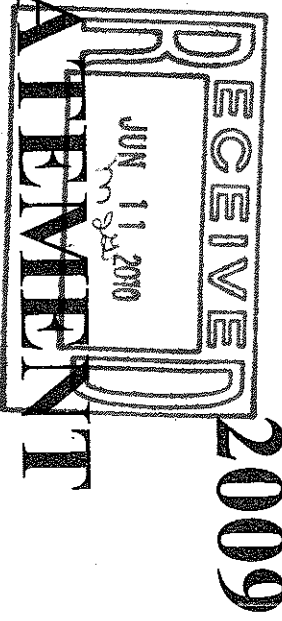


# ANNUAL DEBT STATEMENT

2009 FEB 18 RECEIVED REQUIRED BY N.J.S.A. 40A:2-40



of the Borough of Peapack & Gladstone, County of Somerset  
 Prepared as of December 31, 2009

	Gross	Deduction	Net
1. (a) Total Bonds and Notes for School Purposes	\$ 8,949,447.45 (50011-00)	\$ 8,949,447.45 (50012-00)	\$ NONE (50013-00)
(b) Less Applicable Deductions			
(c) Net Debt for School Purposes			
2. (a) Total Bonds and Notes for Self-Liquidating Purposes	\$ 1,400,000.00 (50014-00)	\$ 1,400,000.00 (50015-00)	\$ NONE (50016-00)
(b) Less Applicable Deductions			
(c) Net Debt for Self-Liquidating Purposes			
3. (a) Total Other Bonds, Notes and Loans	\$ 5,640,336.27 (50017-00)	\$ (50018-00)	\$ 5,640,336.27 (50019-00)
(b) Less Applicable Deductions			
(c) Net Debt for Other Purposes			
Total Gross Debt-	\$ 15,989,783.72 (50020-00)	\$ 10,349,447.45 (50021-00)	\$ 5,640,336.27 (50022-00)
Total Deductions			
<b>4. TOTAL NET DEBT DECEMBER 31, 2009</b>			

### 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) 2007 Equalized Valuation Real Property with Improvements plus assessed valuation of class II R.R. property			\$ 909,086,012.00
(2) 2008 Equalized Valuation Real Property with Improvements plus assessed valuation of class II R.R. property			\$ 855,106,995.00
(3) 2009 Equalized Valuation Real Property with Improvements plus assessed valuation of class II R.R. property			\$ 867,368,420.00
<b>5. EQUALIZED VALUATIONS BASIS - Average of (1), (2), and (3).</b>			\$ 877,187,142.33
<b>6. PERCENTAGE OF NET DEBT OF EQUALIZED VALUATION BASIS</b>			
The percentage that the net debt (Line 4 above) bears to the equalized valuation basis (Line 5 above):	76/100 of one	per cent (	0.64% ) (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, 2009 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 5th day of February, 2010  
Margaret J. Gould  
*Notary 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.

MARGARET J. GOLD  
 NOTARY PUBLIC OF NEW JERSEY  
 My Commission Expires 22 Dec 2013