BOROUGH OF SHIP BOTTOM, IN THE COUNTY OF OCEAN, NEW JERSEY
NOTICE OF $3,392,130 GENERAL OBLIGATION NOTE SALE
CONSISTING OF:

$617,630 GENERAL IMPROVEMENT BOND ANTICIPATION NOTES (TAX-EXEMPT)
AND
$1,838,500 WATER-SEWER UTILITY BOND ANTICIPATION NOTES (TAX-EXEMPT)
(BANK QUALIFIED)

AND

$316,000 GENERAL IMPROVEMENT BOND ANTICIPATION NOTES (TAXABLE)
AND
$620,000 WATER-SEWER UTILITY BOND ANTICIPATION NOTES (TAXABLE)

Proposals are being solicited for the above issues of $3,392,130 aggregate amount of General Obligation Notes consisting of (i) $617,630 General Improvement Bond Anticipation Notes (Tax-Exempt) and $1,838,500 Water-Sewer Utility Bond Anticipation Notes (Tax-Exempt) (collectively, the "Tax Exempt Notes"), and (ii) $316,000 General Improvement Bond Anticipation Notes (Taxable) and $620,000 Water-Sewer Utility Bond Anticipation Notes (Taxable) (collectively, the "Taxable Notes", and, collectively with the Tax-Exempt Notes, the "Notes") for the purchase at not less than the par amount of the Notes through a fair and open process in accordance with N.J.S.A. 40A:2-28. Separate bids must be submitted for (i) the Tax Exempt Notes, and (ii) the Taxable Notes, and the selection of the winning bidder will be made separately for the Tax-Exempt Notes and for the Taxable Notes. All bids will be publicly opened and announced by Anthony Inverso of Phoenix Advisors, LLC (the "Financial Advisor") on behalf of the Borough of Ship Bottom, in the County of Ocean, New Jersey (the "Borough") on September 8, 2016, until 11:00 a.m. Bids will be received either (a) via facsimile, at (609) 291-9940 Attention: Anthony Inverso, or (b) via email, to ainverso@muniadvisors.com All bids submitted are the sole responsibility of the bidder and must be received by 11:30 a.m.. No telephone bids will be accepted. The Financial Advisor and the Chief Financial Officer of the Borough will evaluate the bids on the basis of the lowest net interest cost to the Borough. A determination as to the award will be made no later than 1:00 p.m. on that date. The telephone number for the Chief Financial Officer is (609) 494-2171 extension 120 and the telephone number for the Financial Advisor is (609) 291-0130. The Financial Advisor and the Borough accept no responsibility for the failure of any telecopied or emailed bids to be received on time for whatever reason.

SEPARATE BIDS ARE REQUESTED FOR (I) THE TAX-EXEMPT NOTES AND (II) THE TAXABLE NOTES. ONE CUSIP NUMBER WILL BE REQUIRED FOR THE TAX-EXEMPT NOTES AND ONE CUSIP NUMBER FOR THE TAXABLE NOTES.

Bids must be on the official bid form attached hereto as Exhibit A (in the case of bids for the Tax-Exempt Notes) or Exhibit B (in the case of bids for the Taxable Notes), each signed by the bidder, sent to facsimile, at (609) 291-9940 Attention: Anthony Inverso, or (b) via email, to ainverso@muniadvisors.com.

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Warnings: Bids submitted by facsimile transmission or email will not be considered timely unless, at the deadline for submission of bids, the entire bid form has been received by the Financial Advisor. The official time for receipt of bids will be determined by the Borough at the place of bid opening, and the Borough shall not be required to accept any bidders fax machine time-stamp or email time-stamp as evidence of a timely bid. Neither the Borough, the Financial Advisor nor the law firm of GluckWalrath LLP ("Bond Counsel") shall be responsible for, and the bidder expressly assumes the risk of, any incomplete or untimely bid submitted by facsimile transmission or email by such bidder, including, without limitation, by reason of garbled transmission, mechanical failure, engaged telephone, telecommunications or computer lines, or any other cause arising from delivery by facsimile transmission or email. Bidders may call (609) 291-0130, to confirm receipt of their bids; however the Borough and the Financial Advisor take no responsibility for informing any bidder prior to the time for receiving bids that its bid is incomplete, illegible or not received.

The Notes will be issued in four (4) separate series in the aggregate principal amount of $3,392,130. Each bid must offer to purchase either (i) all Tax-Exempt Notes, all of such notes being offered at a price of not less than par and must specify a single rate of interest offered for such notes, and/or (ii) all Taxable Notes, all of such notes being offered at a price of not less than par and must specify a single rate of interest offered for such notes. Interest shall be calculated on a 360-day year consisting of twelve 30-day months. **The Financial Advisor and the Chief Financial Officer expect to award the Notes, separately for the Tax-Exempt Notes and Taxable Notes, to the responsive bidders specifying the lowest net interest payable by the Borough. However, the Borough reserves the right to reject all bids or to award the Notes to a bidder other than the lowest bidder. The bidder, by submitting a bid agrees to accept the determination of the Chief Financial Officer.**

SPECIFICATION OF NOTES

Principal Amounts:	**$2,456,130 (Tax-Exempt Notes)** **$936,000 (Taxable Notes)**
Dated:	September 22, 2016
Maturity Date:	September 22, 2017
Interest Rates Per Annum:	Specified by Successful Bidder
Legal Opinion:	GluckWalrath LLP Trenton, New Jersey

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Paying Agent:	Specified by and at the expense of successful bidder within 24 hours of award, subject to approval of the Chief Financial Officer
Closing:	
a. date	September 22, 2016
b. location	Borough of Ship Bottom, 1621 Long Beach Boulevard, Ship Bottom, New Jersey 08008, or at such other place as agreed to by the Chief Financial Officer
Denominations:	Denominations of $100,000 or greater if being reoffered, as specified by the successful bidder within 24 hours of award, subject to approval of the Chief Financial Officer
Payment:	Immediately available funds

The Notes will be noncallable general obligations of the Borough. The full faith and credit of the Borough will be pledged for the punctual payment, in accordance with their terms, of the principal of and the interest on the Notes. The Tax-Exempt Notes will be "qualified tax-exempt obligations" within the meaning of Section 265 of the Internal Revenue Code of 1986, as amended. No opinion will be rendered regarding the taxability of interest on the Taxable Notes for federal income tax purposes. Interest on the Notes and any gain from the sale thereof will be excludable from gross income under the New Jersey Gross Income Tax Act.

As a condition to delivery of the Notes, the successful bidder for each series of the Notes will be required to execute a receipt therefor containing a certification that either (i) it has made a bona fide public offering of the Notes at a stated initial offering price or prices and at least ten percent (10%) of the Notes have been sold to the public (excluding bond houses, brokers or similar organizations acting in the capacity of underwriter or wholesaler) at such initial offering price or prices as would produce a yield to the purchaser(s) thereof equal to a stated percentage per annum, and, it has not entered into any arrangement with any third party to repurchase the Notes in order to enable the successful bidder to reoffer the Notes at higher prices, or (ii) it has not reoffered the Notes to the public and has no present intention to reoffer the Notes to the public. In addition, the certification shall address such other matters as Bond Counsel reasonably may request of the successful bidder.

It shall be the responsibility of the successful bidder to have CUSIP identification numbers, if required, issued for the Notes. The request for the assignment of CUSIP identification numbers and the CUSIP Service Bureau charge therefor shall be the responsibility of and shall be paid for by the successful bidder. CUSIP numbers must be communicated to Bond Counsel within 24 hours of the award of the Notes in order to have CUSIP numbers

printed on the Notes. **ONE CUSIP NUMBER WILL BE REQUIRED FOR THE TAX-EXEMPT NOTES AND ONE CUSIP NUMBER FOR THE TAXABLE NOTES.**

The successful bidder is advised of its responsibility to file an annual disclosure statement on political contributions with the New Jersey Election Law Enforcement Commission ("ELEC") pursuant to N.J.S.A. 19:44A-20.13 (P.L. 2005, c.271, s.3) if the successful bidder enters into agreements or contracts, such as its agreement to purchase the Notes, with a public entity, such as the Borough and receives compensation or fees in excess of $50,000 in the aggregate from public entities, such as the Borough, in a calendar year. It is the successful bidder's responsibility to determine if filing is necessary. Failure to do so can result in the imposition of financial penalties by ELEC. Additional information about this requirement is available from ELEC at 888-313-3532 or at www.elec.state.nj.us.

In addition, in order to comply with the requirements of Rule 15(c)2-12 of the Securities and Exchange Commission, the successful bidder may only reoffer the Notes in denominations of $100,000 or more, and may not reoffer the Notes to more than thirty-five (35) persons. The Purchaser must believe that each of the persons to whom the Notes are sold has such knowledge and experience in financial and business matters that it is capable in evaluating the merits and the risks of the Notes as an investment and is not purchasing the Notes for more than one account with the intent to distribute the Notes. A certification by the Purchaser as to the foregoing matters will be a condition to delivery of the Notes.

No Preliminary Official Statement or other offering document will be prepared by the Borough for this issue. However, certain financial information concerning the Borough is available upon request. For such information please contact the undersigned Chief Financial Officer at the above address, telephone number (609) 494-2171 extension 120 or the Financial Advisor at 4 West Park Street, Bordentown, New Jersey 08505, telephone number (609) 291-0130.

/s/ KATHLEEN FLANAGAN
Kathleen Flanagan, Chief Financial Officer

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EXHIBIT A

PROPOSAL FOR TAX-EXEMPT NOTES

September 8, 2016

Kathleen Flanagan, Chief Financial Officer
Borough of Ship Bottom
c/o Anthony Inverso
Phoenix Advisors, LLC
4 West Park Street
Bordentown, New Jersey

Dear Mr. Inverso:

Subject to the provisions of the "Notice of $3,392,130 aggregate amount of General Obligation Note Sale, consisting of $617,630 General Improvement Bond Anticipation Notes (Tax-Exempt) and $1,838,500 Water-Sewer Utility Bond Anticipation Notes (Tax-Exempt) (collectively, the "Tax-Exempt Notes") and $316,000 General Improvement Bond Anticipation Notes (Taxable) and $620,000 Water-Sewer Utility Bond Anticipation Notes (Taxable) (collectively, the "Taxable Notes"), which is attached hereto and considered a part hereof, **we offer to purchase the Tax-Exempt Notes on the following terms:**

Purchase Price: $_____ (**not less than $2,456,130 which represents the total par amount of the Tax-Exempt Notes)**

Interest Rate: _____%

_____
Name:
Title:
Representing:
Telephone Number:

PLEASE COMPLETE THE FOLLOWING:

Interest Payable on Notes $_____

Less: Premium, if any $_____

Net Interest Payable $_____

THIS PORTION OF THE PROPOSAL IS NOT PART OF THE BID

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EXHIBIT B

PROPOSAL FOR TAXABLE NOTES

September 8, 2016

Kathleen Flanagan, Chief Financial Officer
Borough of Ship Bottom
c/o Anthony Inverso
Phoenix Advisors, LLC
4 West Park Street
Bordentown, New Jersey

Dear Mr. Inverso:

Subject to the provisions of the "Notice of $3,392,130 aggregate amount of General Obligation Note Sale, consisting of $617,630 General Improvement Bond Anticipation Notes (Tax-Exempt) and $1,838,500 Water-Sewer Utility Bond Anticipation Notes (Tax-Exempt) (collectively, the "Tax-Exempt Notes"), and $316,000 General Improvement Bond Anticipation Notes (Taxable) and $620,000 Water-Sewer Utility Bond Anticipation Notes (Taxable) (collectively, the "Taxable Notes"), which is attached hereto and considered a part hereof, **we offer to purchase the Taxable Notes on the following terms:**

Purchase Price: $_____ (**not less than $936,000, which represents the total par amount of the Taxable Notes.)**

Interest Rate: _____%

_____
Name:
Title:
Representing:
Telephone Number:

PLEASE COMPLETE THE FOLLOWING:

Interest Payable on Notes $_____

Less: Premium, if any $_____

Net Interest Payable $_____

THIS PORTION OF THE PROPOSAL IS NOT PART OF THE BID

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