



NOTICE OF SALE

**TOWN OF NIAGARA
NIAGARA COUNTY, NEW YORK**

\$8,000,000

**BOND ANTICIPATION NOTES, 2011
(the "Notes")
(Designated/Bank Qualified)**

SALE DATE: July 12, 2011 (Tuesday)
TIME: 11:00 o'clock a.m. (Prevailing Time)
LOCATION: Municipal Solutions, Inc.
2528 State Route 21
Canandaigua, New York 14424

NOTES DATED: July 26, 2011 (Tuesday)
NOTES DUE: July 26, 2012 (Thursday)

Written proposals, telephone bids (telephone number: 585-394-4090) and facsimile transmission (FAX) bids (FAX number: 585-394-4092) will be received and considered by the undersigned Supervisor of the Town of Niagara, Niagara County, New York (the "Town") at the offices of Municipal Solutions, Inc., 2528 State Route 21, Canandaigua, New York 14424 until 11:00 a.m. Prevailing Time on the 12th day of July, 2011 at which time and place the bids will be opened for the purchase at not less than par and accrued interest of \$8,000,000 Bond Anticipation Notes, 2011 of the Town dated July 26, 2011 and maturing July 26, 2012. The Notes will NOT be subject to redemption, in whole or in part, prior to maturity. Interest on the Notes will be payable at maturity.

The timely delivery of all proposals submitted by telefax (FAX) must be in legible and completed form, signed by an authorized representative of the bidder, and shall be the sole responsibility of the bidder. The Town shall not be responsible for any errors and/or delays in transmission and/or receipt of such bids, mechanical or technical failures or disruptions, or any omissions or irregularities in any bids submitted in such manner.

THE NOTES WILL BE DESIGNATED AS "QUALIFIED TAX-EXEMPT OBLIGATIONS" PURSUANT TO THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE").

The Notes are being issued pursuant to the Constitution and Laws of the State of New York, including among others, the Local Finance Law, the Town Law and bond resolutions duly adopted on February 15, 2011 by the Town Board authorizing (i) the issuance of \$6,100,000 of serial bonds for the construction of a community center building in Veterans Memorial Park; (ii) the issuance of \$800,000 of serial bonds for the construction of an amphitheater in Veterans Memorial Park; and (iii) the issuance of \$1,100,000 of serial bonds for the improvement of Veterans Memorial Park. The proceeds of the Notes will provide new monies for the above-mentioned purposes.

Principal of and interest on the Notes are payable in lawful money of the United States of America in federal funds.

The purchaser(s) will have the option of having the Notes issued as registered notes in the name of the purchaser(s), or, at the option of the purchaser(s), the Notes may be registered to The Depository Trust Company, New York, New York ("DTC"). The purchaser(s) must notify Bond Counsel by 3:00 P.M., Prevailing Time, on the date of sale whether the Notes will be issued in non-book-entry form or book-entry form.

If the Notes are issued in non-book-entry form, they will be issued as registered obligations, registered in the name of the purchaser(s). Principal of and interest on the Notes will be payable at maturity at such bank or trust company located and authorized to do business in the State of New York or at such other office as may be designated by the purchaser(s). The paying agent on the Notes may be designated by the winning bidder(s). Paying agent fees, if any, shall be paid by the purchaser(s).

If the Notes are issued in book-entry-only form, the Notes will be (i) registered in the name of Cede & Co., as nominee of DTC, and (ii) deposited with DTC to be held in trust until maturity. DTC is an automated depository for securities and a clearinghouse for securities transactions, and will be responsible for establishing and maintaining a book-entry system for recording the ownership interest of its participants, which include certain banks, trust companies and securities dealers, and the transfer of the interests among its participants. The DTC participants will be responsible for establishing and maintaining records with respect to the Notes. Individual purchases of beneficial ownership interest in the Notes may be made only through book entries made on the books and records of DTC (or a successor depository) and its nominee as registered owner of the Notes. Transfer of principal and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The Town will not be responsible or liable for payments by DTC to its participants or by DTC participants to beneficial owners or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

The Notes will be valid and legally binding general obligations of the Town. Unless paid from other sources, all the taxable real property within the Town will be subject to the levy of *ad valorem* taxes to pay the Notes and interest thereon, without limitation as to rate or amount (subject to certain recently-enacted statutory limitations imposed by Chapter 97 of the 2011 Laws of New York). The Town will pledge its faith and credit for the payment of the principal of the Notes and interest thereon.

Each bid may be for all or a portion of the Notes and must state a single rate of interest therefor in a multiple of one hundredth (1/100th) or one eighth (1/8th) of one per centum (1%) per annum. Interest will be calculated on the basis of 30 days to the month and 360 days to the year. Unless all bids are rejected, the award will be made to the bidder complying with the terms of sale and offering to purchase the Notes at the lowest aggregate interest cost, after factoring in any premium bid. If there is more than one bid at the same lowest net interest cost, the winner will be selected by the Town by lot. The right is reserved by the Town to reject all bids.

The right is reserved by the Town to award to any bidder(s) all or any part of the Notes which such bidder(s) offers to purchase and, in such event, the premium, if any, specified by such bidder(s) will be pro-rated. In any event, award of the Notes will be made on the basis of the bid or combination of bids offering to purchase the Notes on terms most favorable to the Town.

The Notes will be delivered in New York, New York or at such other place as may be agreed with the purchaser(s) on or about July 26, 2011. The purchase price of the Notes, in accordance with the purchaser's bid, shall be paid in federal funds or other funds available for immediate credit on the delivery date.

CUSIP identification numbers will be printed on the Notes if Bond Counsel is provided with such numbers by the close of business on the date of sale of the Notes, but neither the failure to print such number on any Note nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser(s) thereof to accept delivery of and pay for the Notes in accordance with the terms of the purchase contract. All expenses in relation to the printing of CUSIP numbers on the Notes shall be paid for by the Town; provided, however, that the CUSIP Service Bureau charge for the assignment of such numbers shall be the responsibility of and shall be paid for by the purchaser(s).

As a condition to a purchaser's obligation to accept delivery of and pay for the Notes, such purchaser will be furnished, without cost, the following, dated as of the date of the delivery of and payment for the Notes: (i) a Certificate of the Town Supervisor certifying that (a) as of the date of the Official Statement furnished by the Town in relation to the Notes, the Official Statement did not contain any untrue statements of material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, subject to the condition that while information in the Official Statement obtained from sources other than the Town is not guaranteed as to accuracy, completeness or fairness, he has no reason to believe and does not believe that such information is materially inaccurate or misleading, and (b) to his knowledge, since the date of the Official Statement, there have been no material transactions not in the ordinary course of affairs entered into by the Town and no material adverse changes in the general affairs of the Town or in its financial condition as shown in the Official Statement other than as disclosed in or contemplated by the Official Statement, (ii) a Closing Certificate, constituting a receipt for the Note proceeds and a signature certificate, which will include a statement that no litigation is pending, or to the knowledge of the signers, threatened affecting the Notes, (iii) a nonarbitrage certificate executed on behalf of the Town which will include, among other things, covenants, relating to compliance with the Internal Revenue Code of 1986, as

amended (the "Code"), with the owners of the Notes that the Town will, among other things, (a) take all actions on its part necessary to cause interest on the Notes not to be includable in the gross income of the owners thereof for federal income tax purposes, including without limitation, restricting, to the extent necessary, the yield on investments made with the proceeds of the Notes and investment earnings thereon, making required payments to the federal government, if any, and maintaining books and records in a specified manner, where appropriate, and (b) refrain from taking any action which would cause interest on the Notes to be includable in the gross income of the owners thereof for federal income tax purposes, including, without limitation, refraining from spending the proceeds of the Notes and investment earnings thereon on certain specified purposes, and (iv) the approving opinion of the law firm of Hodgson Russ LLP, Bond Counsel, of Buffalo, New York, to the effect that the Notes are valid and legally binding general obligations of the Town for which the Town has validly pledged its faith and credit and, unless paid from other sources, all the taxable real property within the Town is subject to the levy of *ad valorem* real estate taxes to pay the Notes and interest thereon, without limitation as to rate or amount (subject to certain recently-enacted statutory limitations imposed by Chapter 97 of the 2011 Laws of New York). Reference should be made to the Official Statement for a description of the scope of Bond Counsel's engagement in relation to the issuance of the Notes and the matters covered by such legal opinion.

The Official Statement dated July 5, 2011 is in a form "deemed final" for purposes of SEC Rule 15c2-12 (the "Rule"), except for the omission therefrom of those items allowable under the Rule. In order to assist bidders in complying with the Rule and as part of the Town's contractual obligation arising from its acceptance of the successful bidder's proposal, at the time of the delivery of the Notes the Town will provide an executed copy of its "Undertaking to Provide Notice of Material Events." Such undertaking will constitute a written agreement or contract of the Town for the benefit of holders of and owners of beneficial interest in the Notes, to provide to the Electronic Municipal Market Access ("EMMA") System implemented by the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, or any successor thereto, notice of the occurrence of certain material events, as enumerated in the Rule.

Any party executing and delivering a bid for the Notes agrees, if its bid is accepted by the Town, to provide to the Town, in writing, within two business days after the date of such award, all information which such successful bidder determines is necessary for it to comply with the Rule, including all necessary pricing and sale information, information with respect to the purchase of bond insurance, if any, and underwriter identification. Within five business days following receipt by the Town thereof the Town will furnish to the successful bidder, in reasonable quantities as requested by the successful bidder, copies of such Official Statement, updated as necessary, and supplemented to include such information. Failure by the successful bidder to provide such information will prevent the Town from furnishing such Official Statement as described above. The Town shall not be responsible or liable in any manner for the successful bidder's determination of information necessary to comply with the Rule or the accuracy of any such information provided by the successful bidder or for failure to furnish such Official Statements as described above which results from a failure by the successful bidder to provide the aforementioned information within the time specified. Acceptance by the successful bidder of such final Official Statements shall be conclusive evidence of the satisfactory completion of the obligations of the Town with respect to the preparation and delivery thereof.

A detailed Official Statement will be furnished to any interested bidder upon request and shall be used in connection with the Notice of Sale.

THE TOWN RESERVES THE RIGHT TO CHANGE THE TIME AND/OR DATE FOR THE OPENING OF BIDS. NOTICE OF ANY SUCH CHANGE SHALL BE PROVIDED NOT LESS THAN ONE HOUR PRIOR TO THE TIME SET FORTH ABOVE FOR THE OPENING OF BIDS BY MEANS OF A SUPPLEMENTAL NOTICE OF SALE TO BE TRANSMITTED OVER THE TM3.

Dated: July 5, 2011
Niagara Falls, New York

Steven C. Richards
Town Supervisor

Additional copies of the Notice of Sale and Official Statement may be obtained upon request from the Office of Municipal Solutions, Inc., 2528 State Route 21, Canandaigua, New York 14424, telephone (585) 394-4090. Website: www.municipalsolution.com

PROPOSAL FOR \$8,000,000 BOND ANTICIPATION NOTES, 2011
Town of Niagara, Niagara County, New York

Steven C. Richards, Supervisor
 Town of Niagara
 c/o Municipal Solutions, Inc.
 2528 State Rt. 21
 Canandaigua, New York 14424
 Telephone (585) 394-4090, Telefax (585) 394-4092

Sale Date: July 12, 2011
 11:00 A.M., Prevailing Time

Dated: July 26, 2011

Maturity Date: July 26, 2012

Dear Mr. Richards:

We hereby submit the following proposal for the purchase, in federal funds, of the **\$8,000,000 Bond Anticipation Notes, 2011 (the "Notes") of the Town of Niagara, Niagara County, New York**, dated July 26, 2011 and maturing July 26, 2012, without the option of redemption, in whole or in part, prior to maturity, as described in the annexed Notice of Sale which is hereby made a part of this bid.

The following is our computation of the net interest cost, made as provided in the above-mentioned Notice of Sale, but not constituting any part of the foregoing proposal for the purchase of the Notes.

Bid No.	Principal Amount	Interest Rate	Premium	Net Interest Cost
1	\$	%	\$	%
2	\$	%	\$	%
3	\$	%	\$	%
4	\$	%	\$	%

In the event we are awarded all or any portion of the Notes, we will promptly notify you in the manner in which the Notes are to be issued as registered Notes and of the denominations and paying agent desired in accordance with the terms of the Notice of Sale.

Please Specify Form of Notes:

Book-Entry/DTC _____

or

"Local" Closing _____

 Signature

 Name of Bidder

 Address of Bidder

 Telephone

 Fax No

 E-Mail Address