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## **Somerville to Offer Residents the Opportunity to Purchase Minibonds.**

*Minibonds will allow residents the chance to earn tax-exempt interest while investing directly in Somerville's future*

*Proceeds from the sale of minibonds will support projects like Lincoln Park renovation, West Branch Library design, street and sidewalk improvements, and more*

The City of Somerville will soon offer residents the opportunity to invest in Somerville's future by purchasing minibonds. Minibonds not only allow purchasers to directly support the community's collective goals by investing in the financing of some of Somerville's capital projects, they also enable residents to earn tax-exempt interest.

A minibond is similar to a traditional municipal bond in which investors loan money to a city or public agency for an agreed period of time, receive interest on the investment, and get their loan paid back when the bond matures. The City will use minibond proceeds to support some capital projects, which are projects related to city facilities and property. Examples of capital projects include City building upgrades such as sustainability and accessibility improvements, park and library renovations, fire station updates, and street and sidewalk improvements.

"Everyone who lives in Somerville has a vested interest in the range of capital projects on the City's docket, whether it's their neighborhood park or library or the streets and sidewalks that run through the city," said Mayor Joseph Curtatone. "Minibonds open up investment opportunities to a wider range of investors, providing more Somerville residents with an authentic opportunity to invest directly in their communities and support projects that will improve their neighborhoods."

The City, through broker-dealer Neighborly Securities, expects to sell up to \$500,000 in minibonds in its first ever minibond sale, which will take place during the purchase period from May 18 to May 25, 2018. Minibonds will be available for purchase by Somerville residents and will be sold in \$1,000 denominations. This is one-fifth of the lowest denomination that municipal bonds are otherwise typically sold for (\$5,000). The lower denomination is designed to allow broader participation by community member investors. Minibonds will first be allotted and filled on a first-come, first-served basis on orders of up to \$20,000. The minimum order size is \$1,000 and there is no maximum. However, for orders over \$20,000, the amount of the order above \$20,000 is subject to pro-rata allocation if the issue is oversubscribed. Pro rata allocations may be adjusted to ensure that no bonds are issued in an amount that is not divisible by the minimum denomination of \$1,000.

Residents who are interested in buying Somerville minibonds will need to create an account through Neighborly's website at [www.neighborly.com](http://www.neighborly.com).

Neighborly representatives, along with City staff, will hold two Minibond Information Sessions to answer questions about the minibonds and the ordering process. They will be held:

- Tuesday, May 15, from 6:30 to 8 p.m. in the Argenizano School Cafeteria, 290 Washington St.

· Wednesday, May 23, from 6:30 to 8 p.m. in the West Somerville Neighborhood School Cafeteria, 177 Powder House Blvd.

For questions about Somerville minibonds or setting up an account with Neighborly to purchase minibonds, please contact Neighborly at [atsupport@neighborly.com](mailto:atsupport@neighborly.com), or visit [www.neighborly.com/somerville](http://www.neighborly.com/somerville).

Minibonds will only be ordered through Neighborly Securities, member FINRA, SIPC & registered with MSRB, pursuant to a preliminary official statement to be made available during the ordering period. This information does not constitute an offer to sell or the solicitation of an offer to buy any securities. You will be responsible for making your own independent investigation and appraisal of the risks, benefits, and suitability of any securities to be ordered and neither the City of Somerville nor Neighborly Securities is making any recommendation or giving any investment advice.

Individuals with disabilities who need auxiliary aids and services for effective communication, written materials in alternative formats, or reasonable modifications in policies and procedures, in order to access the programs and activities of the City of Somerville or to attend meetings, should contact the City's ADA Coordinator, Nancy Salamoun, at [NSalamoun@somervillema.gov](mailto:NSalamoun@somervillema.gov) or 617-62-6600 ext. 2323.

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On April 21, 2018, in Latest News, by The Somerville Times

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