

David Andersson Interview with Shenzhen TV – November 22, 2013 – English Transcript

Shenzhen TV: Could you give a brief introduction of IIUSA?

David Andersson: IIUSA is the trade association for regional centers, which are economic development vehicles in the US, which reward investors with a green card. IIUSA has approximately 120 Regional Center Members which account for 95 % of total immigrant investment in the United States. This past year, we reached a milestone, immigrant investment created over 42,000 jobs in the U.S. We also have associate members consisting of lawyers, economists, securities experts, and Chinese migration agents.

STV: First time in Guangdong?

DA: This is my third time, I believe.

STV: What criteria do you use to admit Associate Members and how many Associate Members in China?

DA: We have over 20 very reputable Chinese migration agents as members, many of them are here in the Guangdong area, for example the Visa Group, Austar, CanAchieve, are the three companies that come to mind. The criteria for becoming an associate member of IIUSA is a serious interest in helping investors find EB-5 investments and helping them with the subsequent EB-5 Processes, and of course, we do background checks on our members to ensure they are people of good character and repute.

STV: Could you introduce the Presidents advisory board?

DA: IIUSA is governed by an executive board of directors and the president's advisory board. The president's advisory board consists of many very strong regional centers that have taken up a leadership role in promoting IIUSA. Primarily, what this group does is help to fund important lobbying efforts for improvements of the laws which govern the EB-5 program. The most obvious of these laws is the permanent reauthorization of the Program. As many who know EB-5 understand, it is a creature of statute and it expires, so we are seeking permanent reauthorization as well as several improvements. The main job of the president's council is to help us with that work.

STV: So you have been involved in this industry for many years. Can you introduce WORC to the audience?

DA: Sure. WORC was the eight regional center designated in the U.S. it was designated Friday October 13, 2006. We have 68 investors who have funded 3 very successful retirement communities in Whatcom County. We have through the investments of our investors created over 800 jobs in the county. Our investors come from Canada, Egypt, Switzerland, South Korea, Iran, and of course, China.

STV: We all know the investors and the migration agencies must do due diligence on the projects. Can you shed some light on how to do due diligence on the projects?

DA: Due diligence in American commerce is absolutely necessary. It is not enough to have a relationship of trust with someone who is introducing a project to you. In the U.S., you say "trust, but verify" and all people in business in the US respect that. So I can tell you that you will not be hurting the feelings of s

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someone making an offering by asking them important questions and doing research about the project. Due diligence is usually aided by a list of criteria you are looking for. In the EB-5 context, you need to do due diligence on three main points: Financial. Does the business makes sense? Economic development. Is the project going to create the required number of jobs, which is 10 per investor. And last but not least, will the investor qualify for a green card and avoid any of the problems that have recently arisen with respect to the economic development model. That would be tenant occupancy and visitor spending for hotels, that would be some of the more famous ones.

STV: As president of IIUSA, you come to China often. In dealing with the migration firms and Chinese investment, what is your feeling towards them? How does EB-5 project attract EB-5 investors. Any advice to Chinese investors?

DA: Yes. To the Chinese investors, do due diligence in the project in which you're going to invest and use professionals in the United States if required. That would be my number one bit of advice. Over the years, it has been my pleasure and privilege to travel to China many times to meet with potential investors introduced by migration agents. My projects are all fully mature, so the investors have all gotten their permanent green cards. Already half have exited from investments. In some cases, I have become personal friends with some of the investors and look forward to a long and continued relationship with them. It's been a very good experience for me and they say, a very good experience for them. So that is the goal of a good EB-5 project.

STV: Any other information you would like to communicate with the audience?

DA: Well, first of all, as an American, we thank all EB-5 investors for making an investment in the United States and helping us create jobs. That's very important. I also think EB-5 investors should feel proud about the good projects in which they invest all around the country. It can be a way to realize your family goal to relocate to the United States and also do some good economic development while doing it.

STV: The award ceremony held by the Shenzhen communication group and Beijing communication group. This is about immigration and study abroad. Will you say a few words to the program ceremony?

DA: First, let me offer my congratulations to the program and to the good work that you and the other sponsors of the program do. I know that it will be very successful and celebrating the success of the participants and I wish the program the very best.

STV: We'd like to invite you to attend the ceremony, if you have time.

DA: Thank you very much. I love coming to South China. Shenzhen is a wonderful city as is the Guangdong area, and if my schedule permits, I'd like to come. Thank you very much.