

U.S. IMMIGRANT INVESTOR PROGRAM EB-5 REGIONAL CENTERS

An Economic Development Tool
for the 21st Century

IIUSA INVEST IN THE USA[®]
CREATING JOBS THROUGH EB-5 INVESTMENT

**EB-5 IS WORKING.
FOR YOU. FOR AMERICA.**

ABOUT IIUSA

Founded in 2005, Invest In the USA (IIUSA)[®] is the national membership-based non-profit industry trade association for the EB-5 Regional Center Program. IIUSA's primary mission is to make the Program a permanent and successful part of 21st century U.S. economic development policy. Over 95% of EB-5 capital formation has been raised in affiliation with IIUSA's Regional Center members, accounting for billions of dollars of foreign direct investment, supporting tens of thousands of American jobs, and generating much needed federal/state/local tax revenue - all at no cost to the American taxpayer. In supporting the success of our Regional Center members, an integral part of IIUSA's mission is to support this kind of economic development and job creation.

www.iiusa.org

IIUSA MEMBERSHIP

An Engine for Economic Growth



Approximately 95 percent of all capital raised through the EB-5 economic development program is raised in affiliation with IIUSA's members. These include Regional Centers that are publicly owned and operated by state economic development agencies, public-private partnerships, as well as private sector investment companies.

Capital investments made by IIUSA members have supported successful economic development projects and achievements, including:

- Redevelopment of the historic **O Street Market** into a 70,000 square-foot grocery store that created more than 2,400 new jobs in the Washington, DC-area.
- Rehabilitation of a **100 year old building into a hotel** that created 161 jobs while kick-starting the revitalization of a historic Dallas neighborhood.
- Construction of the first-of-its-kind **Gates Vascular Institute** on the Buffalo Niagara Medical Campus, cementing Buffalo as a first-choice destination for stroke, cardiac and vascular care.
- Transformation of a vacant former manufacturing zone into Milwaukee's first water research and business accelerator, the **Global Water Center**, projected to bring over 430 jobs to the city, including high tech and engineering jobs.
- Construction of a 252,000 square-foot building located within the **University of Miami Life & Science Technology Park (UMLSTP)** which houses wet and dry labs, offices, retail, and lab-ready development suites and has created 2,700+ jobs in a variety of industries and trades.
- The **New Payment Technology** moves the Southeastern Pennsylvania Transportation Authority (SEPTA) from tokens and passes to prepaid cards for their rail payment system, leading to more efficiencies throughout SEPTA railroads.
- Redevelopment of a closed Air Force base in Southern California into a **vital commercial area** including a distribution center and regional airport.
- Adaptive reuse of three connected former World War II machine shops to create a new 215,000 square foot LEED-certified, multi-tenanted Green Manufacturing Center, an important component to the redevelopment of the 300-acre **Brooklyn Navy Yard**, New York City's largest industrial park and one of the most successful urban manufacturing districts in the country.
- The transformation of the closed **Navy Yard in Philadelphia** into a dynamic, multi-use development now home to 130 companies and 10,000 employees.
- Expansion of a **film and television studio** in New York City, including construction of five new television and commercial sound stages and the renovation of a historic but vacant seven-story 235,000 square foot building into production and support space.
- The expansion of a **diesel engine manufacturing plant** in Racine, WI which created over 70 jobs and established the company as a national leader in the design, production and distribution of quality lightweight turbo-diesel engines.
- This **New York City Bridge Terminal** was transformed into a modern transit and retail hub, accommodating 50% more bus capacity and quadrupling the available retail space.
- Development of a **640 acre vineyard** located in Fresno County. Immigrant investor businesses are responsible for making land improvements ranging from irrigation and trellis system installation to yearly maintenance and harvesting.
- Construction of the new state-of-the-art **Seldman Cancer Center** and **Alhaja Medical Center**, part of Cleveland's renowned University Hospitals Health System, both representing 435,000 square feet of hospital space in Northeastern Ohio.

FREQUENTLY ASKED QUESTIONS about EB-5 Regional Center Investments

- WHAT IS AN EB-5 REGIONAL CENTER?**
An EB-5 Regional Center is an organization, designated and regulated by USCIS, which facilitates investment in job-creating economic development projects by pooling capital raised under the EB-5 immigrant investor program. Regional centers can be publicly owned, (e.g. by a city, state, or regional economic development agency), privately owned, or be a public-private partnership.
- WHAT DO REGIONAL CENTERS DO?**
 - Identify investment opportunities that will create jobs in local communities, often in partnership with economic development agencies.
 - Assist in marketing those investment opportunities to investors from around the world.
 - Ensure that the investment offering complies with federal and state securities laws and SEC regulations as well as specific EB-5 requirements.
- HOW ARE EB-5 INVESTMENTS AFFILIATED WITH REGIONAL CENTERS STRUCTURED?**
EB-5 investments that are affiliated with EB-5 Regional Centers are made through private placements - the sale of securities to a relatively small number of select investors. Like all private placements, which are used by companies to raise capital in a number of contexts, EB-5 private placements are governed by federal and state securities laws and regulations.
A private placement memorandum is developed that details the investment offering, including detailed explanations of the project that will be funded along with disclosures of risk and material information consistent with all applicable federal and state laws. The economics of the project related to EB-5 specifically - the expected job creation - are also detailed in the memorandum. In some cases, the issuer of the private placement memorandum is an EB-5 Regional Center itself. In other situations, the issuer is business entity that will be receiving the investment funds and is affiliated with a Regional Center.
- WHAT KIND OF FINANCIAL COMMITMENT DO EB-5 INVESTORS MAKE?**
By law, an EB-5 investor is required to invest a minimum of \$1 million, unless the investment is located in a Targeted Employment Area (TEA) - a rural area or area of high-unemployment designated by USCIS. Regional Centers funding projects in TEAs can accept a minimum of \$500,000 from each EB-5 investor.
- WHAT RISKS DO INVESTORS FACE IN EB-5 REGIONAL CENTER INVESTMENTS?**
By law, EB-5 investments must be "at risk" in the inherent way that any equity, stock or other type of investment carries inherent risk. Regional centers, like other entities that market investment opportunities, cannot guarantee a return on investment. Regional Centers also cannot guarantee return of the investment principal to the investor.
- WHAT RISK DO COMPANIES HAVE IN ACCEPTING EB-5 INVESTMENTS?**
Companies bear no additional risk for EB-5 investment. They interact with the money as any other equity or financing investment, albeit often at a lower cost.
- ARE EB-5 REGIONAL CENTER FINANCING OPTIONS CHEAPER FOR COMPANIES THAN OTHER SOURCES OF CAPITAL?**
Yes. In many instances, EB-5 funding is a lower-cost form of capital than alternatives because investor demand for return on their investment is often lower for EB-5 capital than other sources of capital. In addition, securing EB-5 capital increases the overall liquidity of a business or project which, in turn, reduces the cost of acquiring capital from other sources.
- HOW DO EB-5 REGIONAL CENTERS HELP COMMUNITIES?**
EB-5 Regional Centers facilitate direct investment in projects that meet the job creation and economic development goals of designated geographic areas. Regional Centers pool investments made by multiple EB-5 investors and deploy that capital to large-scale projects, often in coordination with regional economic development agencies.

WHAT PEOPLE ARE SAYING about the EB-5 Regional Center Program

ECONOMIC DEVELOPMENT PROFESSIONALS

- "EB-5 capital is becoming one of the most sought after sources of financing for economic development projects nationally. This form of financing is flexible and can support a variety of projects, making it a reliable source of gap financing for project developers. CDEA members in the economic development finance industry are partnering with regional centers across the country to successfully bring projects to completion, create jobs, and support the economic development and sustainability of their communities."
TOBY RITTNER, PRESIDENT & CEO, COUNCIL OF DEVELOPMENT FINANCE AGENCIES
- "Given the loss or diminishing of funding sources available to local governments, particularly in the state of California, programs such as the EB-5 program serve as a catalyst to encourage investment in our local communities, such as our city of El Centro. A major project that has been the benefit of the EB-5 Program is the expansion of the El Centro Town Center, which is a commercial shopping area in our city. The El Centro Town Center is generating revenue for our community, and more importantly, is creating new employment jobs that are very impactful in an area where the unemployment rate is more than 20%."
MARCELA PIEDRA, DIRECTOR OF ECONOMIC DEVELOPMENT, EL CENTRO, CA

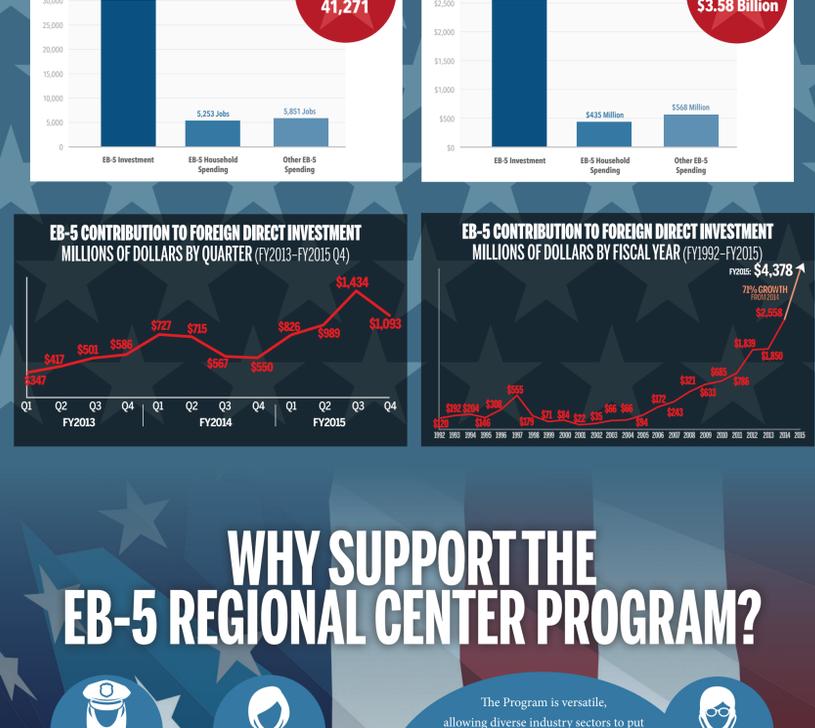
ELECTED OFFICIALS

- "The EB-5 program has brought much needed investment to the State of Wisconsin, improving our infrastructure, helping businesses, and most importantly creating jobs."
JIM DOYLE, FORMER WISCONSIN GOVERNOR
- "We carefully studied the Regional Center marketplace before launching the City of Dallas Regional Center in partnership with Civitas Capital Group. We're proud to be recognized as a pioneer for this successful public-private partnership and are utilizing EB-5 capital for job-creating enterprises throughout Dallas. This unique structure allows us to align the city's economic development priorities with the goals of EB-5 investors."
MAYOR MIKE RAWLINGS, DALLAS, TX
- "We are proud of the Tri-Cities region and the assets it has to offer our residents and visitors. We believe it is a great place for prospective EB-5 Visa Investors to invest and build a future for themselves and their families. Washington State's 8th district welcomes investment in our infrastructure through creating economic development which leads to quality jobs for our citizens. The EB-5 Visa Program helps both our citizens and foreign nationals achieve their goals and dreams."
WASHINGTON STATE SENATOR JEROME DELVIN, WASHINGTON STATE REPRESENTATIVES LARRY HALER AND BRAD KLIPPERT

BUSINESS AND UNION LEADERS

- "The development of Studio 52 Boston was made possible with our partnership with EB-5 Jobs for Massachusetts and their ability to raise investor funds that helped get the project off the ground. The results have been beyond what we ever imagined. The local Allston economy has been jump started by the 300-400 musicians using the facility each week. This has brought thousands of dollars and dozens of jobs to area businesses."
RICH ANTON, GENERAL MANAGER, STUDIO 52
- "People willing to invest in America and create jobs deserve the opportunity to do so... expanded investments of [this] kind would help us jolt the demand side of our economy."
WARREN BUFFETT, BILL GATES, SHELDON ADELSON
- "In the wake of the financial crisis, it was very difficult to find funding for new commercial real estate projects. Working with Cleveland International Fund to include EB-5 as a critical part of our capital stack allowed us to bring our vision of The Flats East Bank Project to fruition."
SCOTT WOLSTEIN, CHAIRMAN & CEO OF STARWOOD RETAIL PARTNERS

ECONOMIC IMPACT of the EB-5 Regional Center Program



WHY SUPPORT THE EB-5 REGIONAL CENTER PROGRAM?

- The Program is versatile, allowing diverse industry sectors to put EB-5 capital to work in projects that transform regional economies - including **assisted-living, commercial real estate, construction, education, energy, entertainment, infrastructure, healthcare, hospitality, logistics, manufacturing, transportation**, and more.
- The Program has **strong bipartisan support**, passing unanimously in the Senate and 412-3 in the House in the 112th Congress.
- From FY 2008-2015, EB-5 attracted over **\$13 billion** in foreign direct investment, supporting about **30,000 jobs per year** at no cost to the taxpayer.
- There are **over 22,000 investor applications** pending with the federal government, representing **over \$11 billion** in capital investment, ready to be injected into the U.S. economy.
- IIUSA leads a **broad coalition of 900+ organizations** from across sectors, including the National Association of Counties and U.S. Conference of Mayors, in support of re-authorization of the EB-5 Regional Center Program.
- Once EB-5 investors become green card holders, they bolster demand for important sectors to the U.S. economy - and **pay taxes at a rate based on their world-wide income**.
- The U.S. is in **fierce competition for immigrant investor capital around the world**. More than 25 countries, including Portugal, Spain, Australia and the United Kingdom, use similar programs to attract foreign investments. The American program is more stringent than many others, requiring substantial risk for investors in terms of both their financial investment and immigration status.
- Failure to make the U.S. permanently open for immigrant investors would result in the loss of **hundreds of thousands of American jobs** over the next several years, at a time when capital investment is needed more than ever in the U.S.

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