

MY EB5 GREEN CARD REGIONAL CENTER

EB5-- FAQ's

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1. What is the EB-5 Program?

- a. The EB5 program (Fifth Employment Based Preference) is immigration's most direct and fastest pathway to U. S residency and citizenship.
- b. The EB5 program is approximately 30 yrs. old and was started under the Immigration Act of 1990.
- c. Its sole purpose is to help stimulate the U.S economy by attracting foreign investment capital into the U.S to invest into the development of New Commercial Enterprises (NCE)and Job Creating Projects (JCP) that will result in the creation of at least 10 permanent (35 hrs./wk.) American jobs per investor. The reward to the Investor is the issuance of the American Green Card to he and his qualified family members.
- d. The program is overseen by United States Citizenship and Immigration Services (USCIS), a Division of the Department of Homeland Security.
- e. Under the program, certain EB-5 visas (up to 10,000 annually) are set aside for investors in EB5 projects sponsored by regional centers designated as such by the United States Citizenship and Immigration Services.
- f. To date, the EB5 Program has resulted in the investment of billions of dollars in new capital and the creation of hundreds of thousands in new American jobs.... it's truly a "Win-Win" program for those who participate.

2. Who is eligible to receive a EB5 Green Card?

Any foreign national can be eligible for the EB-5 Visa Program so long as they can satisfy the requirements set for in the program. It does not matter which country you are a citizen of.

This also includes all members of the EB5 Investor's immediate family which includes spouse and all children, under the age of 21 yrs., at the time of filing their I-526 petition.

3. What are some of the benefits of owning a EB5 Green Card?

- a. Permanent residency status in the United States. Apply for U.S citizenship in 5yrs.
- b. Freedom from political prosecution and political unrest.

- c. Freedom of travel in and out of U.S and live and work anywhere in America.
- d. Freedom to start and own your own business.
- e. Access to the world's best education for your children, for FREE, from grades 1st thru 12.^{t,h}
Access to earning scholarships and financial aid to attend America's many colleges and universities.
- f. Access to American social programs such as social security.
- g. Participate in the world's strongest economy where the American currency is stable and value of individual assets remain consistent.
- h. Access to quality medical care and treatment
- i. Enjoy all the many additional benefits enjoyed by all Americans

4. **What is the minimum amounts of an EB-5 Investment?**

The EB-5 program requires the investor to invest a minimum of \$500,000 or \$1,000,000 subject to the following conditions:

- **\$500,000**---If the investment is located in a Targeted Employment Area (TEA), which is a high unemployment area or, is in a qualified rural area, which is an area outside a metropolitan statistical area (MSA) or has a population of less than 20,000. EB-5 defines a high unemployment area as an area where the unemployment rate is 150% of the national average.
- **\$1,000,000**---If the project is **NOT** located in a TEA or rural area

To date, all EB5 Investors in My EB5 Green Card Regional Center projects have qualified for the minimum investment of \$500,000.

5. **Other costs**

Consist of the payment of an administrative fee of \$50,000 to cover marketing, legal, documentation preparation and administrative expenses.

6. **Does it matter where the money comes from?**

Yes, each investor is required to provide documentation and tax returns to prove that the funds were obtained in a legal and lawful manner. Also, transfers into the escrow account must show the source of funds to the investor.

7. **How long must my money be invested to get my Green Card?**

The length of time depends on the following factors:

- a. The amount of time it takes USCIS to approve your I-526 petition (currently averaging 20-24 months) plus,

- b. The amount of time it takes before you must file your I-829 petition which is 24 months after approval of your I-526 petition; plus,
- c. The length of time before the maturity of your EB5 investment, typically 5 years.

Taking these time frames into account, the quickest time would be no sooner than the maturity of your investment, 5 years. However, it is important to note that you start receiving the majority of the benefits of a green card holder and being a U.S resident once you receive approval of your I-526 petition and you receive your “conditional” green card.

8. Do I get interest on my investment?

Yes, most regional centers, if not all, pay a return on the EB5 investment. The amount of return is dependent on what has been established in the partnership agreement and/or in the loan documents.

9. What is a Regional Center?

A Regional Center is defined as an economic unit, public or private, engaged in the promotion of economic growth, improved regional productivity, job creation, and increased domestic capital investment.

A regional center is generally a for profit enterprise that has received USCIS approval to operate in this capacity. The regional center serves as a sponsor of an EB5 project and is the liaison between the EB5 petitioner and USCIS.

The majority of EB5 projects are sponsored by regional centers since there are advantages in having access to more categories of job creation and hence, having more jobs available from which to calculate the job creation requirement. Maximizing job creation maximizes the ability to raise EB5 capital. which maximizes the amount of EB5 capital that can be raised. Also, thru a regional center, the EB5 project can receive pre-approval by USCIS thus, accelerating the overall I-526 approval process.

To become approved by the USCIS, the Regional Center must submit a comprehensive business plan as part of its initial I-924 application for approval. The plan outlines the proposed project, the economic benefits, and expected job creation analysis.

An example of a quality regional center located in South Florida is the My EB5 Green Card Regional Center formed in 2016 and is located in Palm Beach Gardens, Florida. Its sponsored job creating project is the Amrit Ocean Resort Residences located in Singer Island, Florida.

10. What are the key documents in the EB5 Program?

- **I-526 (Immigrant Petition by Alien Entrepreneur)**

This is the form used by an applicant to petition the USCIS to become a resident of the United States through the EB5 Program. Typically, the investor's immigration attorney files the form to demonstrate that the immigrant is in the process of investing or has already invested the required amount into a suitable EB-5 project.

- **I-829 (Petition by Entrepreneur to Remove Conditions)**

This is the final application submitted to the USCIS by an investor before he/she can become a lawful permanent resident of the United States. This petition includes evidence that the investor successfully met all of the USCIS EB-5 requirements and requests the "conditional" status of his/she green card be removed and his/she green card is now permanent.

The I-829 must be filed within 90 days of the expiration of the investor's conditional green card. The expiration date is 24 months following approval of the investor's conditional green card.

11. What requirements do EB-5 investors have to meet to qualify for an EB-5 Green Card

- a. The petitioner must be deemed an **accredited investor**.
- b. Make the **minimum EB-5 investment of \$500,000 or \$1,000,000**, depending on if the job creating project is certified to be located in a TEA or not in a TEA, respectively. The investment must be in a USCIS qualified "New Commercial Enterprise." (NCE)
- c. The EB-5 investor's capital investment must be "**at risk.**" This means that the EB-5 investor cannot make a loan to the new commercial enterprise and there can be no redemption agreement that **guarantees** the new commercial enterprise to pay back the investor. Any guarantee of the return of EB-5 capital investment will negate the "at risk" requirement of the EB-5 law and the investor's petition will be denied.
- d. **The EB-5 investor's funds must be from a lawful source.** The EB-5 investor must demonstrate that the capital is from a legal source. For example, the funds cannot be derived from a criminal enterprise. An investor may receive a gift of funds; loans are also credible source of funds, but the investment in the enterprise cannot be used as collateral or be pledged in any way, and the loan must be a "real" commercially viable loan.
- e. The EB-5 investor's investment must result in **the creation of 10 new American permanent jobs**. If the EB-5 investor is investing through a regional center, in addition to direct jobs, the EB-5 investor is allowed to count indirect and induced jobs created by the EB-5 investment, which can be proven using reasonable economic methodologies.

- f. The EB5 Investor must have a **management role in the new commercial enterprise**. Being deemed a “limited partner” in the enterprise, according to law, automatically satisfies this requirement.
- g. Should clear a thorough background check and medical examination
- h. Should not have any criminal record or criminal past

12. What makes for a SAFE and Sound EB5 investment and will I get my money back?

Since USCIS clearly requires that an EB5 investment be at risk, there can be no guarantees of the return of your investment. The EB5 investor must therefore look for investments sponsored by regional centers whose management truly focuses on taking steps to reduce investment risk as much as possible for their investor.

An example of such a regional center is the **My EB5 Green Card Regional Center**, located in Palm Beach, Gardens, Florida. The characteristics that have made this regional center highly regarded and considered as one that only promotes safe EB5 investments is as follows:

1. Sound management with a strong financial backing and successful business and EB5 experience.

The Regional Center parent company, Creative Choice Group, has been in business for over 35 yrs and currently employs over 3,000 employees with assets approaching one billion dollars. Its first regional center, My Florida Regional Center, was approved by USCIS in 2014 and has successfully raised over \$80 million from 160 EB5 investors. Certain members of management have been involved in the EB5 industry since 2009 and has been responsible for underwriting approved projects totaling \$300 million.

2. Documented proof that the Regional Center and its EB5 sponsored project has been approved by USCIS as a bona-fide EB-5 Regional Center and a qualified EB5 investment.

Letters of approval from USCIS dated January 2014.

3. The EB5 investment must be well structured, clearly defining maturity date, interest rate paid to investor, collateral (if any) to secure investment and viable sources of repayment.

The subject Regional Center investment is structured as a 5 yr. loan from the EB5 investors to the job creating project. This structure is the most popular in the EB5 industry. It provides the most safety in that the executed legal documents contain a promissory note (a binding written promise to repay from the project owner), a legally

recorded first lien mortgage on all the assets of the project which gives the EB5 investors, in the event of non-payment, the right to take over the project and sell the assets to pay back the loan. All Regional Center projects have at least three viable sources of repayment which are: sale of units, refinancing of total project or liquidation of total project.

4. All EB5 investor funds, once received, should be held in an unrelated, third party escrow account with all access to such funds totally controlled by the escrow administrator in accordance with a signed escrow agreement executed by all parties involved. The project developer should not have access to the escrowed funds at any time. All disbursements, into the project, should also be controlled by the escrow administrator in accordance with the written escrow agreement.
The subject Regional Center has such escrow arrangements for all its EB5 investors.
6. The project has all the legal approvals necessary to operate and/or build the project.
The subject Regional Center has all its approvals and permits plus, the sponsored project is already under construction, as a verification.
7. The project owner should have invested at least 30%, of its own capital, of the total required development capital.
The developer of the Regional Center project has invested 45% of the required capital which is more than the amount to be invested by EB5 investors.
8. Must have a well written EB5 Business Plan that meets the USCIS guidelines.
Our Regional Center and Eb5 project approval by USCIS is the evidence of a well written business plan that meets all the requirements of EB5.
9. Evidence that the project meets the job creation requirement necessary to raise the required amount of EB5 capital.
The evidence of compliance with the job creation requirements is the issuance of an independent, third party Economic Feasibility Report prepared by an accredited Economist. The subject Regional Center has such a report prepared by Michael Evans of the economic firm of Evans and Carroll.
10. Evidence that the EB5 project is located in a TEA and thus qualifies for the minimum investment of \$500,000.

The evidence that an EB5 project is in a TEA is determined by the receipt of a letter of certification issued by the Florida Department of Economic Opportunity.

11. **Summary:** The return of the EB5 investment cannot be guaranteed however, the risk of loss can be well mitigated by following the aforementioned recommendations for making a sound EB5 investment. Also, it is important to recognize that the receipt of an American Green Card for oneself and immediate qualified family members is the “true return” of your investment.

13. **What kind of investments qualify for EB5?**

The U.S. EB5 investment must be made in a “**New Commercial Enterprise**” (NCE), defined as a business that was started after November 1990 and it does one of the following:

1. creates a new business;
2. the purchase of an existing business, which is reorganized to form a new enterprise;
3. the expansion of an existing business; or
4. the saving of a failing business.

14. **How long does it take to obtain a conditional green card?**

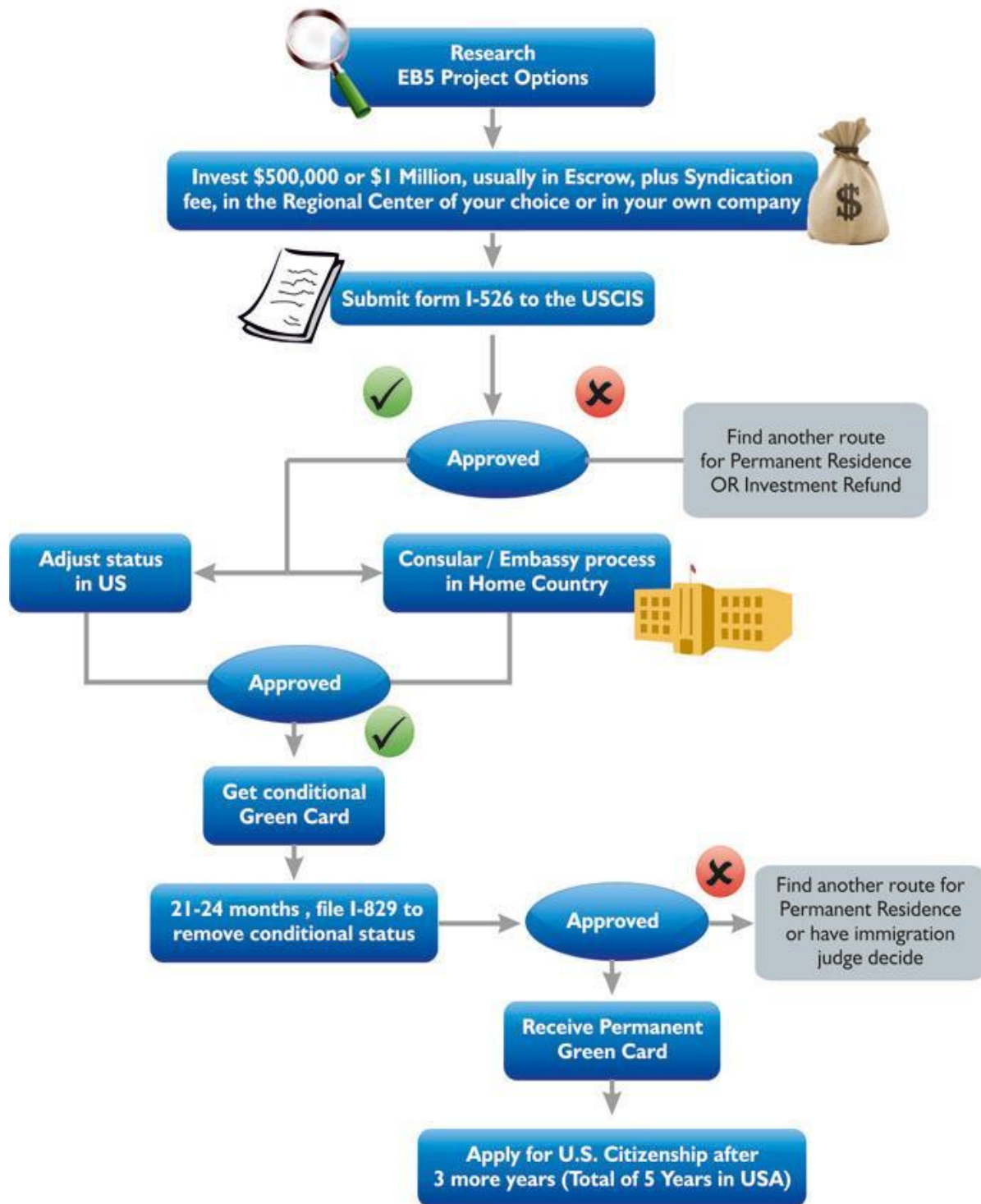
Generally, it currently can take 20-24 months to receive approval of a conditional green card and the issuance of a conditional green card. This is due to the fact that the EB5 green card is very popular and there is a high demand and USCIS has not been able to keep up with staffing requirements to process the large number of petitions in a timely manner.

Purportedly, USCIS is currently accelerating the hire of more adjudicators to quicken the I-526 processing timeline, hence it is expected that in the near future we will see shorten approval time lines.

15. **How long must I remain in the United States each year?**

The investor after issuance of the conditional permanent resident status must enter into U.S. within 180 days after visa is issued. The investor then should form intent to reside by obtaining driver’s license, social security number, paying income tax and much more. The investor and his family who are permanent residents and are living outside the U.S. must come to U.S. at least once every 6 months. The investor and their family may face risk to their green card status if they spend less time in United States.

16. **What is the process to obtain a green card?**



17. If my I-526 petition is denied by the USCIS, do I get my money back?

Yes, your entire Subscription Price will be returned to you according to the terms of the partnership agreement. This includes even if you change your mind before your I-526 petition is approved by USCIS.

18. Can a new commercial enterprise be a charitable organization?

Because a new commercial enterprise is strictly defined as a for-profit entity, it cannot be a non-profit. A non-profit may, however, be able to participate in the EB-5 Program in other ways—for example, as a regional center or in cooperation with a for-profit entity.

19. How much of an EB-5 investment can originate from loan proceeds?

A loan may be used as the source of part or all of an EB-5 investment as long as the loan is secured by the investor's personal assets and the funds used to purchase those assets can be traced to a lawful source.

20. Can my EB5 investment be made in installments?

Yes, provided that you can prove in your I-526 petition that you have a valued asset (ie. Stocks, real estate etc.) that can be sold or generates a steady stream of cash flow to accumulate the \$500,000 investment. Also, you must commit, in writing, prior to filing your petition, that you promise to make the promised installments. The full payment of your investment must be made prior to your I-526 approval.

21. How is the money transferred?

An investor must wire money into an escrow account in the US that directs the fund into the business. Please be sure that you cover your bank's wire transfer fees because exactly \$500,000 or \$1,000,000 must enter the escrow account net of any fees. Please consider also that laws may exist about how much money you can transfer or exchange from your country of origin.

22. How long is my green card valid for?

The investor and his family initially receive conditional green cards for 2 years through the EB-5 investment visa program. Three months before the termination of the initial 2-year period, the investor must apply for removal of condition (form I-829) on the green card.

If the conditions are not removed at the end of the 2 years, then the conditional green cards become invalid and the permanent resident status of the investor is terminated. Once the condition is removed, the investor and his family members receive unconditional green cards which are valid for ten years but, are easily renewed at that time for another ten years, by

filing Form I-90 showing proof of residency. Generally, to retain residency status, you must reside in the U.S for more than six months per year.