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## EB-5 REGIONAL CENTER DUE DILIGENCE

### 1. Attorney Due Diligence

- a. Do research on Regional Centers. Video describing first 17 Regional Centers (the Regional Center Story – [www.EB5DVD.com](http://www.EB5DVD.com)). Discuss type of investment client is interested in. Give list of 17+ Regional Center programs. Do not recommend just one program; let client choose. An important consideration to a lot of investors is a Regional Center program with long-term results.
- b. Recommend client retain their own independent real estate and /or business attorney to review the Subscription Agreement and/or Purchase Agreement.
- c. Recommend client to retain their own international tax attorney and/or financial advisor regarding profitability of EB-5 investment and tax consequences to the client.
- d. All above recommendations should be stated in the Fee Agreement.
- e. Also, recommend client visit current investment project and see past investment projects.
- f. Obtain State Bar opinion from Bar or Ethics attorney regarding finder's fee payment to attorney.
- g. Prepare a Consent Agreement regarding finder's fee payment.

### 2. Client Due Diligence regarding EB-5 Project

- a. What is the projected return on investment? (In Prospectus)
- b. How is the return determined?
- c. When is the return paid? Monthly, yearly, end of project?
- d. Does applicant receive interest on money until it is spent on EB-5 project? When paid?
- e. Obtain documentation of returns on past EB-5 investment projects.
- f. How many projects has Regional Center completed?
- g. May EB-5 applicant need to invest additional money over and above the initial investment during the term of the case?
- h. Does EB-5 project have U.S. investors as well as EB-5 investors? If so, how many?

- i. In Subscription Agreement or Purchase Contract, is there a provision for return of money if I-526 denied? If so, how much is refunded?
- j. Does the investor have to make any deposit or pay any fee for the offering materials? Amount?
- k. Does the Regional Center provide regular reporting of the status of the investment to the investors? At what intervals?
- l. Does a referring attorney get a finder's fee from the Regional Center? Amount? When paid? Usually upon approval of I-526.

### 3. Client Immigration Approval Due Diligence

- a. How many I-526 approvals?
- b. How many I-526 denials?
- c. How many Conditional Green Card approvals?
- d. How many Conditional Green Card denials?
- e. How many Removal of Conditions approvals?
- f. How many Removal of Conditions denials?

### 4. Client Due Diligence of Removal of Conditions. Will Regional Center and principals be in business in the future (3 ½ + years) for Removal of Conditions?

- a. Obtain bank reference of Regional Center general partners and/or principals.
- b. Obtain Dunn and Bradstreet on general partners and/or principals.
- c. Any past lawsuits? (General partners or principals)
- d. Any past criminal convictions? (General partners or principals)
- e. When was Regional Center established?
- f. How long has Regional Center been doing business? Any previous business? (General partners and/or principals)
- g. When can the investment be sold? When can client get money (\$500,000) back? How is the amount determined?
- h. How many years of experience do the general partners or principals have working with the EB-5 program?
- i. What steps are taken to monitor job creation?