

American Pioneer Regional Center, LLC
ID1435852254
RCW1435852254
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U.S. Department of Homeland Security
U.S. Citizenship and Immigration Services
Immigrant Investor Program
131 M Street, NE, Mailstop 2235
Washington, DC 20529



**U.S. Citizenship
and Immigration
Services**

December 24, 2015

Qi Zhao
2721 S. Halsted Street
Chicago, IL 60608

Application: Form I-924, Application for Regional Center under the Immigrant Investor Pilot Program

Applicant(s): American Pioneer Regional Center, LLC

Re: Initial Regional Center Designation
American Pioneer Regional Center, LLC
RCW1435852254 / ID1435852254

This notice is in reference to the Form I-924, Application for Regional Center Under the Immigrant Investor Pilot Program that was filed by the applicant with the U.S. Citizenship and Immigration Services ("USCIS") on December 24, 2014. The Form I-924 application was filed to request approval of initial regional center designation under the Immigrant Investor Program. The Immigrant Investor Program was established under § 610 of the Department of Commerce, Justice and State, the Judiciary, and Related Agencies Appropriations Act of 1993 (Pub. L. 102-395, Oct. 6, 1992, 106 Stat. 1874).

I. Executive Summary of Adjudication

Effective the date of this notice, USCIS approves the Form I-924 request to designate American Pioneer Regional Center, LLC as a qualifying participant in the Immigrant Investor Program.

II. Regional Center Designation

USCIS approves the applicant's request to focus, promote economic growth, and offer capital investment opportunities in the following geographic area and industry categories:

A. Geographic Area

State	Counties		
Illinois	Cook	DeKalb	DuPage
	Grundy	Kane	Kendall
	Lake	McHenry	Will
Indiana	Jasper	Lake	Newton
	Porter		
Wisconsin	Kenosha		

B. Industry Categories¹

NAICS Code	NAICS Description
2362	Nonresidential Building Construction
4232	Furniture and Home Furnishing Merchant Wholesalers
4234	Professional and Commercial Equipment and Supplies Merchant Wholesalers
4236	Household Appliances and Electrical and Electronic Goods Merchant Wholesalers
7211	Traveler Accommodation

III. Job Creation

USCIS approves the geographic area and industry categories noted above based on the economic impact analysis presented and reviewed in conjunction with the adjudication of this regional center proposal.

This hypothetical project does not have the factual details necessary to be in compliance with the requirements described in Matter of Ho, 22 I&N Dec. 206 (Assoc. Comm’r 1998), and therefore, USCIS’s approval of the hypothetical job creation estimates presented in the Form I-924 will not be accorded deference and may not be relied upon by an individual investor when filing the Form I-526. The business plan and job creation estimates will receive a de novo review by USCIS when an individual investor files Form I-526. Once an actual project is adjudicated upon the filing of the initial Form I-526, USCIS will give deference to subsequent Forms I-526 when the critical assumptions remain materially unchanged from the initially approved Form I-526.

When filing Form I-526, it will be the responsibility of the individual investor to submit a comprehensive, detailed and credible business plan, showing by a preponderance of the evidence that his or her investment in the new commercial enterprise will create not fewer

¹ USCIS issued a Policy Memorandum (PM-602-0083) on the subject of “EB-5 Adjudication Policy,” dated May 30, 2013, stating that formal amendments to the regional center designation are no longer required when a regional center changes its industries of focus or geographic boundaries. A regional center may still elect to pursue a formal amendment by filing Form I-924 if it seeks certainty in advance that changes in the industries or the geographic area will be permissible prior to filing Form I-526 petitions.

than 10 full-time positions. If prior to filing a form I-829, the job creation estimated in the business plan submitted by the individual investor materially changes or will not be realized, then it will be the responsibility of the EB-5 investor to notify USCIS of an agreed upon methodology to allocate job creation among eligible investors.

IV. Guidelines for Filing Form I-526 Petitions

Each individual petition, in order to demonstrate that it is affiliated with the American Pioneer Regional Center, LLC, in conjunction with addressing all the requirements for an individual immigrant investor petition, shall also contain the following:

1. A copy of this regional center approval notice and designation letter including all subsequent amendment approval letters (if applicable).
2. An economic impact analysis which reflects a job creation methodology required at 8 CFR § 204.6 (j)(4)(iii) and shows how the capital investment by an individual immigrant investor will create not fewer than ten (10) indirect jobs for each immigrant investor.
3. A comprehensive, detailed and credible business plan for an actual project that contains the factual details necessary to be in compliance with the requirements described in Matter of Ho, 22 I&N Dec. 206 (Assoc. Comm'r 1998).
4. Legally executed organizational documents of the commercial enterprise.

Note: The project reviewed with this Form I-924 application is a hypothetical project. Organizational and transactional documents associated with the new commercial enterprise (NCE) submitted with this Form I-924 have not been reviewed to determine compliance with program requirements since these documents will receive de novo review in subsequent filings (e.g., an amended Form I-924 application with a Form I-526 exemplar or the first Form I-526 petition filed by an investor under the regional center project).

V. Designee's Responsibilities in the Operations of the Regional Center

As provided in 8 CFR § 204.6 (m)(6), to ensure that the regional center continues to meet the requirements of section 610(a) of the Appropriations Act, a regional center must provide USCIS with updated information to demonstrate the regional center is continuing to promote economic growth, improved regional productivity, job creation, and increased domestic capital investment in the approved geographic area. Such information must be submitted to USCIS on an annual basis or as otherwise requested by USCIS. The applicant must monitor all investment activities under the sponsorship of the regional center and to maintain records in order to provide the information required on the Form I-924A Supplement to Form I-924. Form I-924A, Supplement to Form I-924 Application is available in the "Forms" section on the USCIS website at www.uscis.gov. Regional centers that remain designated for participation in the Immigrant Investor Program as of September 30th of a calendar year are required to file Form I-924A

American Pioneer Regional Center, LLC
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Supplement in that year. The Form I-924A Supplement with the required supporting documentation must be filed on or before December 29th of the same calendar year.

The failure to timely file a Form I-924A Supplement for each fiscal year in which the regional center has been designated for participation in the Immigrant Investor Program will result in the issuance of an intent to terminate the participation of the regional center in the Immigrant Investor Program, which may ultimately result in the termination of the designation of the regional center.

The regional center designation is non-transferable.

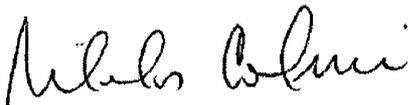
VI. Legal Notice

This approval and designation of a Regional Center under the Immigrant Investor Program does not constitute or imply an endorsement or recommendation by USCIS, the United States Government or any instrumentality thereof, of the investment opportunities, projects or other business activities related to or undertaken by such Regional Center. Except as expressly set forth in this approval and designation, USCIS has not reviewed any information provided in connection with or otherwise related to the Regional Center for compliance with relevant securities laws or any other laws unrelated to eligibility for designation as a Regional Center. Accordingly USCIS makes no determination or representation whatsoever regarding the compliance of either the Regional Center or associated New Commercial Enterprises with such laws.

Each Regional Center designated by USCIS must monitor and oversee all investment offerings and activities associated with, through or under the sponsorship of the Regional Center. The failure of an associated New Commercial Enterprise to comply with all laws and regulations related to such investment offerings and activities may result in the issuance by USCIS of a notice of intent to terminate the Regional Center designation.

If the applicant has any questions concerning the regional center designation under the Immigrant Investor Program, please contact the USCIS by email at USCIS.ImmigrantInvestorProgram@uscis.dhs.gov.

Sincerely,



Nicholas Colucci
Chief, Immigrant Investor Program

cc: Marianna Tarantur
C/o Wright Johnson Ltd
197 S Federal Hwy, Ste 200
Boca Raton, FL 33432

Economist Due Diligence Summary

I. APPLICATION/PETITION REVIEWED	
<input checked="" type="checkbox"/> I-924 Regional Center Application	Initial Application
<input type="checkbox"/> I-526 Petition	Choose an item.

II. REGIONAL CENTER (RC) INFORMATION	
Regional Center Name:	American Pioneer Regional Center, LLC ("APRC")
Regional Center ID:	ID1435852254
Receipt Number:	RCW1435852254
Registered State	Illinois
Registered Date	9/10/2014
RC Street Address	2721 S. Halsted Street
RC City, State Zip Code	Chicago, IL 60608
RC Phone Number	312.404.2130
RC Fax Number	
Website:	n/a
Adjudication Status:	Approve
Date Received:	12/24/2014
Date of latest version of this report:	10/6/2015
Recommendation:	Accept

III. REGIONAL CENTER (RC) INFORMATION	
Principal Name	Qi Zhao
Courtesy of:	
Principal Street Address	2721 S Halsted Street
Principal City, State Zip Code	Chicago, IL 60608
Principal Phone Number	312.404.2130
Principal Fax Number	
Principal Email Address	No email provided

IV. FORM G-28, NOTICE OF ENTRY OF APPEARANCE AS ATTORNEY OR ACCREDITED REPRESENTATIVE	
Attorney/Agent Name	Marianna Tarantur
Attorney/Agent Firm	Wright Johnson Ltd
Attorney/Agent Street Address	197 S Federal Hwy, Ste. 200
Attorney/Agent City, State Zip	Boca Roton, FL 33432
Attorney Bar Number	312101 (PA)
Attorney/Agent Phone Number	561.910.1742
Attorney/Agent Fax Number	
Attorney/Agent Email Address	EB5Processing@gmail.com

Note: This is a deliberative and pre-decisional document for USCIS internal use only.

Receipt Number: 1435852254

Economist Due Diligence Summary

V. NEW COMMERCIAL ENTERPRISE (NCE) INFORMATION	
NCE Name:	None - Hypothetical

VI. JOB CREATING ENTITY (JCE/Project)	
Type of Project	Hypothetical

A. Case Summary

Applicant requests approval of initial regional center designation for American Pioneer Regional Center, LLC (“APRC”) based upon a hypothetical project. The hypothetical project in support of the application was an “upper-upscale hotel” in the Chicago area.

Typically the RC will organize NCEs to lend EB-5 capital to a JCE to develop and construct a hotel. The general partner will manage the NCE day-to-day operations.

The applicant has submitted reasonable evidence in support of their application for regional center designation. USCIS approves regional center designation to American Pioneer Regional Center, LLC.

B. Regional Center Summary

Geographical Area

State	Counties		
Illinois	Cook	DeKalb	DuPage
	Grundy	Kane	Kendall
	Lake	McHenry	Will
Indiana	Jasper	Lake	Newton
	Porter		
Wisconsin	Kenosha		

Industry/NAICS codes that will be the focus of the EB-5 capital investment

2012 NAICS Code	2012 NAICS Title	Does POE support NAICS code?
2362	Nonresidential Building Construction	Yes
4232	Furniture and Home Furnishing Merchant Wholesalers	Yes
4234	Professional and Commercial Equipment and Supplies Merchant Wholesalers	Yes

Note: This is a deliberative and pre-decisional document for USCIS internal use only.

Receipt Number: 1435852254

Economist Due Diligence Summary

2012 NAICS Code	2012 NAICS Title	Does POE support NAICS code?
4236	Household Appliances and Electrical and Electronic Goods Merchant Wholesalers	Yes
7211	Traveler Accommodation	Yes

RC Governance and Operational Plan

<p>Admin Oversight</p> <p><input checked="" type="checkbox"/> RC will invest the EB5 capital properly?</p> <p><input checked="" type="checkbox"/> EB5 foreign investor questionnaire submitted?</p> <p><input checked="" type="checkbox"/> The RC (or its agent) knows how to file I-924A Supplement and guiding investors through the I-829 process¹ and audit and manage the NCE and JCE?</p>	<p>Application includes a business registration document (LP, LLC, Corp²) and/or a contract agreement (LPA or Operating Agreement)?</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>
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¹ This would demonstrate that the RC understands the process USCIS has in place to approve the applicant as a Regional Center. Please review the questionnaire to determine if the questions are appropriate and relevant.

² Articles of incorporation, certificate of merger or consolidation, partnership agreement, certificate of LP, joint venture agreement, business trust agreement, registration, business permit, 1st page of tax filing, EIN (Employer Identification Number)

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Economist Due Diligence Summary

1. Requirements for a Regional Center Proposal (more than one selection may apply)

<p>Promotes Economic Growth through:</p> <p><input type="checkbox"/> Increased exports</p> <p><input checked="" type="checkbox"/> Regional productivity</p> <p><input checked="" type="checkbox"/> Job creation</p> <p><input checked="" type="checkbox"/> Increased domestic capital investment</p>	<p>Impact of the RC:</p> <p><input checked="" type="checkbox"/> Increased household earnings</p> <p><input checked="" type="checkbox"/> Creates greater supply of products/services</p> <p><input checked="" type="checkbox"/> Utilities, maintenance and repairs</p> <p><input checked="" type="checkbox"/> Construction</p>
<p>Proposal has detail on job creation with economical and statistical data supporting the predictions?</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>Source(s) of RC's operating funds:</p> <p>Pre-EB5 Capital Committed: principal will fund the RC with [redacted] expended to date with another [redacted] budgeted for first year operations; provided Chase bank statement showing an ending balance of [redacted] for the APRC account as of November 28, 2014</p> <p>Has access to capital to operate as proposed in the plan from sources apart from EB5 capital?</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>Describes past and future marketing and promotional activities?³</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>Where will additional funds come from if the RC's costs exceed the planned budget? Funds will come from subscriptions to projects and from principal funds.</p>

(b)(4)

C. *Form of Investment: all types MUST be for profit entities*

Form	Required Conditions
New Commercial Enterprise	must have been established after 11/29/1990
	at least 10 new jobs per EB-5 investor
Distressed Business	in existence for at least 2 years
	loss incurred in most recent 12 to 24 months prior to EB5 investment, which should exceed 20% of pre EB5 net worth
	goal is to preserve or maintain the current level of jobs
Business Expansion	Investment will substantially change the business and the resulting

³ Look for a description of promotional efforts already made and planned for the future to attract EB-5 investors, including as many of the following as possible: a list of promotional tools, agreements with 3rd parties who will engage on behalf of the RC, a website, etc. and a statement indicating the kinds of JCEs that will receive EB-5 funds.

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Economist Due Diligence Summary

	expansion must result in a 40% increase in either the net worth or the number of employees
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The form of investment will be an equity investment in the NCE that will be established as a limited partnership.

D. TEA Designation (only if applicant is seeking a TEA, confirm the following); otherwise:

N/A

Application includes TEA letter from the State? <input type="checkbox"/> Yes <input type="checkbox"/> No
Project (JCE) is within the TEA? <input type="checkbox"/> Yes <input type="checkbox"/> No
Date of unemployment data, within the TEA letter from the State, is current? <input type="checkbox"/> Yes <input type="checkbox"/> No
Jobs will be created in rural or high unemployment area (TEA)? <input type="checkbox"/> Yes <input type="checkbox"/> No

E. Project Analysis and Approval

1. To approve I-924 with Hypothetical Project(s)

Application has required documents and evidence sought above **and** a general project business proposal and job-creation predictions

Conclusion

The applicant's request for approval of initial regional center designation based upon a hypothetical project meets the preponderance of the evidence threshold. The applicant will receive regional center designation.

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Receipt Number: 1435852254

FORM I-924 ANALYSIS ADJUDICATION TEMPLATE

Prepared by: EC0017

Date: 10/6/2015

PART I: SUMMARY

I. APPLICATION/PETITION REVIEWED	
<input checked="" type="checkbox"/> I-924 Regional Center Application	Initial Application
<input type="checkbox"/> I-526 Petition	Choose an item.

II. REGIONAL CENTER (RC) INFORMATION	
Regional Center Name:	American Pioneer Regional Center, LLC ("APRC")
Regional Center ID:	ID1435852254
Receipt Number:	RCW1435852254
Registered State	Illinois
Registered Date	9/10/2014
RC Street Address	2721 S. Halsted Street
RC City, State Zip Code	Chicago, IL 60608
RC Phone Number	312.404.2130
RC Fax Number	
Website:	n/a
Adjudication Status:	Pending
Date Received:	12/24/2014
Date of latest version of this report:	10/6/2015
Recommendation:	

III. REGIONAL CENTER (RC) INFORMATION	
Principal Name	Qi Zhao
Courtesy of:	
Principal Street Address	2721 S Halsted Street
Principal City, State Zip Code	Chicago, IL 60608
Principal Phone Number	312.404.2130
Principal Fax Number	
Principal Email Address	No email provided

IV. FORM G-28, NOTICE OF ENTRY OF APPEARANCE AS ATTORNEY OR ACCREDITED REPRESENTATIVE	
Attorney/Agent Name	Marianna Tarantur
Attorney/Agent Firm	Wright Johnson Ltd
Attorney/Agent Street Address	197 S Federal Hwy, Ste. 200
Attorney/Agent City, State Zip	Boca Roton, FL 33432
Attorney Bar Number	312101 (PA)
Attorney/Agent Phone Number	561.910.1742
Attorney/Agent Fax Number	
Attorney/Agent Email Address	EB5Processing@gmail.com

V. NEW COMMERCIAL ENTERPRISE (NCE) INFORMATION	
NCE Name:	None - Hypothetical

FORM I-924 ANALYSIS ADJUDICATION TEMPLATE

Prepared by: EC0017

Date: 10/6/2015

VI. JOB CREATING ENTITY (JCE/Project)	
Type of Project	Hypothetical

A. Case Summary

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Typically the RC will organize NCEs to lend EB-5 capital to a JCE to develop and construct a hotel. The general partner will manage the NCE day-to-day operations.

The applicant has submitted reasonable evidence in support of their application for regional center designation. USCIS approves regional center designation to American Pioneer Regional Center, LLC.

PART II: ABOUT THE REGIONAL CENTER

ECONOMIC ENTITY

Yes No Organizational Documents for the regional center provided?

Organizational Structure Type (LLC, Corporation, LLP, ETC): **LLC**

State where Regional Center is registered (established): **Illinois**

Date Regional Center was registered with the State: **9/10/2014**

Regional Center Principal’s Name: **Qi Zhao**

Attorney: **Marianna Tarantur**

Yes No Complete G-28 on File?

Managing Company/Agency: **Qi Zhao**

Regional Center Email Address: none provided

Regional Center Fax Number: **312.404.2130**

Regional Center Website Address: none

PROMOTION OF ECONOMIC GROWTH WITHIN SELECTED GEOGRAPHIC AREA

GEOGRAPHIC AREA: YES NO MAPS AND CHARTS PROVIDED?

State	Counties		
Illinois	Cook	DeKalb	DuPage
	Grundy	Kane	Kendall
	Lake	McHenry	Will
Indiana	Jasper	Lake	Newton
	Porter		
Wisconsin	Kenosha		

* Refer to Due Diligence Summary

FORM I-924 ANALYSIS ADJUDICATION TEMPLATE

Prepared by: EC0017

Date: 10/6/2015

Does the economic analysis show promotion of economic growth within the geographic area of the RC through:

- YES NO improved regional productivity?
- YES NO job creation?
- YES NO increased domestic capital investment?

REGIONAL OR NATIONAL POSITIVE IMPACT OF THE REGIONAL CENTER

Does the RC proposal contain a detailed prediction and the underlying analysis that serves as the basis for the detailed prediction regarding the impact it will have on the regional or national economy as reflected in:

- Yes No household earnings?
- Yes No greater demand for business services?
- Yes No utilities?
- Yes No maintenance and repair?
- Yes No construction?

Industry Categories:

2012 NAICS Code	2012 NAICS Title	Does POE support NAICS code?
2362	Nonresidential Building Construction	Yes
4232	Furniture and Home Furnishing Merchant Wholesalers	Yes
4234	Professional and Commercial Equipment and Supplies Merchant Wholesalers	Yes
4236	Household Appliances and Electrical and Electronic Goods Merchant Wholesalers	Yes
7211	Traveler Accommodation	Yes

- YES NO NAICS codes associated with this plan/project are sufficiently specific and appropriate

Job Creation Model: RIMS II model.

Business Plan and Economic Impact Analysis: based upon a hypothetical project all questions were sufficiently met for POE threshold.

- Yes No Does the RC proposal provide in verifiable detail how jobs will be created indirectly?
- Yes No Is there a Business Plan of the activity or project receiving investment?

* Refer to Due Diligence Summary

FORM I-924 ANALYSIS ADJUDICATION TEMPLATE

Prepared by: EC0017

Date: 10/6/2015

- Yes No Is there an Economic Impact Analysis of the activity or project receiving investment?
- Yes No Is the source data readily reproducible input data can be corroborated with public sources and source data has been provided (e.g., RIMS II tables have been provided if applicable)?
- Yes No Does the economic impact analysis provide a source or basis for the input parameters that is Transparent, Applicable, Reliable and up-to-date?
- Yes No Is there sufficient detail on timelines for project {includes dates for milestones such as completion of phases, major acquisitions or hurdles, construction, budgeting timeline, and hiring plans) with actual dates for actual projects has been provided. For hypothetical projects there are clear timeframes, if there are no exact dates.

REGIONAL CENTER'S OPERATIONAL PLAN

- Yes No how the RC will identify, assess and evaluate proposed investor projects and activities, and enterprises (recruitment and due diligence):
- Yes No capital that has been dedicated to the RC:
- Yes No the source of such funds:
- Yes No reasonable past, current and future promotional activities for the Regional Center, to include a description of the budget for this activity and the source of the funds that have or will be used for these activities;
- Yes No administrative fees?
- Yes No reasonable and credible project evaluation and assessment?

ADMINISTRATIVE OVERSIGHT

- Yes No Does the RC's Operational Plan describe how the Regional Center will oversee the EB-5 capital investment activities in a manner that would allow the Regional Center to be fully responsive to the yearly information collection requirements of the Form I-924A Supplement?

PART III: ABOUT THE PROJECT(S)

[SELECT THE LIST THAT APPLIES TO THE PROJECT TYPE AND REMOVE WHAT DOES NOT APPLY. IF MORE THAN ONE PROJECT, SELECT THE APPROPRIATE LIST AND NUMBER EACH PROJECT.]

PROJECT #→ HYPOTHETICAL:

- General proposal **AND**
- General predictions

COMMENT(S):

* Refer to Due Diligence Summary

FORM I-924 ANALYSIS ADJUDICATION TEMPLATE

Prepared by: EC0017

Date: 10/6/2015

Security and Fraud Prevention checks:

NOTE: THIS SECTION DOES NOT APPLY WHEN ISSUING AN RFE

Checks	Results
*Check name of Principal (s) (SQ11)	Choose an item.
Check address of Regional Center (SQAD)	Choose an item.
Check name of Regional Center (SQ16)	Choose an item.
I-924 Watch List	Check Completed-No Issues
Attorney-Preparer Watch List	Check Completed-No Issues
Specific Issues Watch List	Check Completed-No Issues

*This also includes anyone listed in Box D of the I-924 application.

COMMENT(S):	
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U.S. Department of Homeland Security
U.S. Citizenship and Immigration Services
Immigrant Investor Program
Mailstop 2235
Washington, DC 20529



**U.S. Citizenship
and Immigration
Services**

Ms. Marianna Tarantur
C/o Wright Johnson Ltd
197 S Federal Hwy, Ste 200
Boca Raton, FL 33432

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RCW1435852254

REC'D CSC14DEC24 16:08

C30000

FOR DEPOSIT ONLY
Citizenship & Immigration Services
California Service Center
LOC NO. 7001010392

2014

RECEIPT NUMBER RCW1435852254		CASE TYPE I924 Application for Regional Center Under the Immigrant Investor Pilot Program
RECEIVED DATE December 24, 2014	APPLICATION TYPE: A (INITIAL)	REGIONAL CENTER NAME AMERICAN PIONEER REGIONAL CENTER LLC
NOTICE DATE December 24, 2014	PAGE 1 of 1	REGIONAL CENTER ID ID1435852254
MARIANNA TARANTUR WRIGHT JOHNSON LTD RE: AMERICAN PIONEER REGIONAL CENTER LLC 197 S FEDERAL HWY STE 200 BOCA RATON FL 33432		NOTICE TYPE: Receipt Notice

Receipt Notice - This notice confirms that USCIS has accepted your "Application for Regional Center Under the Immigrant Investor Pilot Program" (Form I-924) for processing. This notice does not grant any immigration status or benefit. This notice does not grant any immigration status or benefit.

Processing Time - The current processing time for this type of case is estimated at 120 days. Unlike many other USCIS case types, verification or tracking of this case is not available on our website. We will notify you by mail when we make a decision on this case or if we need further evidence to establish your eligibility for the regional center designation.

Unique Identifier - In the top portion of this Notice, you will find a unique identifier that has been assigned to your Form I-924. Unlike a receipt number which changes with every filing, this unique identifier is permanently assigned to your approved or prospective regional center, and will be associated with any future request to amend the regional center. Please refer to your regional center's unique identifier as well as to the Form I-924 receipt number in all subsequent correspondence with USCIS regarding this application.

E-Mail Communication Regarding Your Pending Form I-924 Application - USCIS has established a direct e-mail communication tool to facilitate communication between USCIS and those applicants with pending Form I-924s. Form I-924 applicants may use the e-mail communication process to correspond with USCIS regarding pending Form I-924 applications, to include questions that may arise if USCIS issues a Request for Evidence (RFE) or a Notice of Intent to Deny (NOID). USCIS may also reach out to Form I-924 applicants via e-mail to informally ask for clarification on certain issues in order to facilitate USCIS' review, understanding, and adjudication of the Form I-924 application. USCIS may also e-mail a courtesy copy of the RFE or NOID to the e-mail address listed on the I-924 and, if applicable, to the e-mail address listed on the Form G-28 associated with the application.

Please use the following table to determine which email address has been assigned to your Form I-924.

If your unique identifier ends in the number:	Then please utilize this email address:
0, 1, or a 2	CSC-EB5-RCID0-2@dhs.gov
3, 4, or 5	CSC-EB5-RCID3-5@dhs.gov
6 or 7	CSC-EB5-RCID6-7@dhs.gov
8 or 9	CSC-EB5-RCID8-9@dhs.gov

Example: If a regional center's unique identifier is IDxxxxxxx0, then the regional center's Form I-924 has been assigned to email account CSC-EB5-RCID0-2@dhs.gov, as the unique identifier ends in "0".

E-Mail "Subject Line" Advisory - Please ensure that the subject line in your email correspondence contains the following information in this order: (1) Regional Center Unique Identifier; (2) Receipt Number; (3). Regional Center Name. Doing so will facilitate USCIS' timely handling of and response to your email correspondence.

E-mail Scope - This e-mail communication tool is to be used solely to facilitate communication between applicants with a pending Form I-924 and USCIS. The scope of the communication must relate to matters concerning the pending Form I-924. The direct e-mail communication initiative is not a forum for general policy and legal questions about adjudicative procedures or decisions, or for questions relating to either "Immigrant Petition by Alien Entrepreneur" (Form I-526), "Petition by Entrepreneur to Remove Conditions" (Form I-829), or any "Appeal or Motion" (Form I-290B). USCIS will not respond to e-mails received concerning issues unrelated to the currently pending Form I-924. For more information about how to make other EB-5 inquiries, visit the EB-5 Inquiries page on the USCIS website (www.uscis.gov). USCIS will not respond to e-mails received concerning issues unrelated to the currently pending Form I-924 via this email communication process.

General Questions - USCIS has a page entitled EB-5 Inquiries at www.uscis.gov that outlines how the public may make other inquiries on EB-5 related matters, to include inquiries that you may have after the Form I-924 has been adjudicated. This page clarifies the EB-5 inquiries that are appropriate to send to the general EB-5 mailbox (at uscis.immigrantinvestorprogram@dhs.gov), and other avenues that can be used to send questions or inquire to USCIS that are not suitable for the general EB-5 mailbox.

Attorney Or Accredited Representative - If a valid Form G-28 is associated with the Form I-924, USCIS will need to have a viable Form G-28 e-mail address for the legal representative in order to use the e-mail process to correspond with the Form I-924 applicant. If a valid Form G-28 is associated with the Form I-924 applicant, but USCIS does not have a viable Form G-28 e-mail address, then one will need to be obtained prior to USCIS sending any out-going e-mail correspondence to the applicant which discuss issues related to the Form I-924. In such circumstance, the legal representative should provide an updated Form G-28 with a valid e-mail address by sending a pdf of a fully executed Form G-28 to the EB-5 mailbox at uscis.immigrantinvestorprogram@dhs.gov.

Please see the additional information on the back. You will be notified separately about any other cases you filed.

U.S. CITIZENSHIP & IMMIGRATION SVC
CALIFORNIA SERVICE CENTER
P.O. BOX 30111
LAGUNA NIGUEL CA 92607-0111
Customer Service Telephone: (800) 375-5283





**U.S. Citizenship
and Immigration
Services**

January 4, 2016

Qi Zhao
2721 S. Halsted Street
Chicago, IL 60608

Application: Form I-924, Application for Regional Center under the Immigrant Investor Pilot Program

Applicant(s): American Pioneer Regional Center, LLC

Re: Initial Regional Center Designation
American Pioneer Regional Center, LLC
RCW1435852254 / ID1435852254

This notice is in reference to the Form I-924, Application for Regional Center Under the Immigrant Investor Pilot Program that was filed by the applicant with the U.S. Citizenship and Immigration Services ("USCIS") on December 24, 2014. The Form I-924 application was filed to request approval of initial regional center designation under the Immigrant Investor Program. The Immigrant Investor Program was established under § 610 of the Department of Commerce, Justice and State, the Judiciary, and Related Agencies Appropriations Act of 1993 (Pub. L. 102-395, Oct. 6, 1992, 106 Stat. 1874).

I. Executive Summary of Adjudication

Effective the date of this notice, USCIS approves the Form I-924 request to designate American Pioneer Regional Center, LLC as a qualifying participant in the Immigrant Investor Program.

II. Regional Center Designation

USCIS approves the applicant's request to focus, promote economic growth, and offer capital investment opportunities in the following geographic area and industry categories:

A. Geographic Area

State	Counties		
Illinois	Cook	DeKalb	DuPage
	Grundy	Kane	Kendall
	Lake	McHenry	Will
Indiana	Jasper	Lake	Newton
	Porter		
Wisconsin	Kenosha		

B. Industry Categories¹

NAICS Code	NAICS Description
2362	Nonresidential Building Construction
4232	Furniture and Home Furnishing Merchant Wholesalers
4234	Professional and Commercial Equipment and Supplies Merchant Wholesalers
4236	Household Appliances and Electrical and Electronic Goods Merchant Wholesalers
7211	Traveler Accommodation

III. Job Creation

USCIS approves the geographic area and industry categories noted above based on the economic impact analysis presented and reviewed in conjunction with the adjudication of this regional center proposal.

This hypothetical project does not have the factual details necessary to be in compliance with the requirements described in *Matter of Ho*, 22 I&N Dec. 206 (Assoc. Comm’r 1998), and therefore, USCIS’s approval of the hypothetical job creation estimates presented in the Form I-924 will not be accorded deference and may not be relied upon by an individual investor when filing the Form I-526. The business plan and job creation estimates will receive a de novo review by USCIS when an individual investor files Form I-526. Once an actual project is adjudicated upon the filing of the initial Form I-526, USCIS will give deference to subsequent Forms I-526 when the critical assumptions remain materially unchanged from the initially-approved Form I-526.

When filing Form I-526, it will be the responsibility of the individual investor to submit a comprehensive, detailed and credible business plan, showing by a preponderance of the evidence that his or her investment in the new commercial enterprise will create not fewer

¹ USCIS issued a Policy Memorandum (PM-602-0083) on the subject of “EB-5 Adjudication Policy,” dated May 30, 2013, stating that formal amendments to the regional center designation are no longer required when a regional center changes its industries of focus or geographic boundaries. A regional center may still elect to pursue a formal amendment by filing Form I-924 if it seeks certainty in advance that changes in the industries or the geographic area will be permissible prior to filing Form I-526 petitions.

than 10 full-time positions. If prior to filing a form I-829, the job creation estimated in the business plan submitted by the individual investor materially changes or will not be realized, then it will be the responsibility of the EB-5 investor to notify USCIS of an agreed upon methodology to allocate job creation among eligible investors.

IV. Guidelines for Filing Form I-526 Petitions

Each individual petition, in order to demonstrate that it is affiliated with the American Pioneer Regional Center, LLC, in conjunction with addressing all the requirements for an individual immigrant investor petition, shall also contain the following:

1. A copy of this regional center approval notice and designation letter including all subsequent amendment approval letters (if applicable).
2. An economic impact analysis which reflects a job creation methodology required at 8 CFR § 204.6 (j)(4)(iii) and shows how the capital investment by an individual immigrant investor will create not fewer than ten (10) indirect jobs for each immigrant investor.
3. A comprehensive, detailed and credible business plan for an actual project that contains the factual details necessary to be in compliance with the requirements described in Matter of Ho, 22 I&N Dec. 206 (Assoc. Comm'r 1998).
4. Legally executed organizational documents of the commercial enterprise.

Note: The project reviewed with this Form I-924 application is a hypothetical project. Organizational and transactional documents associated with the new commercial enterprise (NCE) submitted with this Form I-924 have not been reviewed to determine compliance with program requirements since these documents will receive de novo review in subsequent filings (e.g., an amended Form I-924 application with a Form I-526 exemplar or the first Form I-526 petition filed by an investor under the regional center project).

V. Designee's Responsibilities in the Operations of the Regional Center

As provided in 8 CFR § 204.6 (m)(6), to ensure that the regional center continues to meet the requirements of section 610(a) of the Appropriations Act, a regional center must provide USCIS with updated information to demonstrate the regional center is continuing to promote economic growth, improved regional productivity, job creation, and increased domestic capital investment in the approved geographic area. Such information must be submitted to USCIS on an annual basis or as otherwise requested by USCIS. The applicant must monitor all investment activities under the sponsorship of the regional center and to maintain records in order to provide the information required on the Form I-924A Supplement to Form I-924. Form I-924A, Supplement to Form I-924 Application is available in the "Forms" section on the USCIS website at www.uscis.gov. Regional centers that remain designated for participation in the Immigrant Investor Program as of September 30th of a calendar year are required to file Form I-924A

American Pioneer Regional Center, LLC
ID1435852254
RCW1435852254
Page 4

Supplement in that year. The Form I-924A Supplement with the required supporting documentation must be filed on or before December 29th of the same calendar year.

The failure to timely file a Form I-924A Supplement for each fiscal year in which the regional center has been designated for participation in the Immigrant Investor Program will result in the issuance of an intent to terminate the participation of the regional center in the Immigrant Investor Program, which may ultimately result in the termination of the designation of the regional center.

The regional center designation is non-transferable.

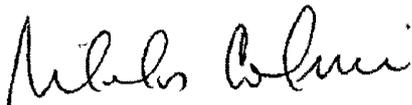
VI. Legal Notice

This approval and designation of a Regional Center under the Immigrant Investor Program does not constitute or imply an endorsement or recommendation by USCIS, the United States Government or any instrumentality thereof, of the investment opportunities, projects or other business activities related to or undertaken by such Regional Center. Except as expressly set forth in this approval and designation, USCIS has not reviewed any information provided in connection with or otherwise related to the Regional Center for compliance with relevant securities laws or any other laws unrelated to eligibility for designation as a Regional Center. Accordingly USCIS makes no determination or representation whatsoever regarding the compliance of either the Regional Center or associated New Commercial Enterprises with such laws.

Each Regional Center designated by USCIS must monitor and oversee all investment offerings and activities associated with, through or under the sponsorship of the Regional Center. The failure of an associated New Commercial Enterprise to comply with all laws and regulations related to such investment offerings and activities may result in the issuance by USCIS of a notice of intent to terminate the Regional Center designation.

If the applicant has any questions concerning the regional center designation under the Immigrant Investor Program, please contact the USCIS by email at USCIS.ImmigrantInvestorProgram@uscis.dhs.gov.

Sincerely,



Nicholas Colucci
Chief, Immigrant Investor Program

cc: Marianna Tarantur
C/o Wright Johnson Ltd
197 S Federal Hwy, Ste 200
Boca Raton, FL 33432

U.S. Department of Homeland Security
U.S. Citizenship and Immigration Services
Immigrant Investor Program
Mailstop 2235
Washington, DC 20529



**U.S. Citizenship
and Immigration
Services**

Ms. Marianna Tarantur
C/o Wright Johnson Ltd
197 S Federal Hwy, Ste 200
Boca Raton, FL 33432

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**Notice of Entry of Appearance
as Attorney or Accredited Representative**
Department of Homeland Security

DHS
Form G-28
OMB No. 1615-0105
Expires 02/29/2016

Part 1. Information About Attorney or Accredited Representative

Name and Address of Attorney or Accredited Representative

1.a. Family Name (Last Name)

1.b. Given Name (First Name)

1.c. Middle Name

2. Name of Law Firm or Recognized Organization

3. Name of Law Student or Law Graduate

4. State Bar Number

5.a. Street Number

5.b. Street Name

5.c. Apt. Ste. Flr.

5.d. City or Town

5.e. State 5.f. Zip Code

5.g. Postal Code

5.h. Province

5.i. Country

6. Daytime Phone Number () -

7. E-Mail Address of Attorney or Accredited Representative

Part 2. Eligibility Information For Attorney or Accredited Representative

(Check applicable item(s) below)

1. I am an attorney eligible to practice law in, and a member in good standing of, the bar of the highest court(s) of the following State(s), possession(s), territory(ies), commonwealth(s), or the District of Columbia.

1.a.

1.b. I (choose one) am not am subject to any order of any court or administrative agency disbaring, suspending, enjoining, restraining, or otherwise restricting me in the practice of law. (If you are subject to any order(s), explain fully in the space below.)

1.b.1.

2. I am an accredited representative of the following qualified nonprofit religious, charitable, social service, or similar organization established in the United States, so recognized by the Department of Justice, Board of Immigration Appeals pursuant to 8 CFR 292.2. Provide the name of the organization and the expiration date of accreditation.

2.a. Name of Recognized Organization

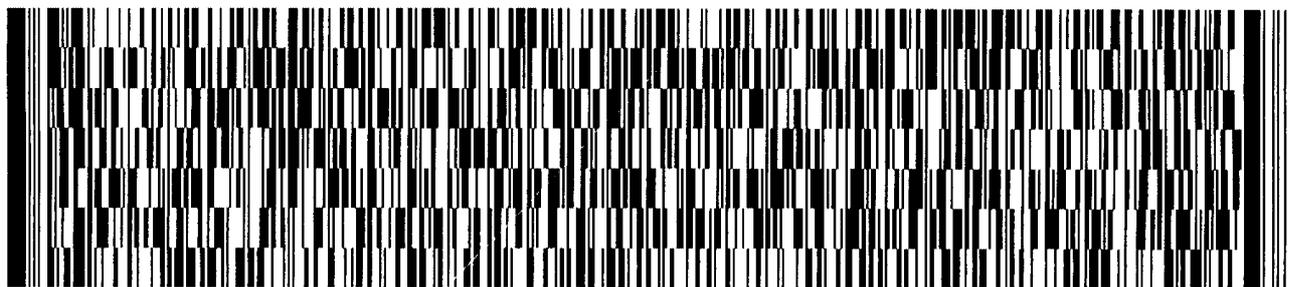
2.b. Date Accreditation expires (mm/dd/yyyy) ▶

3. I am associated with

3.a.

the attorney or accredited representative of record who previously filed Form G-28 in this case, and my appearance as an attorney or accredited representative is at his or her request. If you check this item, also complete **number 1 (1.a. - 1.b.1.) or number 2 (2.a. - 2.b.) in Part 2 (whichever is appropriate).**

4. I am a law student or law graduate working under the direct supervision of the attorney or accredited representative of record on this form in accordance with the requirements in 8 CFR 292.1(a)(2)(iv).



Part 3. Notice of Appearance as Attorney or Accredited Representative

This appearance relates to immigration matters before (select one):

- 1. USCIS - List the form number(s)
1.a.
- 2. ICE - List the specific matter in which appearance is entered
2.a.
- 3. CBP - List the specific matter in which appearance is entered
3.a.

I hereby enter my appearance as attorney or accredited representative at the request of:

- 4. Select only one: Applicant Petitioner Respondent (ICE, CBP)

Name of Applicant, Petitioner, or Respondent

- 5.a. Family Name (Last Name)
- 5.b. Given Name (First Name)
- 5.c. Middle Name
- 5.d. Name of Company or Organization, if applicable

NOTE: Provide the mailing address of Petitioner, Applicant, or Respondent and not the address of the attorney or accredited representative, **except when a safe mailing address is permitted** on an application or petition filed with Form G-28.

- 6.a. Street Number and Name
- 6.b. Apt. Ste. Flr.
- 6.c. City or Town
- 6.d. State 6.e. Zip Code

- 7. Provide A-Number and/or Receipt Number

Pursuant to the Privacy Act of 1974 and DHS policy, I hereby consent to the disclosure to the named Attorney or Accredited Representative of any record pertaining to me that appears in any system of records of USCIS, ICE, or CBP.

- 8.a. Signature of Applicant, Petitioner, or Respondent
- 8.b. Date (mm/dd/yyyy) ▶

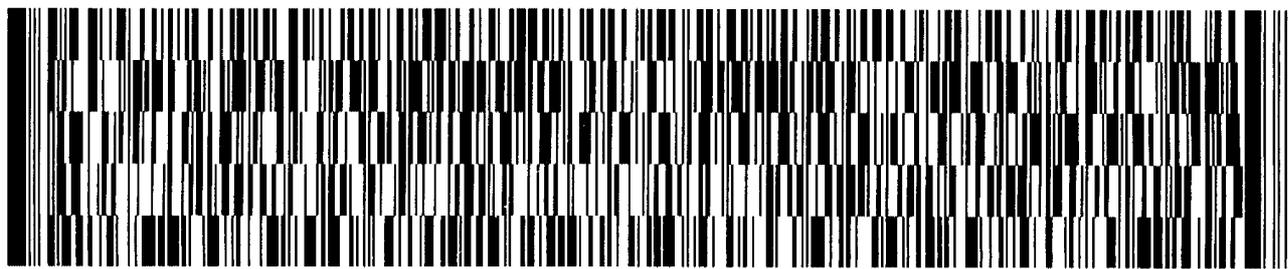
Part 4. Signature of Attorney or Accredited Representative

I have read and understand the regulations and conditions contained in 8 CFR 103.2 and 292 governing appearances and representation before the Department of Homeland Security. I declare under penalty of perjury under the laws of the United States that the information I have provided on this form is true and correct.

- 1. Signature of Attorney or Accredited Representative
- 2. Signature of Law Student or Law Graduate
- 3. Date (mm/dd/yyyy) ▶

Part 5. Additional Information

- 1.
-
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-
-
-
-
-
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Department of Homeland Security
U.S. Citizenship and Immigration Services

Form I-924, Application for Regional Center Under the Immigrant Investor Pilot Program

REC'D CSC 14DEC24 15:38
C36090

Do Not Write in This Block - for USCIS Use Only (except G-28 block below)

<p>Action Block</p> 	 <p>RCW1435852254 maginger 1924 12/24/2014</p> <p><input checked="" type="checkbox"/> G-28 attached</p> <p>Attorney's State License No. 312101</p>
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Part 1. Information About Principal of the Regional Center

Name: Last Zhao	First Qi	Middle
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C/O:

Street Address/P.O. Box: 2721 S Halsted Street

City: Chicago	State: IL	Zip Code: 60608
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Date of Birth (mm/dd/yyyy): 	Fax Number (include area code):	Telephone Number (include area code):
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(b)(6)

(b)(6)

Web site address:

Part 2. Application Type (Check one)

- a. Initial Application for Designation as a Regional Center
- b. Amendment to an approved Regional Center application. Note the previous application receipt number, if any (also attach the Regional Center's previous approval notice): _____

Part 3. Information About the Regional Center

(Use a continuation sheet, if needed, to provide information for additional management companies/agencies, Regional Center principals, agents, individuals or entities who are or will be involved in the management, oversight, and administration of the regional center.)

A. Name of Regional Center: American Pioneer Regional Center LLC

Street Address/P.O. Box: 2721 S Halsted Street

City: Chicago	State: IL	Zip Code: 60608
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Web site address:	Fax Number (include area code):	Telephone Number (include area code): (b)(6)
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Part 3. Information About the Regional Center (Continued)

B. Name of Managing Company/Agency: Qi Zhao

Street Address/P.O. Box: 2721 S Halsted Street

City: Chicago	State: IL	Zip Code: 60608
Web site address:	Fax Number (include area code):	Telephone Number (include area code): <div style="border: 1px solid black; width: 150px; height: 20px; margin: 5px 0;"></div> (b)(6)

C. Name of Other Agent:

Street Address/P.O. Box:

City:	State: IL	Zip Code:
Web site address:	Fax Number (include area code):	Telephone Number (include area code):

D. Continuation, if needed, to provide information for additional management companies/agencies, regional center principals, agents, individuals or entities who are or will be involved in the management, oversight, and administration of the regional center.)



Part 3. Information About the Regional Center (Continued)

Note: If extra space is needed to complete any item, attach a continuation sheet, indicate the item number, and provide the response.

1a. Describe the structure, ownership and control of the regional center entity.

The name of the Regional Center is American Pioneer Regional Center LLC ("APRC"), which is a Illinois limited liability company. It is 100% owned Zhibin Wang but controlled by Qi Zhao who serves as the Manager as outlined in the American Pioneer Regional Center LLC Operating Agreement.

b. Date the Regional Center was established(mm/dd/yyyy): 09/10/2014

c. Organization Structure for the Regional Center:

- 1. Agency of a U.S. State or Territory (identify) _____
- 2. Corporation
- 3. Partnership (including Limited Partnership)
- 4. Limited Liability Company (LLC)
- 5. Other (Explain) _____

2. Has this regional center's designation ever been formally terminated by USCIS, or has the regional center ever filed a Form I-924 or regional center proposal or amendment that was denied?

- No Yes - Attach a copy of the adverse decision, with an explanation, the date of decision, and case number, if any.

3. Describe the geographic area of the regional center. Note: This area must be contiguous. Provide a map of the geographic area.

APRC is seeking approval as a United States Citizenship and Immigration Service (USCIS) designated EB-5 Regional Center. Its geographical area encompassing the following contiguous counties within the states of Illinois, Indiana, and Wisconsin: Cook, DuPage, Lake, Will, Kane, McHenry, Kendall, DeKalb, and Grundy of the state of Illinois; the counties of Lake, Porter, Jasper, and Newton of the state of Indiana and the county of Kenosha of the state of Wisconsin. A map of the proposed Regional Center Territory is attached.

4. Describe the regional center's administration, oversight, and management functions that are or will be in place to monitor all EB-5 capital investment activities and the allocation of the resulting jobs created or maintained under the sponsorship of the regional center.

The day-to-day administration, oversight and management of the Regional Center will be performed by Qi Zhao. The Regional Center is in the process of engaging legal counsel to prepare all future I-924A compliance filings. The Regional Center will have the responsibility to review background information on each prospective investor and the documents proving the lawful source of funds. The Regional Center will also maintain records relating to the activities and investors in the projects within the Regional Center to include, but not be limited to, the information required to complete the form I-924A. Please review the attached Regional Center Operational Plan.



Part 3. Information About the Regional Center (Continued)

5. Describe the past, current, and future promotional activities for the regional center. Include a description of the budget for this activity, along with evidence of the funds committed to the regional center for promotional activities. Submit a plan of operation for the regional center that addresses how EB-5 investors will be recruited, the method(s) by which the capital investment opportunities will be offered to the investors, and how they will subscribe or commit to the investment interest.

Please refer to the attached Regional Center Operational Plan for information and materials responsive to this inquiry. Please also refer to the attached bank statement reflecting funds that have been deposited for the benefit of the proposed Regional Center.

6. Describe whether and how the regional center is engaged in supporting a due diligence screening of its alien investor's lawful source of capital and the alien investor's ability to fully invest the requisite amount of capital. Also, describe the regional center's prospective plans in this regard if they differ from past practice.

Please refer to the attached Regional Center Operational Plan for information and materials responsive to this inquiry. The regional center will comply with U.S. banking "know your customer" requirement 31 U.S.C. (S318ci) "Due diligence for U.S. Private Banking and correspondent Bank Accounts involving Foreign Persons." The regional center is also in discussions with PKF accounting to provide 3rd Party vetting of the investors funds.

7. Identify each industry that has or will be the focus of EB-5 capital investments sponsored through the regional center.

<p>Industry Category Title: <div style="border: 1px solid black; padding: 2px; width: fit-content;">N-Residential Building Construction</div></p> <p>NAICS Code for the Industry Category: 2 3 6 2 _ _ _ _ _</p>	<p>Is the Form I-924 application supported by an economic analysis and underlying business plan for the determination of prospective EB-5 job creation through EB-5 investments in this industry category?</p> <p><input type="checkbox"/> No - Attach an explanation <input checked="" type="checkbox"/> Yes</p>
<p>Industry Category Title: <div style="border: 1px solid black; padding: 2px; width: fit-content;">Traveler Accommodation</div></p> <p>NAICS Code for the Industry Category: 7 2 1 1 _ _ _ _ _</p>	<p>Is the Form I-924 application supported by an economic analysis and underlying business plan for the determination of prospective EB-5 job creation through EB-5 investments in this industry category?</p> <p><input type="checkbox"/> No - Attach an explanation <input checked="" type="checkbox"/> Yes</p>
<p>Industry Category Title: <div style="border: 1px solid black; padding: 2px; width: fit-content;">Furni.&Home Furni.Merchant Wholesale</div></p> <p>NAICS Code for the Industry Category: 4 2 3 2 _ _ _ _ _</p>	<p>Is the Form I-924 application supported by an economic analysis and underlying business plan for the determination of prospective EB-5 job creation through EB-5 investments in this industry category?</p> <p><input type="checkbox"/> No - Attach an explanation <input checked="" type="checkbox"/> Yes</p>



**Form I-924, Application for Regional Center
Under the Immigrant Investor Pilot Program
CONTINUATION/EXPLANATION SHEET**

Part 3. (7) Continuation

<p>Industry Category Title: <div style="border: 1px solid black; padding: 2px; display: inline-block; margin-bottom: 5px;">Professional & Commercial Equipment & Supplies</div> Merchant Wholesalers NAICS Code for the Industry Category: <u>4</u> <u>2</u> <u>3</u> <u>4</u> _____</p>	<p>Is the Form I-924 application supported by an economic analysis and underlying business plan for the determination of prospective EB-5 job creation through EB-5 investments in this industry category?</p> <p><input type="checkbox"/> No - Attach an explanation <input checked="" type="checkbox"/> Yes</p>
<p>Industry Category Title: <div style="border: 1px solid black; padding: 2px; display: inline-block; margin-bottom: 5px;">Household Appliances & Electrical & Electrical</div> Goods Merchant Wholesalers NAICS Code for the Industry Category: <u>4</u> <u>2</u> <u>3</u> <u>6</u> _____</p>	<p>Is the Form I-924 application supported by an economic analysis and underlying business plan for the determination of prospective EB-5 job creation through EB-5 investments in this industry category?</p> <p><input type="checkbox"/> No - Attach an explanation <input checked="" type="checkbox"/> Yes</p>
<p>Industry Category Title: <div style="border: 1px solid black; height: 20px; width: 100%; margin-bottom: 5px;"></div> NAICS Code for the Industry Category: _____</p>	<p>Is the Form I-924 application supported by an economic analysis and underlying business plan for the determination of prospective EB-5 job creation through EB-5 investments in this industry category?</p> <p><input type="checkbox"/> No - Attach an explanation <input type="checkbox"/> Yes</p>
<p>Industry Category Title: <div style="border: 1px solid black; height: 20px; width: 100%; margin-bottom: 5px;"></div> NAICS Code for the Industry Category: _____</p>	<p>Is the Form I-924 application supported by an economic analysis and underlying business plan for the determination of prospective EB-5 job creation through EB-5 investments in this industry category?</p> <p><input type="checkbox"/> No - Attach an explanation <input type="checkbox"/> Yes</p>

Part 3. Information About the Regional Center (Continued)

8a. Describe and document the current and/or prospective structure of ownership and control of the commercial entity(s) in which the EB-5 alien investors have or will make their capital investments.

Please refer to the attached Hypothetical Business Plan and Regional Center Operational Plan for information responsive to this inquiry.

b. Date commercial enterprise established, if any (mm/dd/yyyy): _____

c. Organization Structure for commercial enterprise:

- 1. Corporation
- 2. Partnership (including Limited Partnership)
- 3. Limited Liability Company (LLC)
- 4. Other (Explain) _____

d. Has or will the Regional Center or any of its principals or agents have an equity stake in the commercial enterprise?

- No
- Yes - Attach an explanation and documentation that outlines when and under what circumstances these remittances will be paid.

e. Has or will the Regional Center or any of its principals or agents receive fees, profits, surcharges, or other like remittances through EB-5 capital investment activities from this commercial enterprise, beyond the minimum capital investment threshold required of the EB-5 alien entrepreneurs?

- No
- Yes - Attach an explanation and documentation that outlines when and under what circumstances these remittances will be paid.

Part 4. Applicant Signature *Read the information on penalties in the instructions before completing this section. If someone helped you prepare this petition, he or she must complete Part 5.*

I certify, under penalty of perjury under the laws of the United States of America, that this form and the evidence submitted with it are all true and correct. I authorize the release of any information from my records that U.S. Citizenship and Immigration Services needs to determine eligibility for the benefit being sought. I also certify that I have authority to act on behalf of the Regional Center.

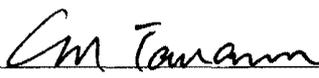
<p>Signature of Applicant</p> <p style="text-align: right;">(b)(6)</p> 	<p>Daytime Phone Number <i>(Area/Country Codes)</i></p> <div style="border: 1px solid black; height: 20px; width: 100%;"></div>	<p>Date (mm/dd/yyyy)</p> <p style="font-size: 1.2em;">11/20/14</p>
<p>Printed Name of Applicant</p> <p>Qi Zhao</p>	<p>E-Mail Address</p>	
<p>Relationship to the Regional Center Entity (Managing Member, President, CEO, etc.)</p> <p>General Manager</p>		



Part 5. Signature of Person Preparing This Form, If Other Than Above (Sign Below)

I declare that I prepared this application using information provided by someone with authority to act on behalf of the Regional Center, and the answers and information provided by the Regional Center.

Attorney or Representative: In the event of a Request for Evidence (RFE), may the USCIS contact you by Fax or E-mail? No Yes

Signature of Preparer 		Printed Name of Preparer Marianna Tarantur	Date (mm/dd/yyyy) 12/23/14
Firm Name and Address 197 S. Federal Highway, Suite 200, Boca Raton, FL 33432			
Daytime Phone Number <i>(Area/Country Codes)</i> (267) 994-6084	Fax Number (Area/Country Codes)	E-Mail Address EB5Processing@gmail.com	



November 20, 2014

U.S. Citizenship and Immigration Services
California Service Center
ATTN: EB-5 Regional Center Proposal
24000 Avila Road, 2nd Floor
Laguna Niguel, CA 92677

RE: American Pioneer Regional Center LLC

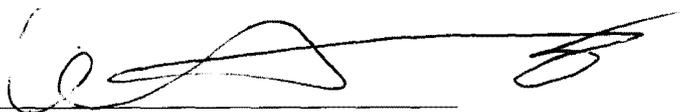
Dear Sir/Madam:

On behalf of the American Pioneer Regional Center LLC, I am excited to submit our application for Regional Center designation. As will be evidenced in the documents submitted in this Regional Center Application, we have the combined experience and contacts, both foreign and domestic, to make this venture a success for the Investor, the target project and the U.S economy alike.

Please accept this letter as official notice of our intention to be approved and thereafter designated as a USCIS approved Regional Center. We look forward to your response and approval which will allow us to move forward with the years of planning and preparation which have already been invested in this venture. Your approval will afford us the opportunity to begin the process of matching qualified foreign investors with quality domestic projects thereby creating jobs which will stimulate our economy.

We thank you in advance for your assistance. We remain available to you should you have any questions and/or concerns regarding our Application for Regional Center designation.

Sincerely,



Qi Zhao, General Manager
American Pioneer Regional Center LLC

December 12, 2014

U.S. Citizenship and Immigration Services
California Service Center
ATTN: EB-5 Regional Center Proposal
24000 Avila Road, 2nd Floor
Laguna Niguel, CA 92677

SUBMISSION CONTAINS CONFIDENTIAL COMMERCIAL INFORMATION.

**PER THE FREEDOM OF INFORMATION ACT (FOIA) (5 U.S.C. § 552 (b)(4)),
SUBMITTER REQUESTS PREDISCLOSURE NOTIFICATION PER PRESIDENTIAL
EXECUTIVE ORDER NO 12,600, 52 FED. REG. 23781
(JUNE 23, 1987)**

Application: Request for Designation as EB-5 Regional Center

Applicant: American Pioneer Regional Center LLC

Geography: Its geographical area encompassing the following contiguous counties within the states of Illinois, Indiana, and Wisconsin: Cook, DuPage, Lake, Will, Kane, McHenry, Kendall, DeKalb, and Grundy of the state of Illinois; the counties of Lake, Porter, Jasper, and Newton of the state of Indiana and the county of Kenosha of the state of Wisconsin.

RE: Designation of the American Pioneer Regional Center LLC under the EB-5 Immigrant Investor Pilot Program

Dear Examiner:

This letter and exhibits constitute an application for EB-5 regional center designation by American Pioneer Regional Center LLC to increase investment and employment in the State of Illinois.

The proposed regional center will be called the American Pioneer Regional Center LLC. This letter and attached exhibits explain how this proposal meets the requirements for regional center designation set forth at 8 C.F.R. § 204.6(m)(3).

The proposal was prepared by Marianna Tarantur; a G-28 Notice of Entry of Appearance is included in **EXHIBIT 1**.

This cover letter and included exhibits constitute a proposal within the meaning of 8 C.F.R. 204.6(m)(3) ("Regional Center Proposal"). Under Executive Order No. 12,600 (June

1987), all departments and agencies subject to the Freedom of Information Act (FOIA) are directed to promulgate specific regulations that afford basic procedural protections to all persons or entities who submit "confidential commercial information." FOIA defines this term as "records provided to the government...that arguably contain material exempt from release under Exemption, because disclosure could reasonably be expected to cause substantial competitive harm." This Regional Center Proposal contains confidential commercial information, thereby warranting the protections accorded.

Introduction to American Pioneer Regional Center LLC (APRC)

In order to comply with (8 CFR § 204.6(m)(iv), APRC is requesting approval to focus investments in the following target industry economic clusters:

1. Non-Residential Building Construction – NAICS 2362
2. Furniture and Home Furnishing Merchant Wholesalers – NAICS 4232
3. Professional and Commercial Equipment and Supplies Merchant Wholesalers – NAICS 4234
4. Household Appliances and Electrical and Electrical Goods Merchant Wholesalers – NAICS 4236
5. Traveler Accommodations – NAICS 7211

Geographical Area for APRC

This proposal requests regional center designation for investments within the State of Illinois, Indiana and Wisconsin: Cook, DuPage, Lake, Will, Kane, McHenry, Kendall, DeKalb, and Grundy of the state of Illinois; the counties of Lake, Porter, Jasper, and Newton of the state of Indiana and the county of Kenosha of the state of Wisconsin.

Please see a map of the proposed regional center at **EXHIBIT 2**.

Illinois is the 25th most extensive and the 5th most populous of the 50 United States, and is often noted as a microcosm of the entire country. The United States Census Bureau estimates that the population of Illinois was 12,869,257 on July 1, 2011, a 0.30% increase since the 2010 United States Census. Illinois is the most populous state in the Midwest region. Chicago, the third most populous city in the United States, is the center of the Chicago metropolitan area.

Cook County is a county in the United States state of Illinois. As of the 2010 census, the population was 5,194,675. With more than 40 percent of all Illinois residents, it is the most populous county in Illinois and the second-most populous county in the United States after Los Angeles County, California. Its county seat is Chicago, the third-most populous city in the United States. Cook County is included in the Chicago-Naperville-Elgin, IL-IN-WI Metropolitan Statistical Area.

DeKalb County is a county located in the U.S. state of Illinois. As of the 2010 census, the population was 105,160. Its county seat is Sycamore. DeKalb County is part of the Chicago-Naperville-Elgin, IL-IN-WI Metropolitan Statistical Area.

DuPage County is a county located in the U.S. state of Illinois. As of the 2010 census, the population was 916,924, making it the second-most populous county in Illinois. Its county seat is Wheaton. Dupage County is one of the collar counties of the Chicago-Naperville-Elgin, IL-IN-WI Metropolitan Statistical Area.

Grundy County is a county located in the U.S. state of Illinois. According to the 2010 census, it has a population of 50,063. Its county seat is Morris. Grundy County is part of the Chicago-Naperville-Elgin, IL-IN-WI Metropolitan Statistical Area.

Kane County is a county located in the U.S. state of Illinois. According to the 2010 census, it has a population of 515,269, making it the fifth-most populous county in Illinois. Its county seat is Geneva, and its largest city is Aurora. Kane County is one of the collar counties of the Chicago-Naperville-Elgin, IL-IN-WI Metropolitan Statistical Area.

Kendall County is a county located in the U.S. state of Illinois. According to the 2010 census, it has a population of 114,736. Its county seat is Yorkville, and its most populous municipality is Oswego. Kendall County is included in the Chicago-Naperville-Elgin, IL-IN-WI Metropolitan Statistical Area.

Lake County is a county in the northeastern corner of the U.S. state of Illinois. According to the 2010 census, it has a population of 703,462, making it the third-most populous county in Illinois. Its county seat is Waukegan. Lake County is one of the collar counties of the Chicago-Naperville-Elgin, IL-IN-WI Metropolitan Statistical Area.

McHenry County is a county located in the U.S. state of Illinois. According to the 2010 census, it had a population of 308,760, making it the sixth-most populous county in Illinois. Its county seat is Woodstock. McHenry County is one of the five collar counties of the Chicago-Naperville-Elgin, IL-IN-WI Metropolitan Statistical Area.

Will County is a county located in the northern part of the state of Illinois. According to the 2010 census, it had a population of 677,560, which is an increase of 34.9% from 502,266 in 2000, making it the fourth-most populous county in Illinois. The county seat is Joliet. Will County is one of the five collar counties of the Chicago-Naperville-Elgin, IL-IN-WI Metropolitan Statistical Area.

Indiana is a U.S. state located in the midwestern and Great Lakes regions of North America. Indiana is the 38th largest by area and the 16th most populous of the 50 United States. Indiana is the least extensive state in the contiguous United States west of the Appalachian Mountains. Its capital and largest city is Indianapolis. Indiana is divided into 92 counties. As of 2010, the state includes 16 metropolitan and 25 metropolitan statistical areas, 117 incorporated cities, 450 towns, and several other smaller divisions and statistical areas. Marion County and Indianapolis

have a consolidated city-county government. The United States Census Bureau estimates that the population of Indiana was 6,537,334 in 2012.

Lake County is a county located in the U.S. state of Indiana. In 2010, its population was 496,005, making it Indiana's second-most populous county. The county seat is Crown Point.

Porter County is a county located in the U.S. state of Indiana. As of 2010, the population was 164,343. The county seat is Valparaiso. This county is part of Northwest Indiana as well as the Chicago metropolitan area.

Jasper County is a county located in the U.S. state of Indiana. As of 2010, the population was 33,478. The county seat is Rensselaer. Jasper County is included in the Chicago-Naperville-Elgin, IL-IN-WI Metropolitan Statistical Area.

Newton County is a county located in the U.S. state of Indiana. As of 2010, the population was 14,244. The county seat is Kentland. The county is divided into 10 townships which provide local services. Newton County is included in the Chicago metropolitan area.

Wisconsin is a U.S. state located in the north-central United States, in the Midwest and Great Lakes regions. It is bordered by Minnesota to the west, Iowa to the southwest, Illinois to the south, Lake Michigan to the east, Michigan to the northeast, and Lake Superior to the north. Wisconsin is the 23rd state by total area and the 20th most populous. The state capital is Madison, and its largest city is Milwaukee, which is located on the western shore of Lake Michigan. The state comprises 72 counties.

Kenosha County is a county located in the southeastern corner of the U.S. state of Wisconsin. As of the 2010 census, the population was 166,426. Its county seat is Kenosha. The county is named after the county seat. Kenosha County is included in the Chicago-Naperville-Elgin, IL-IN-WI Metropolitan Statistical Area.

TEA Designation

Investments made within targeted employment areas (TEAs) within this geographical area will be \$500,000; investments made in other parts of this geographical area that are not in TEAs will be \$1,000,000. A TEA is an area designated by the State Department of Labor, designated by the Governor, in compliance with 8 C.F.R. § 204.6(i), is the agency authorized to identify the cities, counties, metropolitan statistical areas (MSAs) and geopolitical subdivisions (census tracts) that meet the "high unemployment" definition. A letter certifying the TEA qualifications for future specific projects will be included as part of an I-526 exemplar.

Investment Structure and Terms for APRC

APRC will sponsor projects that will involve some or all of the target industry economic clusters identified above. The total amount of capital that APRC will seek to raise depends on the capital needs and job creation potential of each project. Separate confidential offering

memoranda, business plan, econometric analysis and other offering documentation will be prepared for each investment project.

APRC will organize a special purpose entity, such as a limited partnership (LP), in which immigrant investors will make their qualifying EB-5 investment. Investors must invest \$500,000 (if the investment is made within a Targeted Employment Area) or \$1,000,000 (if the investment is not within a designated TEA), plus an administrative fee estimated to be [REDACTED], in the particular LP before applying for their I-526 petition. If the USCIS does not approve the I-526 petition, APRC will return the investor's capital contribution. Depending on specific deal terms, the administrative fee may also be refunded less a certain amount retained to cover fixed syndication and offering costs. The immigrant investors will be granted the rights normally granted to limited partners pursuant to the Uniform Limited Partnership Act. (b)(4)

APRC will follow year-end reporting procedures promulgated by the USCIS in accordance with Form I-924A, a copy of which is attached hereto as **EXHIBIT 7**.

APRC anticipates using an escrow account for an immigrant investor's capital contribution. Once the escrow agent receives confirmation that an immigrant investor's I-526 petition has been received or approved, the funds will be released to APRC for deployment into the project. An Escrow Agreement for future specific projects will be included as part of an I-526 exemplar. APRC will use NES/SunTrust or a comparable bank to serve as escrow agent as set forth in the Operational Plan at **EXHIBIT 6**. Also, included as **EXHIBIT 3** is a "hypothetical" business plan for a potential business venture APRC could fund.

Employment Creation Analysis for APRC

For this hypothetical project, APRC employed the RIMS II input-output model to show how each investment by an immigrant investor in the regional center will directly and indirectly create at least ten (10) jobs within the regional center's geographic area. Input-output models use "direct" impact estimates, typically measured as new jobs created at the site of an investment by employers who occupy space made useful by the investment. Input-output models are used to estimate potential "indirect" employment impacts resulting from a "multiplier" process.

The Company retained Wright Johnson, LLC to complete the econometric analysis. Attached at **EXHIBIT 4** is an economic report prepared by Wright Johnson. The report analyses the job creation potential and economic impact of the initial project located within the geographic scope of the regional center.

Presently, the Company has identified one (1) hypothetical project within the proposed regional center's industry sectors. A copy of the plan is attached hereto as noted supra. The Wright Johnson report utilizes the RIMS II input-output model to show how an EB-5 investment by an immigrant investor will directly or indirectly create at least ten (10) jobs within the regional center and positively impact regional and national economy. Input-output models use "direct" impact estimates, typically measured as new jobs created at the site of investment by employers who occupy space made useful by the investment. Input-output models also are used

to estimate potential "indirect" employment impacts resulting from a multiplier process. RIMS II has long been accepted by the USCIS (and many other governmental agencies) as a valid economic methodology that satisfies the requirements of 8 CFR § 204.6(j)(4), 8 CFR § 204.6(m)(3)(iv) and 8 CFR § 204.6(m)(3)(v).

Administration & Management

Qi Zhao will manage and oversee all administrative functions of APRC. Contact information to be used in an official capacity with USCIS is as follows:

AMERICAN PIONEER REGIONAL CENTER
2721 S. Halsted Street
Chicago, IL 60608
Phone: (312) 404-2130
zhao30@gmail.com

All USCIS published contact information should be listed as:

AMERICAN PIONEER REGIONAL CENTER
2721 S. Halsted Street
Chicago, IL 60608
Phone: (312) 404-2130
zhao30@gmail.com

EXHIBIT 5 of this application is the respective biographies detailing the educational and business experience of the Member and Manager of the APRC.

EXHIBIT 6C of this application is a copy of the Articles of Organization for APRC, from the State of Illinois.

EXHIBIT 6D of this application is a copy of operating agreement for American Pioneer Regional Center LLC which outlines the organizational structure of the company.

EXHIBIT 7 of this application is USCIS Form 924A. The form outlines numerous matters that must be tracked by a Regional Center. APRC will use this form as a guideline as to the administration of the APRC, including the information to be tracked by a Regional Center.

APRC will select experienced immigration attorneys to work with all EB-5 investors, in order to ensure consistent, high-quality I-526 and I-829 petitions to USCIS. The Company will work with immigration counsel to provide all the necessary Regional Center business and investor documentation as required by 8 C.F.R. § 204.6(j)(1)-(6) to facilitate USCIS adjudications of I-526 and I-829 petitions.

APRC will further maintain a detailed database that will track the name, date of birth, address, contact info, family relations, passport number, nationality, US state of residence and

alien registration number of each alien investor who makes an investment through the APRC and files an I-526 Petition with USCIS. APRC will further keep records stating whether the application was approved, denied, or withdrawn by the petitioner.

APRC will keep detailed records of all business activities that have received alien investor capital and in what amounts. These records will include information concerning the names and location of each job creating commercial enterprise located within the geographic boundary of the regional center. APRC will require all commercial enterprises receiving funding through the Regional Center to submit quarterly reports detailing W-2 and I-9 records to monitor job-creation where the specific econometric model relies on direct job creation.

APRC will follow applicable U.S. Securities and Exchange Commission rules for classifying an EB-5 investor as an "Accredited Investor" according to the definitions contained in Rule 501 of Regulation D. Each prospective EB-5 investor will be required to complete a questionnaire that provides adequate supporting information to verify compliance with either of these definitions.

APRC will adhere to all USCIS rules and regulations relating to confirming the legal source of funds used for investments in APRC projects. APRC's designated escrow bank will also comply with 31 U.S.C. 5318(i), "Due Diligence for United States Private Banking and Correspondent Bank Accounts Involving Foreign Persons." For further details, please see the Operational Plan at **EXHIBIT 6**.

Marketing

(b)(4) APRC will have both an Internet presence and engage in direct marketing. Direct marketing includes among other things, print and Internet advertisements, trade shows and travel. APRC or its representatives also plan to attend trade shows in the U.S. and abroad. Total marketing costs are estimated to be [REDACTED] for the first year of operation. For further details, please see the Operational Plan at **EXHIBIT 6**.

The Regional Center anticipates creating a website after approval. The website will contain basic information about the EB-5 Regional Center program, Q&A, graphic illustrations the project, and explanations and details about projects located within the APRC.

Conclusion

Contained herein is the full application that satisfies the present requirements for a new regional center designation. We await your perusal and your expeditious approval. If questions and/or concerns arise during the review of this Regional Center Application, including with any of the supporting information and/or materials attached hereto, please feel free to contact us at any time.

Document Index and Exhibits
American Pioneer Regional Center LLC Application

Exhibit No. Description

1 Signed G-28 Form

Geographical information about the proposed regional center, including:

2 Map of the Proposed Regional Center Geographical Area

Business Plan

3 Hypothetical Business Plan

Economic Report

4 Economic Analysis

Administration

5 Member Biographies

6 Operational Plan

6A Investor Questionnaire

6B Online Bank Statement of the Capital Commitment

6C Organizational Documents

6D Operating Agreement for APRC

7 Form I-924A

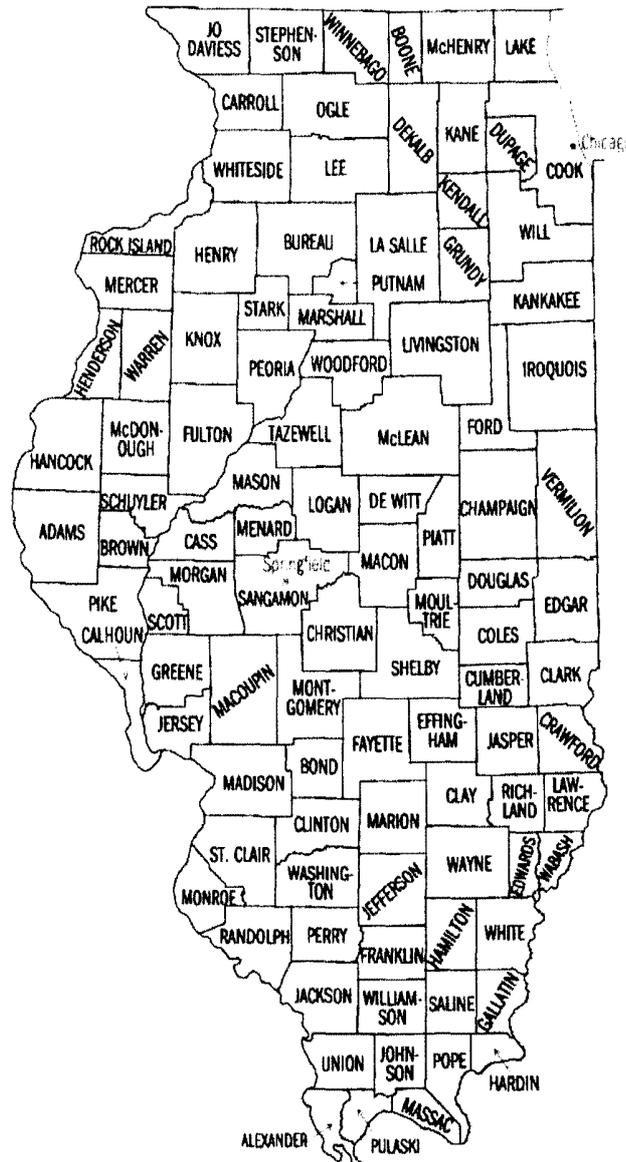




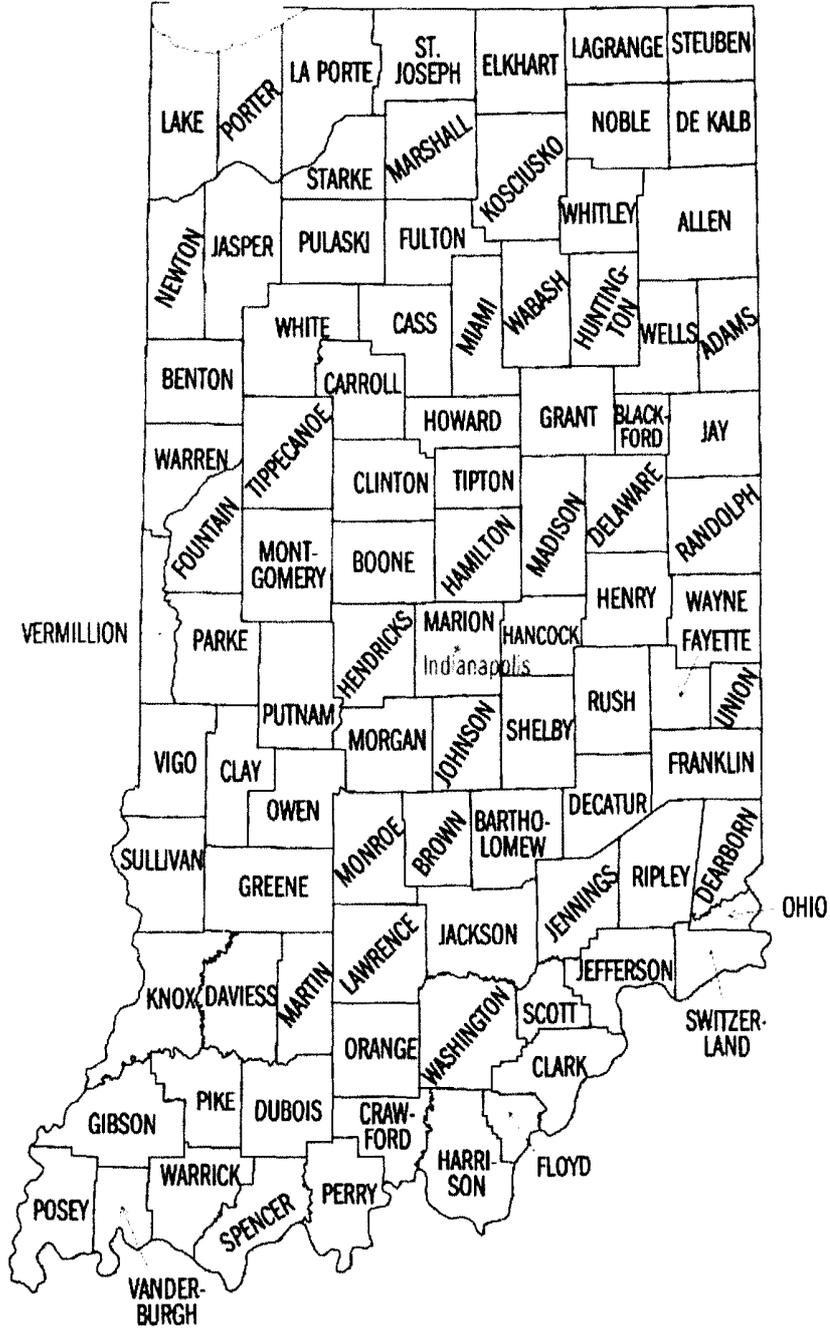
EXHIBIT 2

MAP OF THE AMERICAN PIONEER REGIONAL CENTER

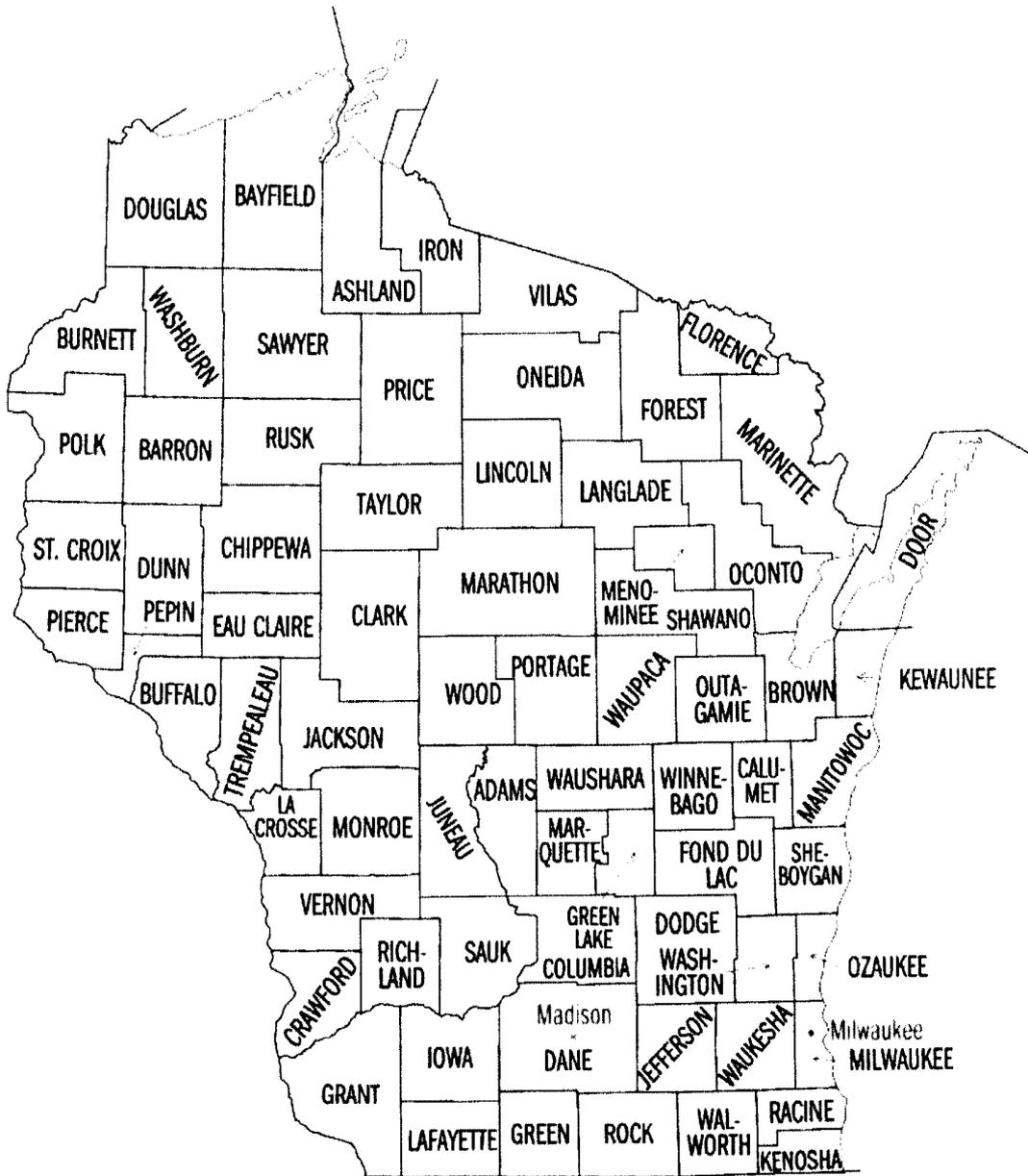
Illinois



Indiana



Wisconsin





Chicago Hotel Fund, LP

An Illinois Limited Partnership

HYPOTHETICAL BUSINESS PLAN

Pursuant to 8 CFR §204.6(j)(4)(B) and Matter of Ho

October 2014



Sponsored by:

American Pioneer Regional Center, LLC
(USCIS-designation pending Regional Center)
2721 S. Halsted Street
Chicago, IL 60608
Phone: (312) 404-2130
Email: czhao30@gmail.com

Contents Private and Strictly Confidential

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1.0 EXECUTIVE SUMMARY

1.1 Definition of Terms

Developer: *Chicago Hotel Developer Group, LLC (“CHDG”)*, a Limited Liability Company within the State of Illinois, is the Job Creating Entity that will develop and own the Project and will manage and operate the resulting business activities. May also be referred to as the **Company**.

EB-5 Investor: A prospective purchaser of a Unit in the Limited Partnership; an EB-5 Investor may also be known simply as an **Investor**. If an Investor purchases a Unit, such Investor shall thereafter be referred to as a Limited Partner.

EB-5 Limited Partner: A limited partner in the Partnership, with certain rights, powers, and duties normally granted to limited partners under the Uniform Limited Partnership Act, who is admitted to the limited partnership in accordance with the EB-5 Immigrant Investment Program and USCIS policy memoranda and Administrative Appeals Office precedent decisions governing the EB-5 Program. An EB-5 Limited Partner may also be known simply as a **Limited Partner** or an **EB-5 Investor**.

EBIDTA: EBIDTA is an acronym for “Earnings Before Interest, Depreciation, Taxes, and Amortization”. Interest expense is a function of leverage, not operations; Depreciation expense is an accounting convention, not an operational indicator; Taxes are considered "non-operational" in a sense because they can be affected by a variety of accounting and tax conventions; and Amortization expense is another accounting convention dealing with the amortization of intangibles. Therefore, EBIDTA is a much stronger indicator of ongoing, operational strength than Operating Cash Flow, Free Cash Flow, Net Operating Income, or Net Income.

General Partner: *American Pioneer Regional Center LLC (“APRC”)*, an Illinois Limited Liability Company, will manage the Limited Partnership’s business activities on behalf of the Limited Partners.

High Unemployment Area: A geographical area which has experienced unemployment of at least 150 percent of the national average rate. See INA § 203(b)(5)(B)(ii).

Immigration Act: The Immigration Act at 8 USC 1153(b)(5)(A)(i)–(iii), (B)(i)–(iii), (C)(i)–(iii) and (D).

Job Creating Entity (“JCE”): Referring to the Developer, this is the business operation creating direct, indirect, and/or induced employment in order to meet job creation requirements. The JCE is the target organization for EB-5 invested funds, typically made available to the Developer in the form of a loan from the Limited Partnership.

Limited Partnership: *Chicago Hotel Fund, LP (“CHF”)*, an Illinois Limited Partnership, is the New Commercial Enterprise that will aggregate EB-5 investor funds and loan them to the Developer for job-creating purposes. CHF consists of APRC as the General Partner and each of the foreign investors who purchase a Unit in the Limited Partnership as its Limited Partners. A Limited Partnership may also be known simply as the **Partnership**.

Metropolitan Statistical Area (“MSA”): The general concept of a metropolitan area is that of a large population nucleus, together with adjacent communities having a high degree of social and economic integration with that core. Metropolitan areas may comprise a number of towns or cities, or even entire counties. A consolidated MSA has a population of one million or more and also has separate component areas meeting statistical criteria and supported by local opinion.

New Commercial Enterprise (“NCE”): Referring to the Limited Partnership, a New Commercial Enterprise is one which was created on or after November 29, 1990. This is the enterprise that EB-5 Investors will be investing in.

Project: *Harper Hotel Project*, an undertaking to develop, construct, and thereafter operate a 150,000 square foot, 8-story, 200-key, upper-upscale, full service hotel. These will be owned and operated by the Developer.

Regional Center: *American Pioneer Regional Center LLC (“APRC”)*, an Illinois Limited Liability Company, will function as the Regional Center in accordance with USCIS guidelines. The Regional Center will advise the Project, the EB-5 process, and the associated entities as well as provide reporting for matters of I-526 and I-829 related requirements.

Rural Area (“RA”): A geographical area located both outside of a Metropolitan Statistical Area and outside of a city or town having a population of 20,000 or more based on the most recent decennial census of the United States. See INA § 203(b)(5)(B)(iii) and 8 CFR §204.6(j)(6)(i).

Subject Property: *S Chicago Ave and E 77th St, Chicago, Illinois 60649*; the proposed lot of land intended for development of the Project. The Subject Property may also be referred to as the **Project Site**.

Targeted Employment Area (“TEA”): A TEA may be a Rural Area or a High Unemployment Area as designated by the appropriate state authority.

United States Citizenship and Immigration Service (“USCIS”): USCIS is the government agency that oversees lawful immigration to the United States.

1.2 Matter of Ho Index

Regarding *Matter of Ho*, 22 I&N Dec. 2006: A comprehensive business plan as contemplated by the regulations should contain, at minimum, a description of the business, its products and/or services, and its objectives. While the following business plan is “Hypothetical” and not subject to a comprehensive review, it was drafted after the Matter of Ho standard.

The plan should contain a market analysis (*Section 7.0 Market Analysis*)...including the names of competing businesses and their relative strengths and weaknesses, a comparison of the competition’s products and pricing structures, and a description of the target market/prospective customers of the new commercial enterprise. (*Section 2.2 Management Team outlines skills and strengths of regional center management, and Section 3.0 and Section 7.0 describe the desirable features of each asset proposed herein*).

The plan should list the required permits and licenses obtained. (*Section 5.0 Project Development Timeline lists those needed to develop the Project*).

If applicable, it should describe the manufacturing or production process, the materials required, and the supply sources. (*Section 5.0 Project Development Timeline discusses materials and sources for construction activities; this is not applicable for business activities as hotel operations do not include manufacturing or production of goods*.)

The plan should detail any contracts executed for the supply of materials and/or the distribution of products. (*Section 5.0 Project Development Timeline discusses contracts executed for construction activities; this is not applicable for business activities as hotel operations do not include manufacturing or production of goods*.)

It should discuss the marketing strategy of the business, including pricing, advertising, and servicing. (*Section 7.3 Marketing Strategy*)

The plan should set forth the business’s organizational structure and its personnel’s experience. (*Section 2.2 Management Team*)

It should explain the business’s staffing requirements and contain a timetable for hiring, as well as job descriptions for all positions. (*See Exhibit A: Market Studies for the Economic Analysis attached to this I-924 Application, also note Section 8.2 Job Creation for a summary of job creation*.)

It should contain sales, cost, as well as operating expense and income projections and detail the bases therefore. Most importantly, the business plan must be credible. (*Section 6.0 Project Financial Performance*)

1.3 Introduction

Purpose

CHF is the Partnership formed for the purpose of funding a real estate development Project sponsored by **APRC**, a regional center pending designation by USCIS. The Partnership will also be managed by **APRC** as General Partner on behalf of the EB-5 Limited Partners. **CHF** proposes to enter into a loan agreement with **CHDG**, which will develop, own, and operate the Project. The Project is a proposed hotel development which will include construction and operation of a 150,000 square foot, 8-story, upper-upscale hotel to be known as *Harper Hotel Project*.

EB-5 Program

Section 203(b)(5) of the Immigration and Nationality Act (“INA”) allocates 10,000 “EB-5” immigrant visas per year, of which 3,000 visas are reserved for aliens who invest in TEA. The EB-5 regulations may be found at 8 CFR 204.6 and 8 CFR 216.6, respectively. An alien investor may apply for a job creation immigration visa by submitting Form I-526 (Immigration Petition by Alien Entrepreneur) to USCIS.

EB-5 Investors may be eligible for an EB-5 immigrant visa if they have invested, or are actively in the process of investing, the required amount of capital into one of the following for-profit business-types:

- A new commercial enterprise (created after 11/29/1990).
- An existing enterprise established on or before Nov. 29, 1990, that is:
 - Purchased and the existing business is restructured or reorganized in such a way that a new commercial enterprise results, or
 - Expanded through the investment so that a 40-percent increase in the net worth or number of employees occurs
- A troubled business in which jobs will be preserved.
 - A troubled business is an enterprise that has been in existence for at least two years and has incurred a net loss during the 12 or 24-month period prior to the priority date on the immigrant investor’s Form I-526. The loss for this period must be at least 20 percent of the troubled business’ net worth prior to the loss. For purposes of determining whether the troubled business has been in existence for two years, successors in interest to the troubled business will be deemed to have been in existence for the same period of time as the business they succeeded.

Capital means cash, equipment, inventory, other tangible property, cash equivalents and indebtedness secured by assets owned by the alien entrepreneur, provided that the alien entrepreneur is personally and primarily liable and that the assets of the new commercial enterprise upon which the petition is based are not used to secure any of the indebtedness. All capital shall be valued at fair-market value in United States dollars. Assets acquired, directly or indirectly, by unlawful means (such as criminal activities) shall not be considered capital for the purposes of section 203(b)(5) of the Act. The investment capital cannot be borrowed.

In order to obtain USICS approval, each EB-5 investor must demonstrate that their capital investment will:

- Create or preserve at least 10 full-time jobs for qualifying U.S. workers within two years (or under certain circumstances, within a reasonable time after the two-year period) of the immigrant investor's admission to the United States as a Conditional Permanent Resident.
- Create or preserve either direct or indirect jobs:
 - Direct jobs are actual identifiable jobs for qualified employees located within the commercial enterprise into which the EB-5 investor has directly invested his or her capital.
 - Indirect jobs are those jobs shown to have been created collaterally or as a result of capital invested in a commercial enterprise affiliated with a regional center by an EB-5 investor. A foreign investor may only use the indirect job calculation if affiliated with a regional center.
 - Note: Investors may only be credited with preserving jobs in a troubled business.

A qualified employee is a U.S. citizen, permanent resident or other immigrant authorized to work in the United States. The individual may be a conditional resident, an asylee, a refugee, or a person residing in the United States under suspension of deportation. This definition does not include the immigrant investor; his or her spouse, sons, or daughters; or any foreign national in any nonimmigrant status (such as an H-1B visa holder) or who is not authorized to work in the United States.

Full-time employment means employment of a qualifying employee by the new commercial enterprise in a position that requires a minimum of 35 working hours per week. In the case of the Immigrant Investor Regional Center Program, "full-time employment" also means employment of a qualifying employee in a position that has been created indirectly from investments associated with the Regional Center Program.

There are two distinct EB-5 pathways for an alien investor to gain lawful permanent residence: the Basic Program and the Regional Center Program. Both programs require that the alien investor make a capital investment of either \$500,000 or \$1,000,000 (depending on whether the investment is in a TEA) in a new commercial enterprise located within the United States. The new commercial enterprise must create or preserve 10 full-time jobs for qualifying U.S. workers within two years of the alien investor's admission to the United States as a Conditional Permanent Resident ("CPR"). When making an investment in a new commercial enterprise affiliated with a USCIS-designated regional center under the Regional Center Program, an alien investor may satisfy the job creation requirements of the program through the creation of either direct or indirect jobs.

Notably, an alien investing in a new commercial enterprise under the Basic Program may satisfy the job creation requirements only through the creation of direct jobs. If the regional center proposal bases its predictions regarding the number of direct or indirect jobs that will be created through EB-5 investments in the regional center, in whole or in part, by offering investment opportunities to EB-5 investors with the reduced \$500,000 threshold, then the Targeted Employment Areas should be identified.

Disclosures

This document is not an offer or solicitation to sell or acquire securities or any other financial products and is not a prospectus, disclosure statement, or other offering document. Any offering of securities will only be by means of a confidential private offering memorandum. Many of the descriptions of the Project in this document are derived from various marketing materials and therefore contain terms used in such materials. In addition, many sections are based on current expectations and plans of the Developer but are subject to change as the plans and specification for the Project may be finalized and modified from time to time. In particular, the Developer makes no representation and warranty that the Project will include each and every product, service, feature, or amenity described herein, and concepts specifically named may be changed prior to completion.

1.4 New Commercial Enterprise

<p>The Partnership Partnership Objective</p>	<p>CHF is the new commercial enterprise in which the foreign investors will be investing for the purpose of financing the Project.</p> <p>The Partnership was established to finance the construction and improvement of certain real property located within the State of Illinois. In Chicago within Cook County, the Partnership intends to finance the development, construction, and thereafter operational management of <i>The Harper Hotel Project</i>.</p>
<p>General Partner</p>	<p>APRC is the General Partner of CHF, which will manage the Partnership's day-to-day business operations and conduct due diligence regarding Investor eligibility.</p>
<p>Regional Center Affiliation</p>	<p>APRC, a regional center pending designation by USCIS, is sponsoring the Project and will ensure that all EB-5 compliance matters with respect to the EB-5 funds are met with all the rights and responsibilities accorded under the laws of the State of Illinois.</p>
<p>Use of EB-5 Investment Proceeds</p>	<p>Equity investment into the Partnership will be issued in full as a loan to the Project's developer and owner for the purpose of financing the construction and operations of the job-creating facility.</p>
<p>Return on Investment</p>	<div style="border: 2px solid black; height: 100px; width: 100%;"></div>

(b)(4)

1.5 Job-Creating Investment Target

The Project	<i>The Harper Hotel Project</i> is a proposed real estate development which will include construction and operation of a 150,000 square foot, 8-story, 200-key, upper-upscale hotel, resulting in job creation.
Project Location	The Project is located within Cook County at the following street address: South Chicago Avenue and East 77th Street, Chicago, Illinois 60649.
Project Management	The Project will be owned, developed, and operated by CHDG. The Developer will also manage daily business operations.
Use of Funds	Total project costs are summarized as follows: <ul style="list-style-type: none"> Acquisition costs Hard construction costs FF&E costs A&E costs Soft construction costs Initial Operations Total Development Costs <div style="border: 1px solid black; width: 150px; height: 100px; margin-left: 200px; display: flex; align-items: center; justify-content: center;">(b)(4)</div>
Source of Funds	Total capitalization requirements for the Project are expected to be met through a combination of the following: <ul style="list-style-type: none"> EB-5 Loan Senior Debt Private Equity Total Capitalization <div style="border: 1px solid black; width: 200px; height: 50px; margin-left: 200px; display: flex; align-items: center; justify-content: center;">(b)(4)</div>
Development Schedule	The development timeline will be driven by access to EB-5 investment dollars. <div style="border: 1px solid black; width: 150px; height: 15px; display: inline-block;"></div> <i>The Harper Hotel Project</i> will commence business operations upon completing construction activities.
Financial Projections	According to financial projections, gross revenue at the end of the second year of business activities will total <div style="border: 1px solid black; width: 80px; height: 15px; display: inline-block;"></div> with an EBITDA of <div style="border: 1px solid black; width: 80px; height: 15px; display: inline-block;"></div>
Market Outlook	The following 2014 Host Almanac Statistics are reported by STR for comparable hotels in Chicago, IL submarket: <ul style="list-style-type: none"> • Occupancy Rate 72.5% • Average Daily Rates \$160.79
TEA Designation	The location of the Subject Property will qualify as a TEA, therefore, minimum investment per foreign investor will be \$500,000.
Job Creation Projections	According to the economic analysis conducted by Wright Johnson, LLC, the Project will create <div style="border: 1px solid black; width: 60px; height: 15px; display: inline-block;"></div> jobs that are a result of this development. To meet the EB-5 capital raise of <div style="border: 1px solid black; width: 80px; height: 15px; display: inline-block;"></div> each investor will be assigned <div style="border: 1px solid black; width: 40px; height: 15px; display: inline-block;"></div> jobs.

2.0 BUSINESS OVERVIEW

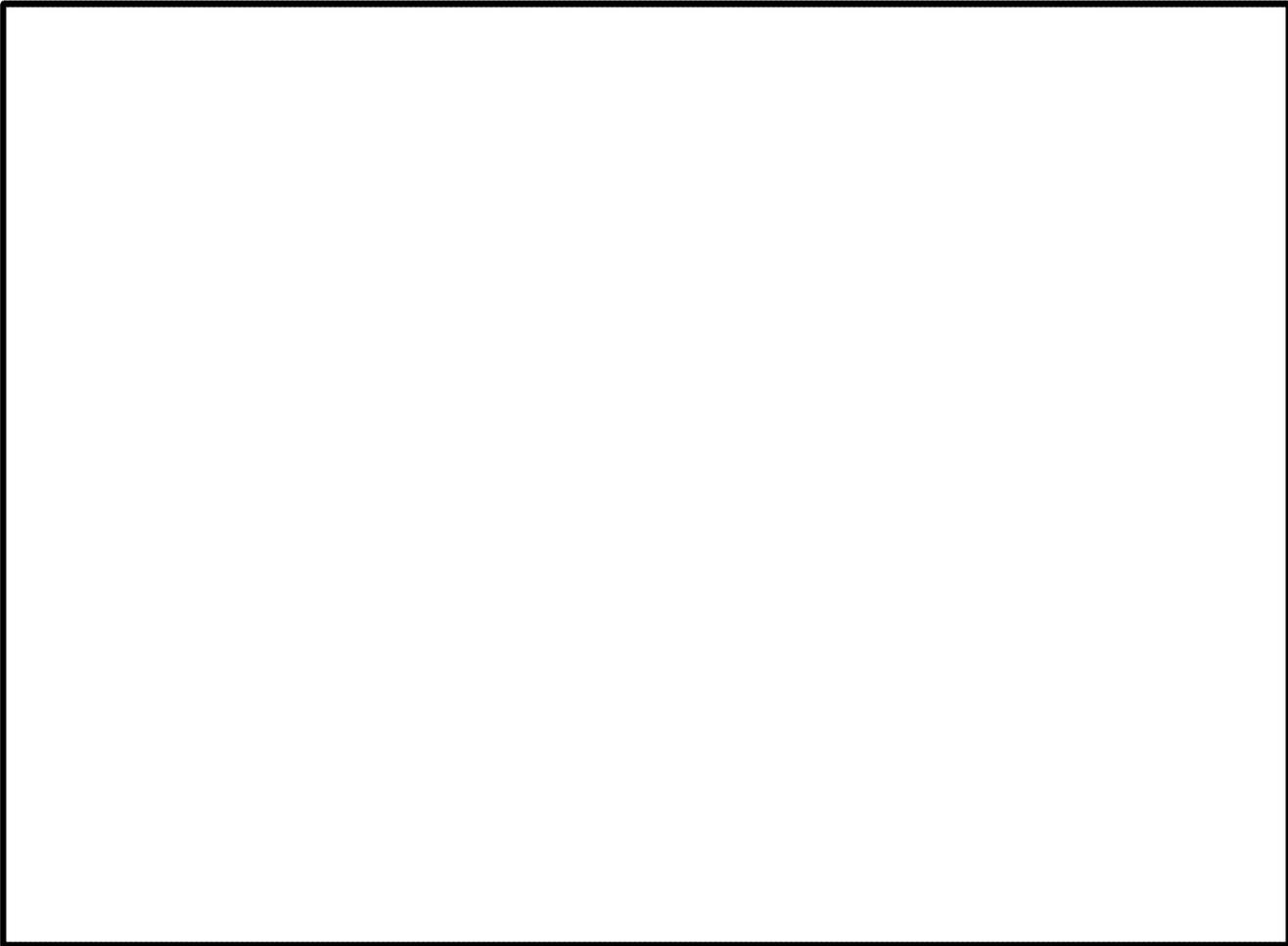
2.1 Investment Organizational Structure

CHF is a new commercial enterprise with its place of business at 2721 S. Halsted Street, Chicago, IL 60608. CHF was formed for the purpose of financing a job-creating new real estate development within the geographic designation for APRC, the sponsoring regional center. The Partnership will be managed by its General Partner, APRC, on behalf of the foreign Investors.

(b)(4) CHF will receive at-risk equity investment from EB-5 investors, who will be Limited Partners and co-owners in the Limited Partnership. The Limited Partnership will issue the full amount of equity investment as a loan of [REDACTED] into the Project by means of a loan to CHDG, the Project Developer and Operator.

The following diagram provides the investment structure of the Project:

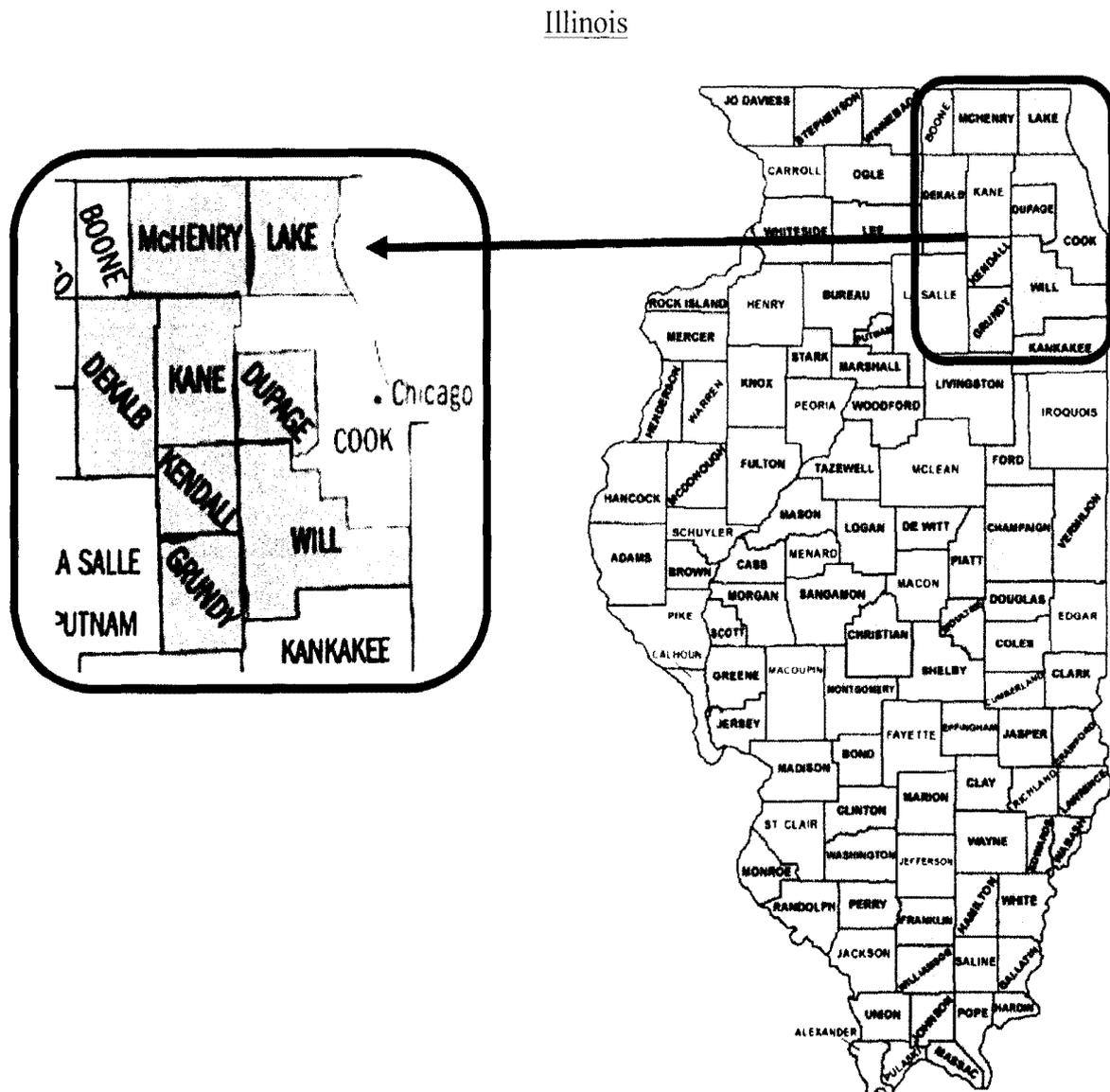
(b)(4)



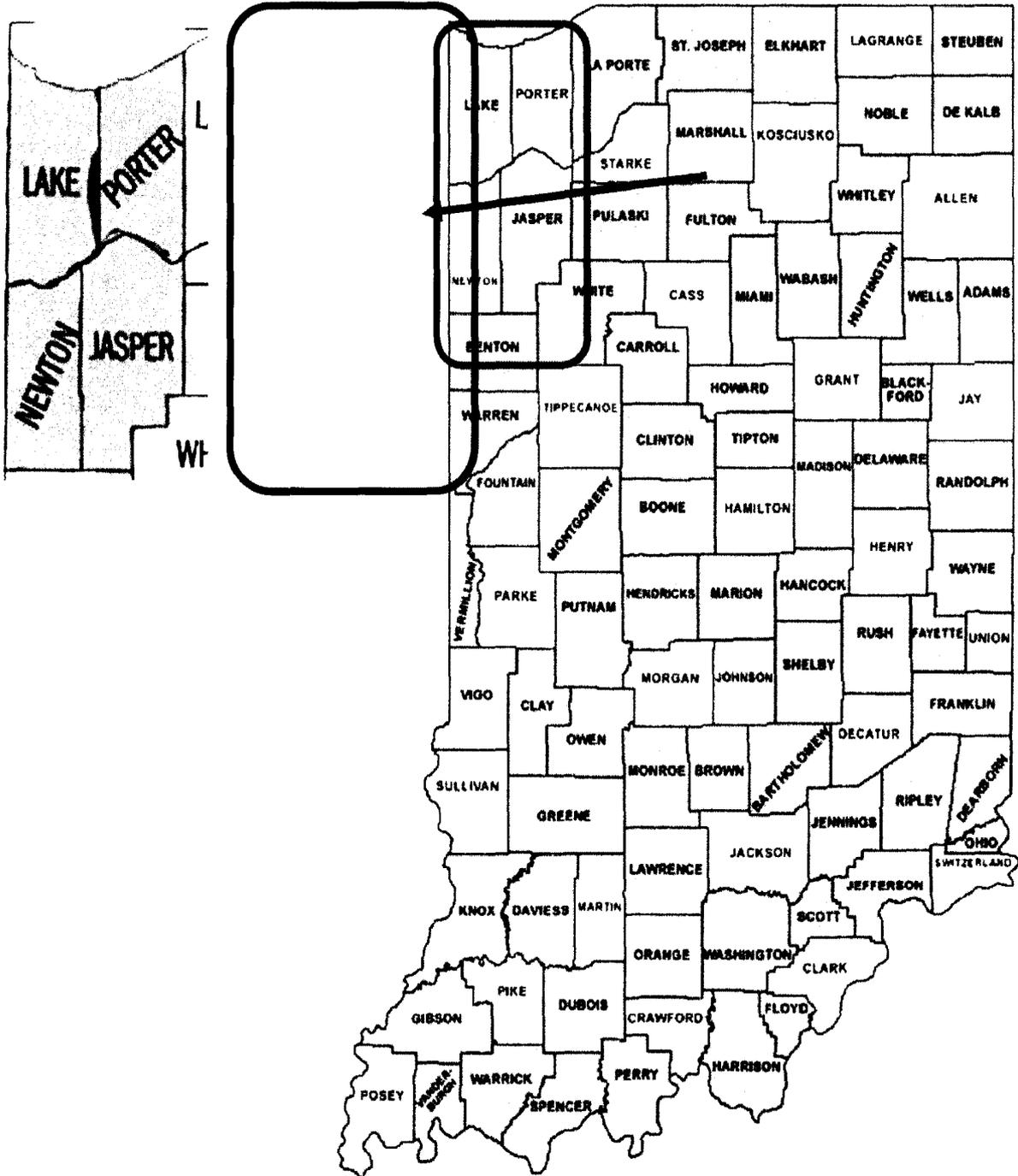
2.2 Management Team

2.2.1 New Commercial Enterprise Management

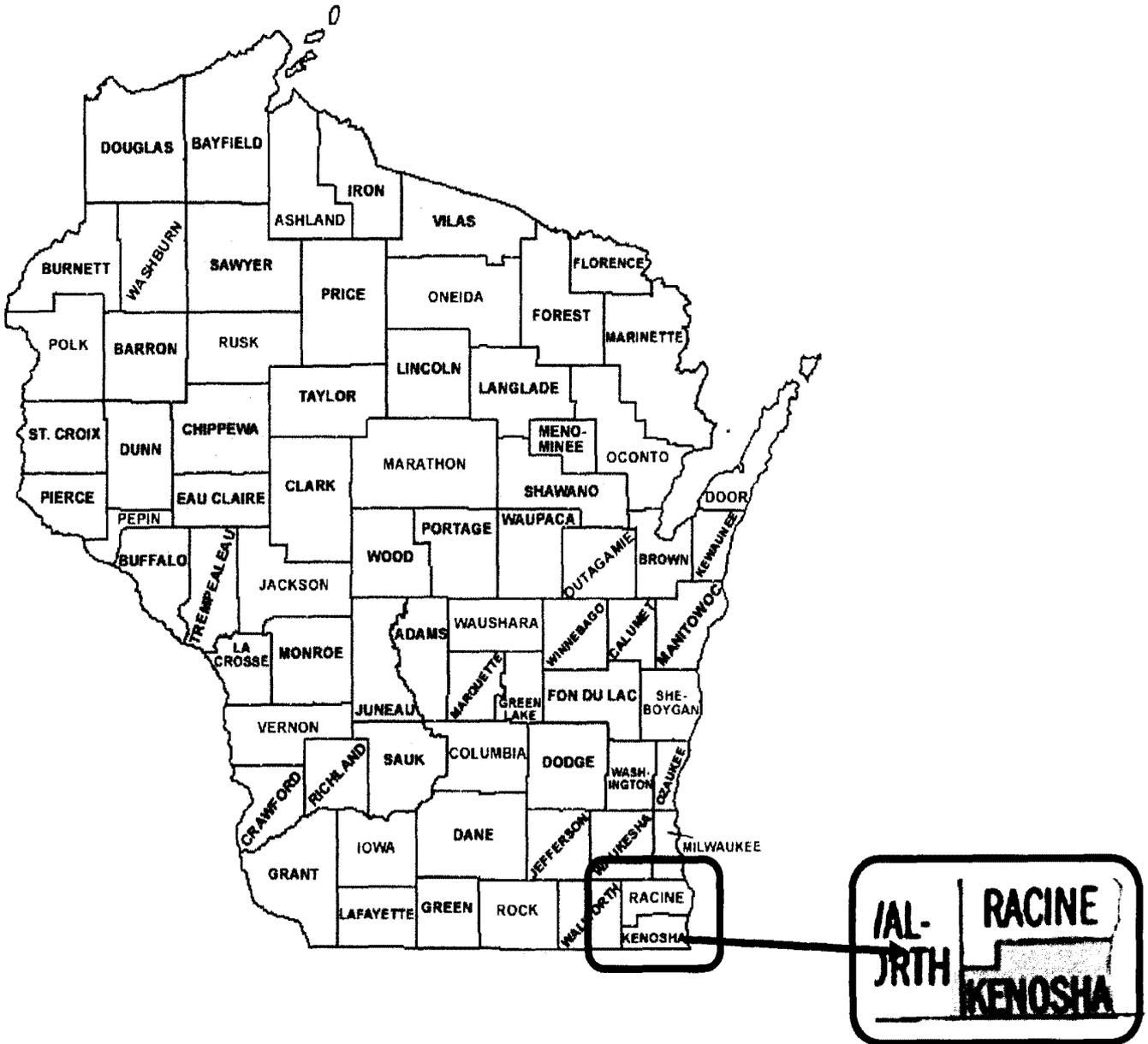
APRC is the General Partner of CHF as well as the regional center sponsoring the Partnership and its Project, with its principal place of business located at 2721 S. Halsted Street, Chicago, IL 60608. APRC is pending USCIS designation as an EB-5 Regional Center under the Immigration Investor Regional Center Program for the specific purpose of investing EB-5 funds into a targeted commercial enterprise located within the Chicago-Naperville-Joliet (IL-IN-WI) MSA, its proposed geographic area (see *Exhibit B: Proposed Regional Center Boundaries*). The Chicago-Naperville-Joliet (IL-IN-WI) MSA consists of the counties of Cook, DuPage, Lake, Will, Kane, McHenry, Kendall, DeKalb, and Grundy of the State of Illinois; the counties of Lake, Porter, Jasper, and Newton of the State of Indiana and the county of Kenosha of the State of Wisconsin:



Indiana



Wisconsin



The Project will focus on the following target industry clusters:

NAICS 2362	Nonresidential Building Construction
NAICS 4232	Furniture and Home Furnishing Merchant Wholesalers
NAICS 4234	Professional, and Commercial Equipment, and Supplies Merchant Wholesalers
NAICS 4236	Household Appliances, and Electrical, and Electrical Goods Merchant Wholesaler
NAICS 7211	Traveler Accommodations

APRC has one member and is managed by its General Manager:

Zhibin Wang
Sole Member

Mr. Wang incorporated Meihua Investment Group, Inc. (“Meihua”) in 1994 and has been its President and CEO for 20 years since then. Meihua is a corporate group consisting of numerous subsidiaries in five major industry sectors: real estate, finance, hotels, medical devices and education. It started from the real estate development area then developed smoothly and steadily into other sectors.

After 20 years of development, Meihua has successfully established itself as a diversified financial investment control group that has registered capital of 50 million RMB, over 2000 employees, and active operations in China, Australia, Southeast Asia, Korea, Europe and North America. Now the finance sector of Meihua includes 6 loan companies that manage loans of more than 1.5 billion RMB in total. All these loans are serving small business owners and individual customers, including residential home loans, small business expansion loans, loans to farmers and family businesses etc. Its real estate and hotel sectors have developed very quickly and formed joint ventures in various countries. In view of the trends of the global economy, Meihua is aiming to form a cooperative global business network under Mr. Wang’s direction.

Qi Zhao
*General
Manager*

Qi Zhao started his secondary education at Beijing Industrial University with a Major in E-commerce. After two years of study he transferred to Harold Washington College and continued his education with a major in business.

In 2006 he began his career in business as an investment analyst at Massmutal Finance Group. Here he analyzed various financial information so that he could make sound investment recommendations to clients, help individual clients make personalized investment plans to fit their special needs, as well as keep a close eye on economic trends so that he could recommend revisions of investment strategies to clients and internal groups.

By 2008 Mr. Zhao was President and Owner of QaPrints.com where he supervised day-to-day operations of the company as well as design, implement, and facilitate overall marketing strategies and financial plans. He developed this company from a firm with only 2 employees to a firm with 7 employees in just a few years and established a good business reputation in the greater Chicago area.

Most recently, Mr. Zhao is acting as a managing member of Present Best Quest Development LLC. Here he is responsible for determining strategic and budget plans and establishing objectives for the company, evaluating the feasibility and profitability of various investment options, overseeing the executions and progresses of various real estate development projects, ensuring the company's overall financial control and smooth development, as well as making hiring decisions and providing employees with professional growth and directions.

2.2.3 Project Ownership

CHF proposes to enter into a loan agreement with **CHDG**, which will own, develop, and operate the Project to be located at S Chicago Ave and E 77th St in Chicago, IL. CHDG will be the EB-5 “target commercial enterprise” that will borrow EB-5 capital invested into the Partnership and develop the job-creating project.

2.3 Consultants

Economic Impact Consultant

Wright Johnson, LLC is a business consulting and planning firm that specializes in USCIS’s EB-5 Regional Center Program with an econometrics division that has successfully prepared numerous economic studies to evaluate and summarize the job-creation and economic benefits attributed to regional center designation and individual EB-5 projects. The firm has authored numerous economic analyses to demonstrate the local employment and economic impacts of various projects to local, state, and federal agencies. Based on prior government projects and peer-review, including EB-5 job-creation studies, Wright Johnson’s methodologies and economic research are well-vetted and considered to be in accordance with the practices and standards of professional economists nationwide. The economic analysis titled *An Economic Analysis Of the Regional Center Project Encompassing the Chicago-Naperville-Joliet (IL-IN-WI) Metropolitan Statistical Area* conducted by Wright Johnson is referenced throughout this business plan (See Exhibit A: Market Studies).

3.0 PROJECT DESCRIPTION

3.1 Project Overview

The Harper Hotel Project will be an upper-upscale hotel within Chicago, Illinois, strategically located near the Chicago St. University and Harborside International Golf Center. This upper-upscale hotel has plush bedding, spa-style bathrooms, hard surface flooring, and signature murals to enjoy.



Rooms: The Project will offer a range of modern designer rooms fully equipped with amenities such as comfortable beds in a variety of differing sizes; a mini-bar containing drinks, confectionery and snacks; an LCD TV; air conditioning; and generous views. Full phone service with also be available guest in their rooms, for business calls and personal calls will be offered from the hotel. Local and international telephone services will also be offered, with free high-speed WIFI as well. Laundry and dry clean services will be provided by housekeeping

Fine Dining: A fine dining restaurant will offer its patrons the finest food, service and atmosphere. The menu should offer unique items, the service should be indisputably impeccable and the atmosphere inviting.

Amenities: A gym with state of the art equipment, LCD TV, towels and bottled water will be provided. Temperature controlled pool, hot tub, and sauna. Valet parking with be provided at the lobby entrance. A Day Spa with be open from 8am-8pm for guests to enjoy pampering with massages, facials, etc.

3.2 Project Details

The purpose of the Project in its entirety is to develop, construct, and thereafter manage an upper-upscale, full-service hotel (NAICS 721110), on a 6-acre land area within Chicago, Illinois.

The proposed hotel will consist of the following specifications:

Number of stories:	8
Building footprint:	18,750 SF
Total Area:	150,000 SF
Allocation of square footage:	
• Rooms:	100,000 SF
• Restaurant (160 seat):	4,500 SF
• Kitchen	3,500 SF
• Lobby:	5,000 SF
• Conference Rooms:	4,000 SF
• Common Area:	30,500 SF
• Utility:	2,500 SF

The hotel will offer the following featured services:

- Indoor Pool
- Spa/Massage
- Fitness Center
- Conference rooms (4,000 SF)

The following table summarizes the proposed hotel's room mix:

• Queen/Double Queen	100	450 – 500 SF average
• King	90	450 – 500 SF average
• Suites	10	600 – 700 SF average
• TOTAL	200	

Guest rooms will also offer the following amenities:

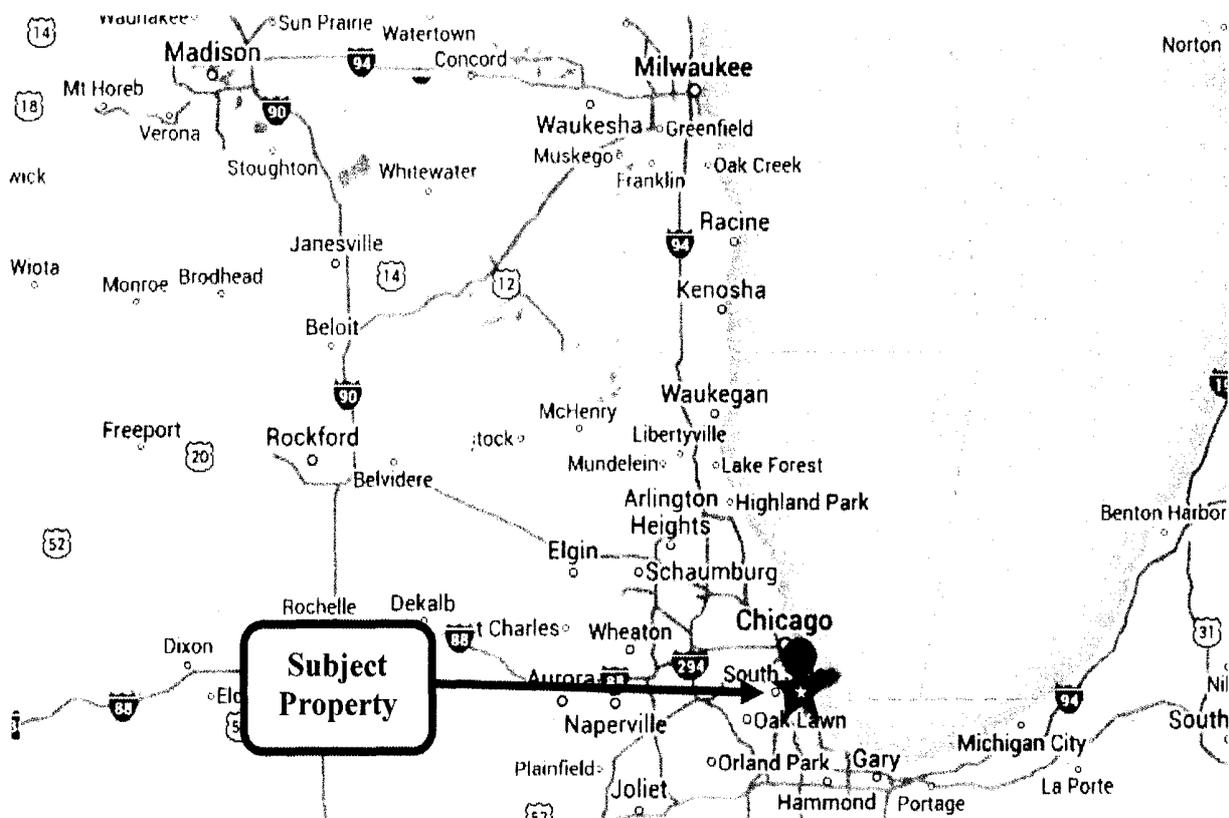
- Flat screen television
- Mini bar with coffee maker
- Working desk and chairs
- Telephone
- Wireless internet access
- Other amenities consistent with upscale, full-service hotel

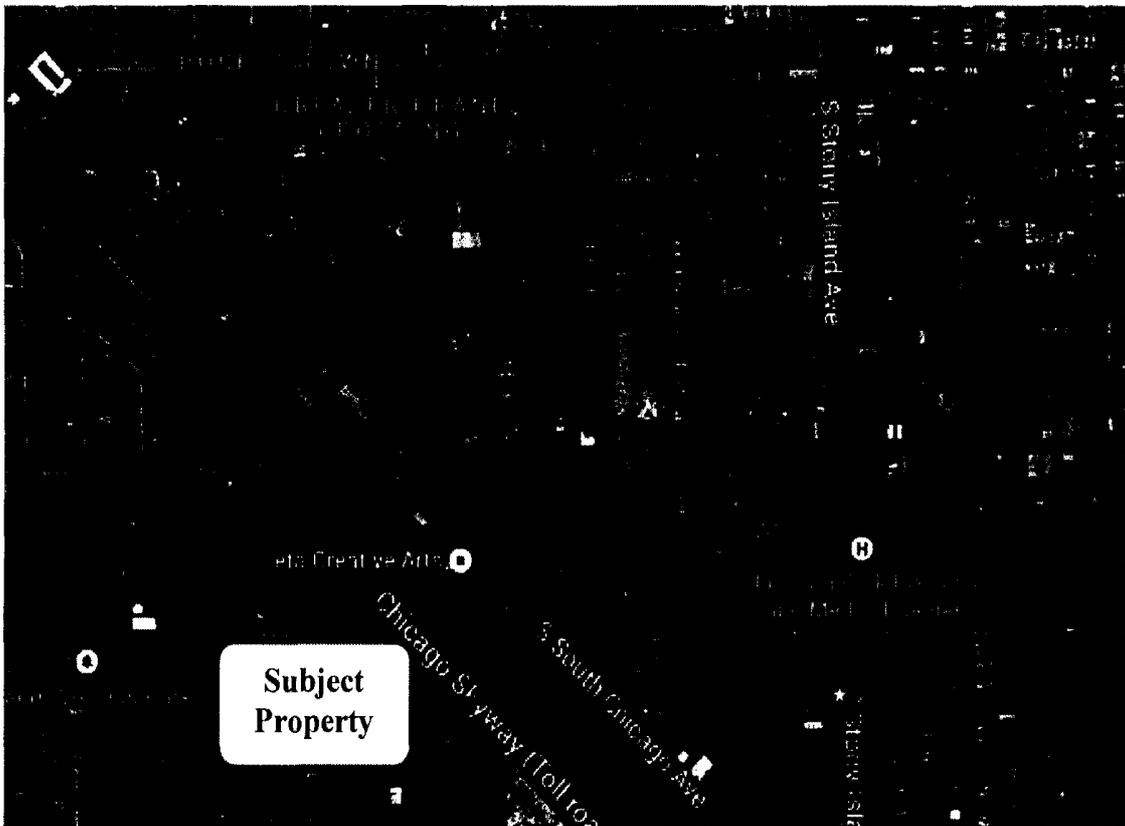
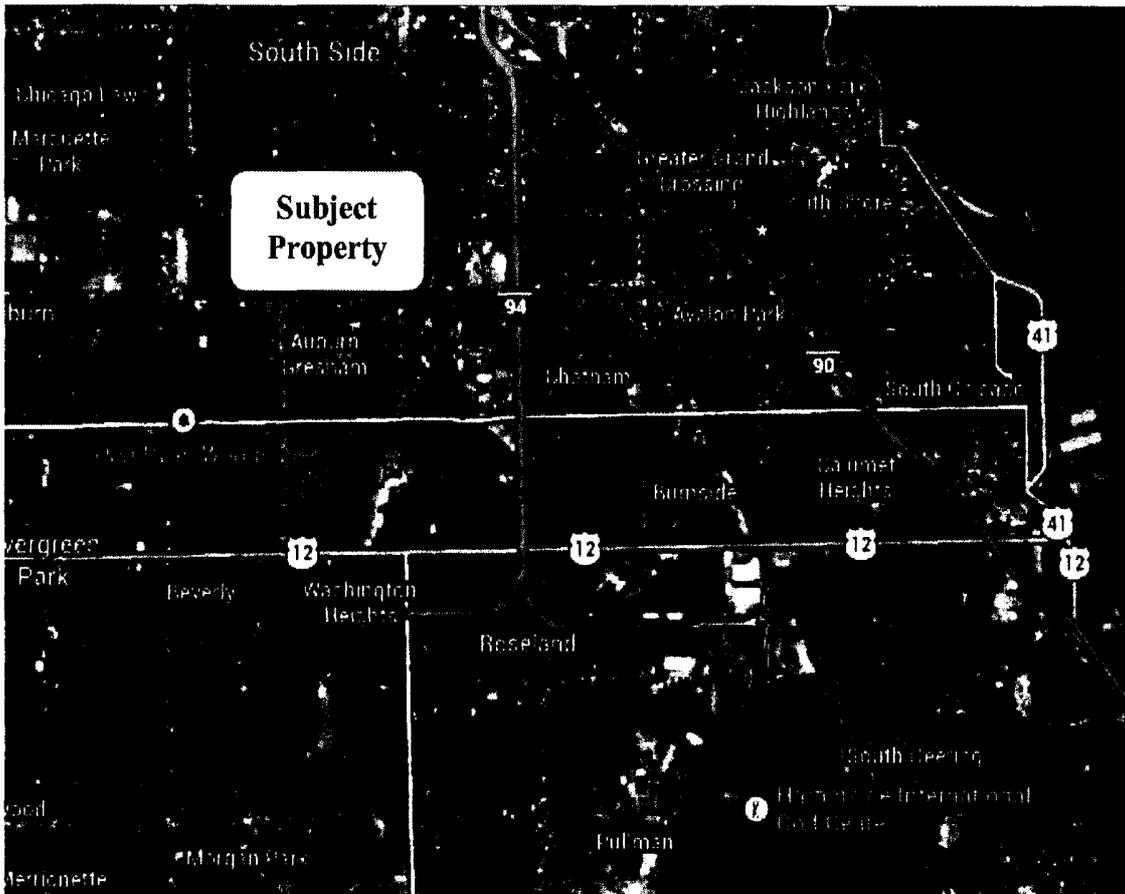
3.3 Subject Property

The Project is a proposed hotel development within Cook County, Illinois located at South Chicago Avenue and East 77th Street, Chicago, IL 60649. The Subject Property is near Chicago State University and Harborside International Golf Course. The Project site is approximately 0.4 miles from Interstate I-90/Chicago Skyway (Tollroad), approximately 3 miles from I-94 Exit #59, and approximately 10 miles from Chicago Midway International Airport.

The site of the proposed new development can be seen in the following maps:

Location





Existing Property



Project Site Plan



3.4 Subject Property Area Profile

3.4.1 City of Chicago Overview



Chicago is the third most populous city in the United States, after New York City and Los Angeles. With 2.7 million residents, it is the most populous city in both the U.S. state of Illinois and the American Midwest. Its metropolitan area, sometimes called Chicagoland, is home to 9.5 million people and is the third-largest in the United States.

Source: City of Chicago, Illinois; <http://www.citytowninfo.com/>

City of Chicago Profile	
Land Area (square miles):	227.63
Population (2010):	2,695,598
Pop. Density (2010):	11,841.8/sq. mile
County Seat:	Chicago

Source: U.S. Census Bureau; <http://quickfacts.census.gov>.

Chicago is ranked as the fifth "Most Fun U.S. City" in a survey conducted in 2003 by Cranium Inc. Factors taken into account in the ranking include: the number of sports teams, restaurants, dance performances, toy stores, the amount of a city's budget that is spent on recreation, and other factors

The spring season is ripe for arts and culture as well. Immerse yourself in the vibrant theater scene at Steppenwolf, Goodman or Broadway in Chicago. Explore museums and galleries of every variety, like the beloved Shedd Aquarium and esteemed Art Institute of Chicago. And take in sensational performances — from live music, comedy, dance and opera.

Source: City of Chicago, Illinois; <http://www.choosechicago.com>

The following table shows the climate at Chicago:

Climate data for Chicago (O'Hare Int'l Airport), 1981–2010 normals, extremes 1871–present ^[b]												[hide]		
Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	
Record high °F (°C)						104 (40)	105 (41)	102 (39)	101 (38)				105 (41)	
Average high °F (°C)	31.0 (-0.6)	35.3 (1.8)	46.6 (8.1)	59.0 (15)							48.2 (9)	34.8 (1.6)	59.1 (15.1)	
Average low °F (°C)	16.5 (-8.6)	20.1 (-6.6)	29.2 (-1.6)	38.8 (3.8)	48.3 (9.1)	58.1 (14.5)			54.3 (12.4)	42.8 (6)	32.4 (0.2)	20.7 (-6.3)	40.2 (4.9)	
Record low °F (°C)	-27 (-33)	-21 (-29)	-12 (-24)		27 (-3)	35 (2)	45 (7)	42 (6)	29 (-2)				-25 (-32)	-27 (-33)
Precipitation inches (mm)	1.73 (43.9)	1.79 (45.5)	2.50 (63.5)	3.38 (85.9)	3.68 (93.5)	3.45 (87.8)	3.70 (94)	4.00 (101.6)	3.21 (81.5)	3.15 (80)	3.15 (80)	2.25 (57.2)	36.89 (937)	
Snowfall inches (cm)	10.6 (27.4)	9.1 (23.1)	5.6 (14.2)	1.2 (3)	trace	0 (0)	0 (0)	0 (0)	0 (0)	0.2 (0.5)	1.2 (3)	8.2 (20.8)		
Avg. precipitation days (≥ 0.01 in)				12.0										
Avg. snowy days (≥ 0.1 in)			4.2	0.9	0	0	0	0	0	0.2	1.7		28.0	
% humidity	72.2	71.6	69.7	64.9	64.1	65.6	68.9	70.7	71.1	69.6	70.5	75.5	69.6	
Mean monthly sunshine hours	135.8	136.2	187.0	215.3	281.9	311.4	318.4	283.0	226.6	193.2	113.3	106.3	2,506.4	
Percent possible sunshine	48	48	51	54	62	68	69	66	60	58	38	37	56	

Source: NOAA relative humidity and sun 1961–1990; [1] [2] [3]

Source: National Oceanic and Atmospheric Administration.

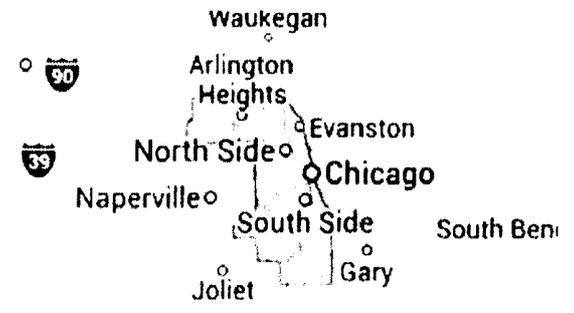
3.4.2 Cook County Overview



Cook County is a county in the United States state of Illinois, with its county seat in Chicago. It is the second most populous county in the US after Los Angeles County, California. The county has 5,231,351 residents, which is 40.6 percent of all Illinois residents. Cook County's population is larger than that of 29 individual U.S. states and the combined populations of the seven smallest states.

Source: Cook County, Illinois; <http://blog.cookcountygov.com/>

Cook County Profile	
Land Area (square miles):	945.33
Population (2011):	5,194,675
Pop. Density (2010):	5,495.1/sq. mile
County Seat:	Chicago

Source: U.S. Census Bureau; <http://quickfacts.census.gov>.

Cook County is named after Daniel Pope Cook, one of the earliest and youngest statesmen in Illinois history who served as a member of Congress and the first Attorney General of the State of Illinois. He worked diligently for the statehood of Illinois and was present on April 18, 1818, when it was granted.

Cook County is home to more than 67,000 acres of uniquely diverse open space consisting of prairies, savannas, wetlands and forests - unparalleled by any other urban setting. Illinois is known as the Prairie State, and prior to settlement, much of Cook County was prairie and savanna.

As the beauty of our natural landscape is often overshadowed by an urban setting, the planting of Purple Coneflower in Cook County provides a beautiful and prominent example of our native prairie ecosystem.

Source: City of Chicago, Illinois; <http://legacy.cookcountygov.com>

3.4.3 Population

The following table shows populations from the last three U.S. Census surveys:

Location	1990	2000	2010	Population Change	
				1990-2000	2000-2010
City of Chicago	2,783,726	2,896,016	2,695,598	+4.0%	-6.9%
Cook County	5,105,067	5,376,741	5,194,675	+5.3%	-3.4%
Illinois State	11,430,602	12,419,293	12,830,632	+8.6%	+3.3%

Source: U.S. Census Bureau; www.factfinder2.census.gov.

3.4.4 Employment

Major Employment Industries

Cook County has over 128,722 businesses and government entities employing over 2,235,576 people with a payroll of \$128.63 billion. The U.S. Census Bureau reports the following top five industries for employment within Cook from its 2012 County Business Patterns report:

Industry	Number of Paid Employees	Number of Establishments	Annual Payroll (\$1,000)
Health Care and Social Assistance	357,880	14,690	\$15,799,951
Retail Trade	223,548	15,268	\$5,830,721
Professional, scientific, and technical services	214,233	19,010	\$19,522,590
Accommodation and food services	207,176	11,311	\$4,242,449
Administrative and support and waste management and remediation services	197,940	6,613	\$6,539,647

Source: U.S. Census Bureau; <http://www.factfinder2.census.gov>

Top Employers

The *2013 Comprehensive Annual Financial Report* for the City of Chicago lists the following top five employers:

Employer	Business Sector	Employees
J.P. Morgan Chase Bank	Government	8,499
United Airlines	Government	8,199
Accenture LLP	Business	5,821
Northern Trust	Government	5,353
Ford Motor Company	Manufacturing	5,103

Source: City of Chicago Comprehensive Annual Financial Report (2013), page 169; <http://www.cityofchicago.org/>

4.0 DEVELOPMENT COST AND CAPITALIZATION

4.1 Use of Funds

Total development costs are summarized as follows:

HARPER HOTEL PROJECT DEVELOPMENT	
Land Price	(b)(4)
Total Acquisition Costs	
Site Work	
Building Construction	
Special Construction	
Total Construction Hard Costs	
Building FF&E	
Guest Room FF&E	
Features FF&E	
Total FF&E Costs	
Design	
Engineering	
Total A&E Costs	
General Contractor Overhead/Fees	
Contingency	
Total Soft Costs	
Grand Opening Advertising	
Working Capital	
Total Pre-Opening Costs	
TOTAL DEVELOPMENT COSTS	

Costs are based upon the following:

- **Total acquisition costs** refer to the expenditures required to purchase land for the business location and any professional fees associated with closing costs, acquiring a business location, assets, etc. The estimate of \$ [redacted] is based upon the Developer's analysis of land pricing in the Chicago real estate listings of Loopnet.com (see *Exhibit D: Development Details*).
- **Total construction hard costs** refer to the expenditures required to conduct construction activities as needed for business operations.
 - Site Work is the cost of land preparation and substructure. The Developer assumes a cost of [redacted] per square foot.
 - (b)(4) ○ Building Construction is the cost of the building shell, services, interiors, and exterior areas. The Developer assumes a cost of [redacted] per square foot.
 - Building Construction is the cost of construction specific to the guest rooms, lobby, restaurant, conference center, fitness center, spa, and indoor swimming pool. The Developer assumes a cost of [redacted] per square foot.
 - The following table summarizes the cost items of an RSMeans estimate for a 150,000 square foot, 8-story, hotel in the Chicago area and cost estimations from the HVS 2014 Cost Estimating Guide for the various internal elements of a 200-room, upper-upscale hotel (see *Exhibit D: Development Details*):

Hotel Construction Estimates

<u>Activity</u>	<u>Cost Estimate</u>	<u>Cost Per SF</u>	<u>Cost Per Key</u>
Site Work: Substructure	[redacted]	[redacted]	[redacted]
Building: Shell			
Building: Interiors			
Building: Services			
Total Building Construction			
Special Construction			
A&E			
GC Overhead/Fees			

(b)(4)

Source: Reed Construction Data; HVS

- **Total FF&E costs** refer to the expenditures required for furniture, fixtures, and equipment not included within the structure of the leased space.
 - Building Construction FF&E costs include purchasing of fixtures, equipment, signage, machinery, etc. to be placed within the hotel. The Developer assumes a cost of [redacted] per square foot. (b)(4)
 - Guest Room FF&E includes purchasing of fixtures and furniture required for the guest rooms and guest bathrooms. The Developer assumes a cost of [redacted] per key. (b)(4)
 - Features FF&E includes purchasing of fixtures, equipment, and furniture required for the hotel's corridors, lobby, public restrooms, restaurant, conference center/ballroom, spa, and outdoor pool. The Developer assumes a cost of [redacted] per key.
 - The following table summarizes the FF&E costs of the building/construction for an RS Means estimate for a 8-story, 150,000 SF hotel in the Chicago area and cost estimations from the HVS 2014 Hotel Cost Estimating Guide for various internal elements of a 200-room, upper-upscale hotel (see *Exhibit D: Development Details*):

FF&E Estimates			
<u>Activity</u>	<u>Cost Estimate</u>	<u>Cost Per SF</u>	<u>Cost Per Key</u>
Building/Construction	[redacted]		
Guest Rooms			
Features			
Total Building			

Source: Reed Construction Data; HVS

- **Total A&E costs** refer to the expenditures required for the services of design and engineering professionals. The Developer assumes a rate of [redacted] of hard construction costs for design and [redacted] of hard construction costs for engineering. (b)(4)
- **Total soft costs** refer to the any additional expenditures required to complete development of the business location, excluding pre-opening costs, such as various fees, additional professional services, contingency, etc.
 - General Contractor Overhead/Fees refer to the costs that the general contractor charges in addition to the hard construction costs in order to cover overhead and provide a profit margin. This estimate assumes a typical [redacted] of hard construction and construction FF&E costs. (b)(4)
 - Contingency refers to a reserve of funds to allow for the possibility of actual charges being greater than these estimations. This estimate assumes a contingency of [redacted] of all construction, FF&E, and A&E costs.
 - Comparison of the Developer's estimates with a comparable RS Means estimate is shown previously with discussion of hard construction costs.

- **Total pre-opening costs** refer to the expenditures required for business operation which must occur prior to commencing and during the initial period of business operations.
 - Grand Opening Advertising is the expense for conducting advertising prior to commencing business operations; the Company estimates approximately six months of advertising required prior to grand opening.
 - Working Capital is funds that are specifically intended to pay projected payroll, departmental, and general operating expenses; the Company estimates approximately two quarters of operations required for this cash reserve.

The following table summarizes the average, minimum, and maximum costs of a 200-key, upper-upscale, full-service hotel per 2014 HVS Development Cost Surveys (see *Exhibit D: Development Details*):

2014 HVS Hotel Cost Survey: Full-Service			
	AVG	MIN	MAX
LAND			
TOTAL HARD COST			
FF&E			
TOTAL SOFT COST			
TOTAL PRE-OPENING			
TOTAL PROJECT			

(b)(4)

Source: HVS

As can be observed, the Developer's estimates are quite reasonable and are also conservative when compared to a localized construction estimate and project-specific estimations.

4.2 Sources of Funds

The Project objectives are as follows, which will be achieved through the full financing of its capitalization requirements:

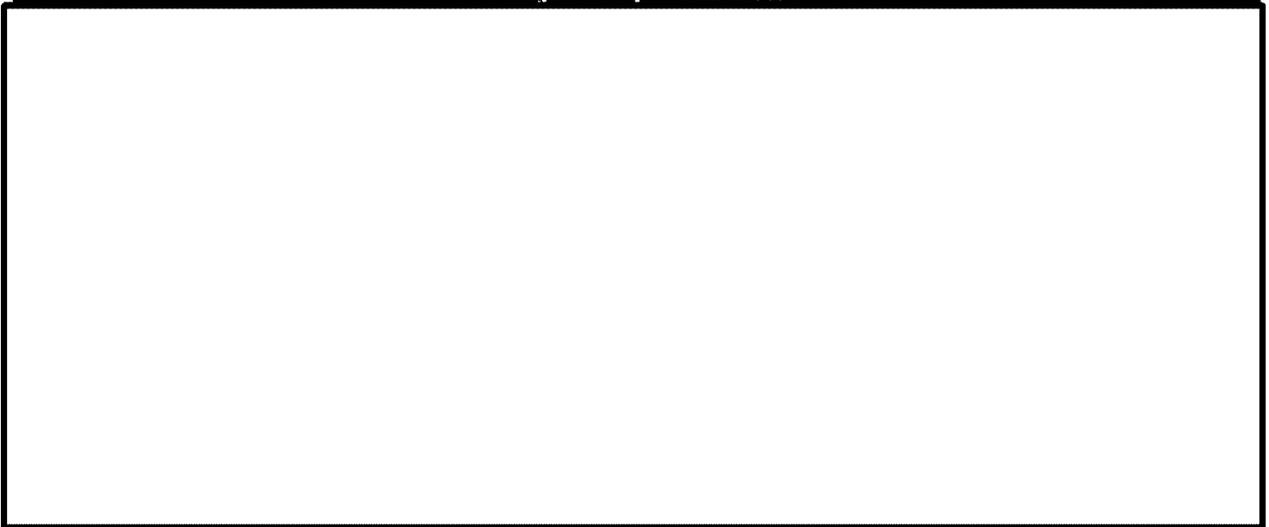
- 1) To construct and manage operation of a 150,000 square foot, 8-story, 200-key upper-upscale hotel.
- 2) To create profit for the Partnership and its investors.
- 3) To promote job creation.

(b)(4)



Project Capitalization

(b)(4)



4.3 Loan Repayment

The Partnership will be providing financing in connection with the development of the Project.

The Loan terms including the following:

(b)(4)

(1) Loan Amount:

(2) Interest Rate:

(3) Repayment Terms:

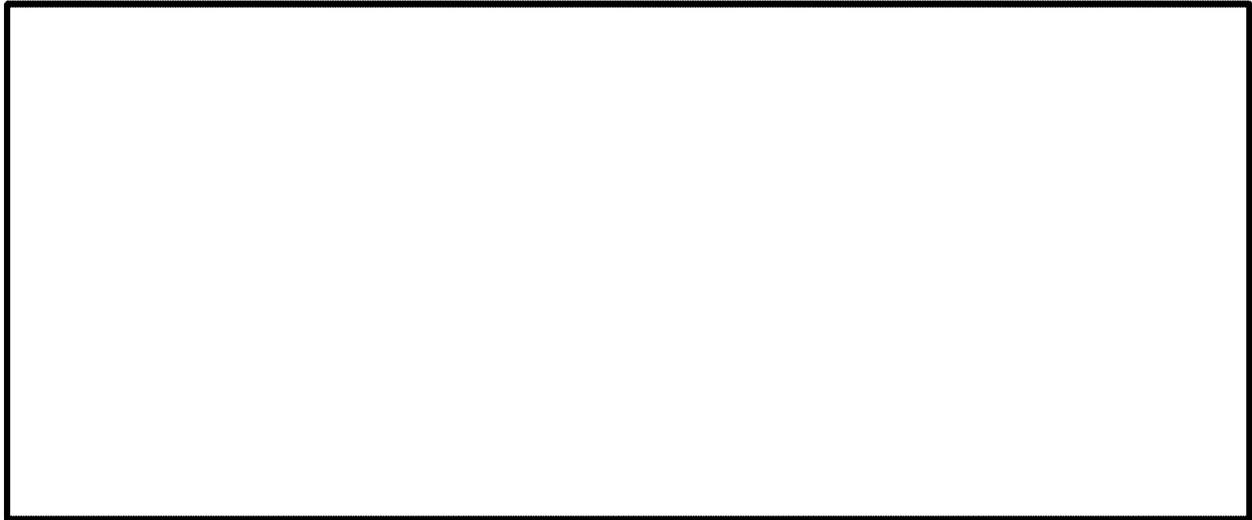
(4) Loan:

(5) Risk:

5.0 PROJECT DEVELOPMENT TIMELINE

The Developer expects construction time for the Project to take approximately eighteen months. The following high-level Work Breakdown Structure details the development schedule based on the Developer's expectations, driven by access to EB-5 investment dollars:

(b)(4)



ADMIN & PLANNING PHASE

The Administrative phase covers land entitlements, design, civil engineering, permits, and applicable fees in addition to Project due diligence activities.

SITE WORK PHASE (3 MONTHS)

The site work period begins after any planning issues are resolved, permits are received, contractors selected, and fees paid. This phase may include securing soil engineer and land surveyor, construction fencing, rough grading, soil excavation/import/compaction, and underground wet and dry utilities, as well as any needed demolition. Major milestones for these phases may include inspections or certifications as required, after which building construction would begin. Other tasks in this phase may include trash enclosure, curb, gutter, hardscape, back fill (if needed) and finish grade, landscaping, grade base and pave, and monument and signage.

BUILDING CONSTRUCTION PHASE (15 MONTHS)

The building construction period (including exterior and interior construction) begins approximately three months into site work. Tasks may include excavation and foundation (to the extent not completed in pre-construction phase), underground rough plumbing and electricity, pour and form slab/curb, framing, rough electrical, rough plumbing, fire sprinkler, internal framing and walls, roofing, glass and glazing, exterior siding, set HVAC units, painting, fire alarm installation, system start-ups, and clean and punch list.

OPERATIONS (12 MONTHS)

This business plan utilizes EB-5 funds to finance a portion of initial operating costs (see *4.1 Use of Funds* for details). This business plan takes into consideration the resulting business activities within its market analyses (see section *7.0 Market Analysis*). Operational jobs are considered for job creation (see section *8.0 Employment*).

6.0 FINANCIAL PERFORMANCE

6.1 Revenue Assumptions

Hotel Operations

Average Daily Rate (“ADR”) varies with room sizes, current demand, daily vacancy of hotel supply, etc. Occupancy rates depend on the market area, usually building up from below market estimate to target stabilization during the first three years of operation.

Assumptions for ADR and Occupancy:

(b)(4)



The Developer's rates are conservative in comparison to the other hotels within the Chicago area:

AVERAGE PUBLISHED RATE - 8/06/2014	
Hotel	Daily Rate
Palmer House A Hilton Hotel	\$229
Millennium Knickerbocker Hotel Chicago	\$197
Fairmont Chicago Millennium Park	\$246
Kinzie Hotel	\$249
Allegro Hotel	\$239
The James Chicago Hotel	\$269
Hyatt Regency Chicago Hotel	\$279
Hotel Monaco-Chicago	\$269
Omni Chicago Hotel	\$279
MileNorth, A Chicago Hotel	\$279
AVERAGE	\$253.50

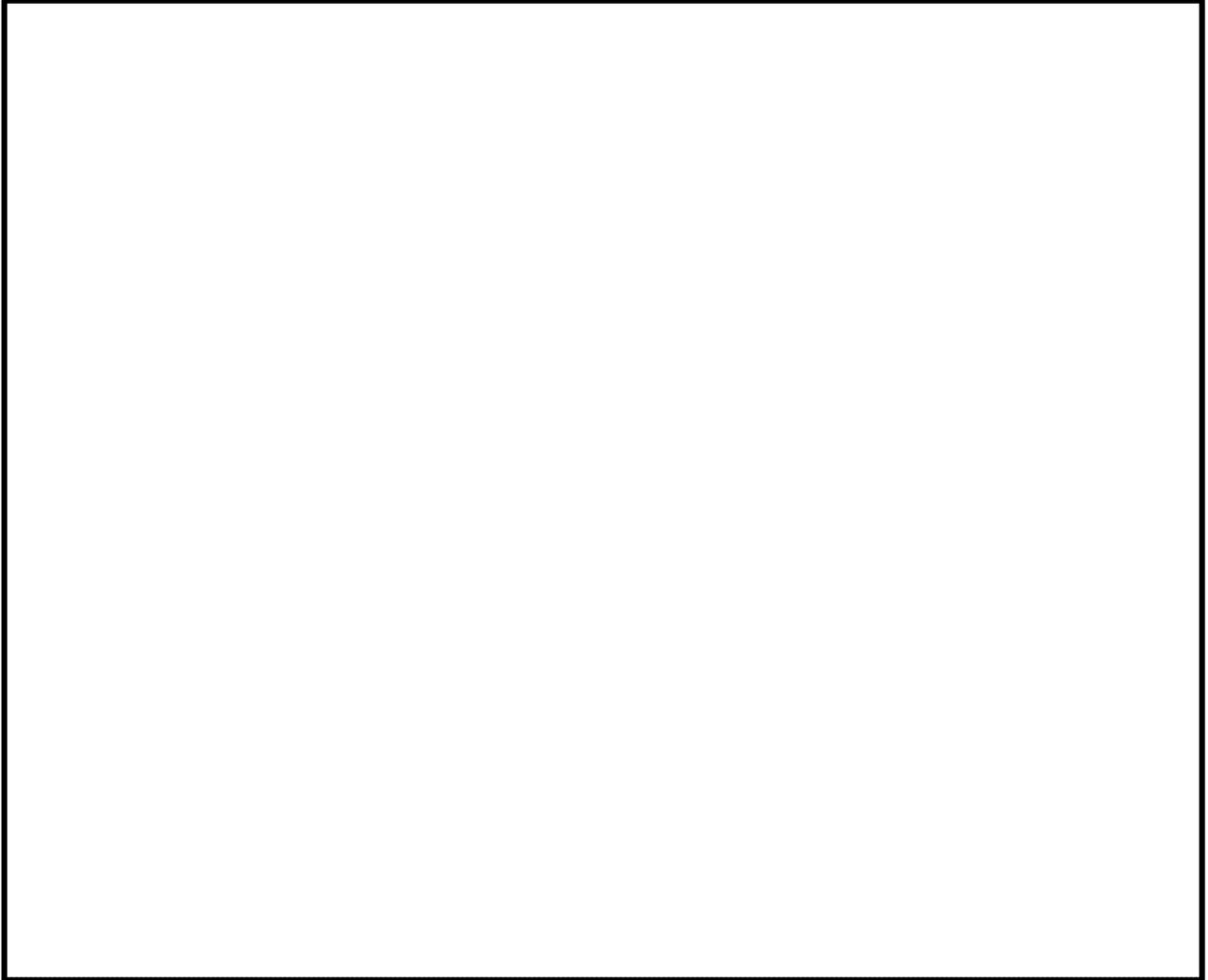
Source: Google Search

(b)(4)

6.2 Financial Projections

The following Pro Forma is a summary of revenue and expense projections for the first five years of business operations, which are expected to commence after approximately one month after construction starts:

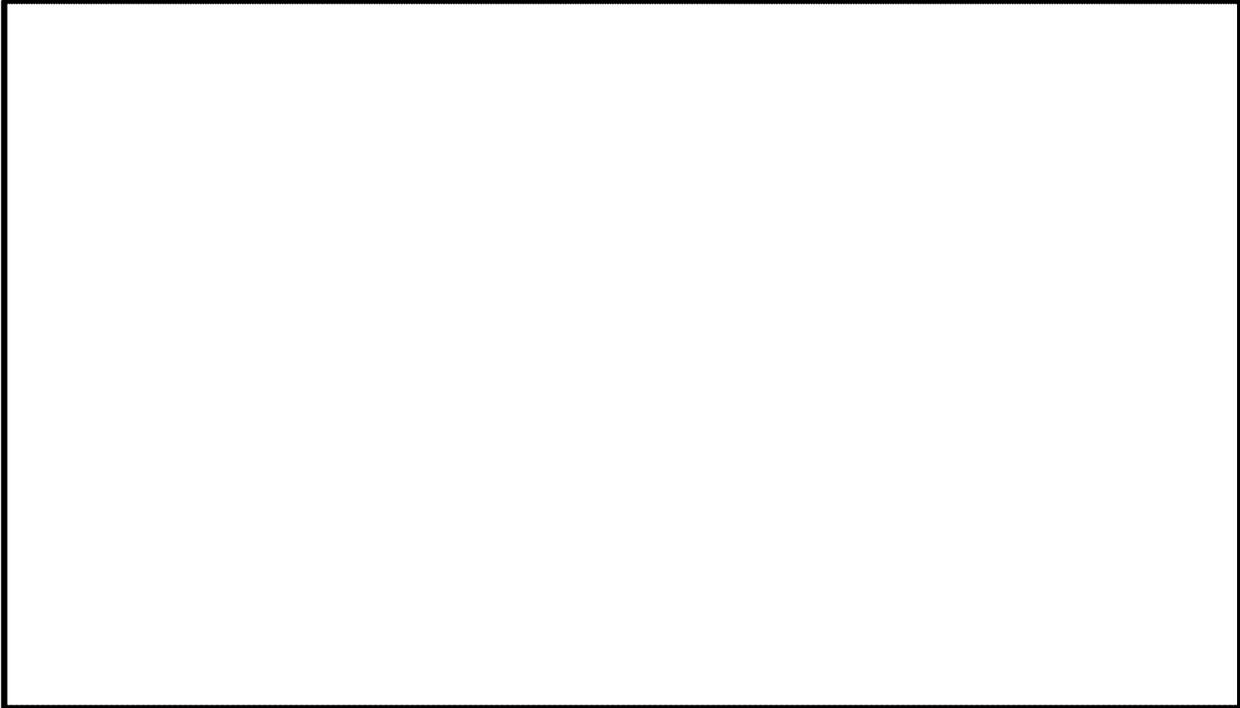
(b)(4)



Hotel expenses include departmental expenses, which consist of wages and salaries as well as cost of sales/services, and various administrative expenses. The following table presents ratio-of-sales averaged from STR's 2014 HOST Almanac:

STR 2014 HOST ALMANAC (Ratio to Sales)

(b)(4)



7.0 MARKET ANALYSIS

7.1 Industry Activities

The Developer will engage in the following industry activities as sponsored by Illinois Regional Center, which are considered for job creation analysis for the EB-5 loan financing:

Nonresidential Building Construction (NAICS 2362)

This industry group comprises establishments primarily responsible for the construction (including new work, additions, alterations, maintenance, and repairs) of nonresidential buildings. This industry group includes nonresidential general contractors, nonresidential for-sale builders, nonresidential design-build firms, and nonresidential project construction management firms.

Furniture and Home Furnishings Merchant Wholesalers (NAICS 4232)

This industry comprises establishments primarily engaged in the merchant wholesale distribution of furniture (except hospital beds, medical furniture, and drafting tables). Also, this industry comprises establishments primarily engaged in the merchant wholesale distribution of home furnishings and/or house wares.

Professional and Commercial Equipment and Supplies Merchant Wholesalers (NAICS 4234)

This industry comprises establishments primarily engaged in the merchant wholesale distribution of commercial and related machines and equipment (except photographic equipment and supplies; office equipment; and computers and computer peripheral equipment and software) generally used in restaurants and stores.

Household Appliances and Electrical and Electrical Goods Merchant Wholesalers (NAICS 4236)

This industry comprises establishments primarily engaged in the merchant wholesale distribution of electrical construction materials; wiring supplies; electric light fixtures; light bulbs; and/or electrical power equipment for the generation, transmission, distribution, or control of electric energy. Also, this industry comprises establishments primarily engaged in the merchant wholesale distribution of household-type gas and electric appliances (except water heaters and heating stoves (i.e., non-cooking), room air-conditioners, and/or household-type audio or video equipment.

Traveler Accommodations (NAICS 7211)

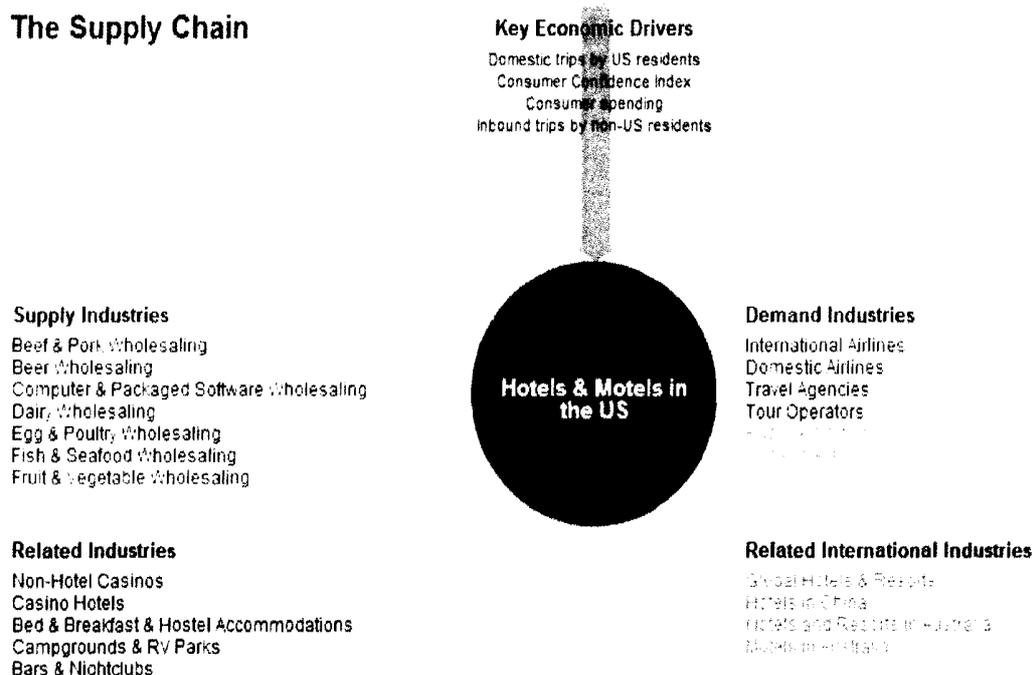
This industry comprises establishments primarily engaged in providing short-term lodging in facilities known as hotels, motor hotels, resort hotels, casino hotels, motels, bed-and-breakfast inns, tourist homes, guest houses, youth hostels, and housekeeping cabins/cottages. The establishments in this industry may offer food and beverage services, recreational services, conference rooms with or without convention services, laundry services, parking, and other services.

Section 7.2 *Hotels and Motels (NAICS 721110)* presents a detailed market analysis of this industry as it pertains to the Project.

7.2 Hotels and Motels Industry (NAICS 721110)

Operators in this industry provide short-term lodging in hotels, motor hotels, resort hotels and motels. Establishments may also offer food and beverage services, recreational services, conference room and convention services, laundry services, parking and other services. This industry excludes hotels that have casino facilities attached.

The Supply Chain



The Hotels and Motels industry is undergoing a recovery following declines sustained during the recession. The industry is highly susceptible to changes in the global economic environment, as exemplified by dropping in revenue in 2009 caused by decreases in travel spending, reduced corporate profit and subdued consumer spending. The industry began to recover in 2010 as the economy improved and domestic and international travel rates increased. As a result, the Hotels and Motels industry has outperformed the broader economy over the past five years, driven by a combination of demand from leisure and business travelers, and international tourists

The industry will continue to expand, with particularly strong growth in the extended-stay hotels, boutique hotels, spa and health retreats and resorts segments. As demand picks up, the number of industry employees is projected to rise. Industry players are also expected to continue expanding abroad to emerging economies such as Asia, Eastern Europe and South America.

7.2.1 U.S. Hotel Industry Overview

The Hotels and Motels industry has fought back strongly since the recession. At the onset of the economic downturn, all forms of travel accommodation faced decreased demand as people became more concerned about their finances and cut back on luxuries such as travel. In 2009, as the recession deepened and unemployment rose, a decline in domestic travel accompanied by a fall in international travel to the United States severely cut into industry demand. Since destination hotels and motels rely heavily on domestic and foreign tourists, the decline in domestic and international travel hurt the industry's bottom line.

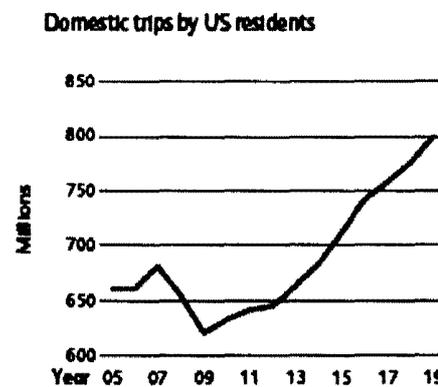
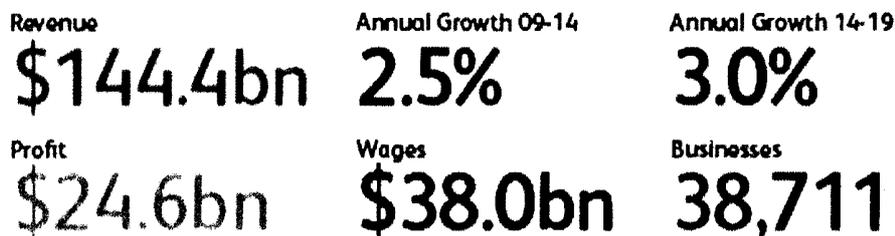
2010 marked a reversal of the industry's fortunes and, consequently, revenue is expected to increase. Domestic travel rates have increased. The infusion of tourist dollars is expected to continue, benefiting hotels and motels and enabling them to increase room rates, which will cause revenue to grow.

The U.S. Census Bureau reports the following for 2012:

Geographic area name	2012 NAICS code	Meaning of 2012 NAICS code	Year	Number of establishments	Full-time employees for pay, period including March 12 (number)	First quarter payroll (\$1,000)	Annual payroll (\$1,000)
United States	72.1110	Hotels and (except transient) rooms only (motels)	2012	49,834	1,453,612	8,518,353	35,808,135

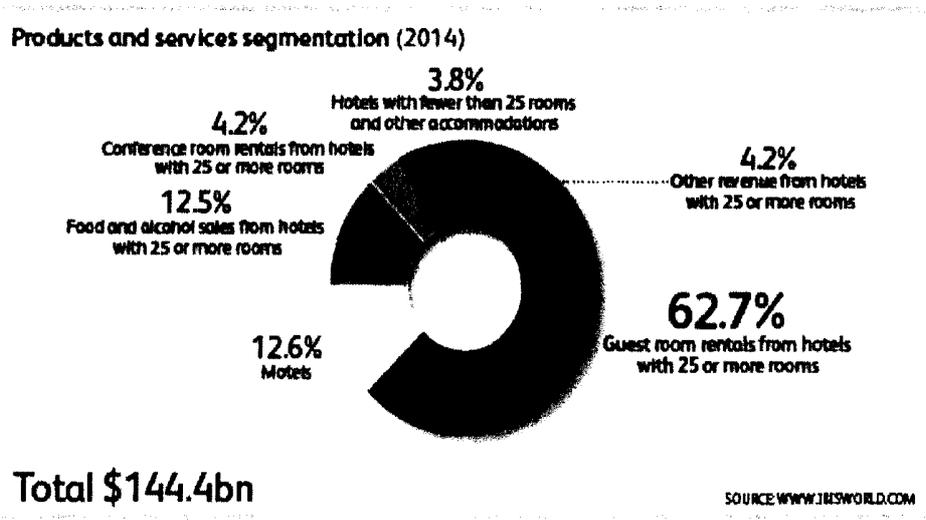
Source: U.S. Census Bureau, 2012 County Business Patterns

The IBISWorld *February 2014 Industry Report 72111 Hotels & Motels in the U.S.* reports the following performance and outlook statistics:



SOURCE: WWW.IBISWORLD.COM

Hotel products and services segmentation by percentage of revenue are illustrated in the following:



A hotel is an establishment that provides lodging and, often times, meals and other services for travelers and other paying guests. A motel, on the other hand, provides lodging for motorists in rooms usually having direct access to an open parking area. A particular hotel or motel can be classified by a number of characteristics, including whether it provides full or limited service, whether or not it is located in a metropolitan area, the state or region in which it is located, its price or rate level, the number of rooms, and whether it is independent or part of a chain operation.

The Hotels and Motels industry has surpassed its prerecession high and is set for another five years of consistent growth. The industry will expand as a sense of normality returns to the global economy, and tourism and business travel increase as a result of improved consumer confidence.

Over the next five years, the industry will benefit from improvements in the domestic and global economy as unemployment rates decline and consumers begin to spend more freely, particularly on recreational activities such as vacations and traveling. Consumer spending is expected to increase in line with rising corporate profit, which will contribute to growth in demand for hotels and motels from the all-important corporate sector.

Source: IBISWorld

7.2.2 Local Market Analysis

Between October, 2012 and October 2013, total state employment grew by 0.5%, while unemployment decreased by 1 points to 8.3%. During the same period, state employment in Accommodation-Food Services, the parent sector of Hotels (Except Casino Hotels) and Motels in the Bureau of Labor Statistics taxonomy, increased by 1.1%. The sector represents 9.2% of total state employment, including the public sector. On a national scale, the Hotels (Except Casino Hotels) and Motels industry holds a \$199,223,150,620 market.

The specific market area is contiguous with the Chicago, IL metropolitan area. As of 2013, the area supported a business base of 384,986 locally operated firms and 50,069 business branch operations. Local business operations are distributed among economic sectors as shown in the following table:

Economic Sector Concentrations			
Sector	Market Area	Sector	Market Area
Agriculture-Forestry-Fishing-Hunting	0.07%	Mining-Quarrying- Oil & Gas Extraction	0.05%
Utilities	0.07%	Construction	6.95%
Manufacturing	4.55%	Wholesale Trade	5.57%
Retail Trade	10.20%	Transportation- Warehousing	3.06%
Information	1.86%	Finance and Insurance	7.71%
Real Estate- Rental and Leasing	3.79%	Professional- Scientific- Technical Services	12.81%
Management- Companies & Enterprises	0.11%	Administrative- Support- Waste- Remediation	4.73%
Educational Services	1.62%	Health Care- Social Assistance	17.67%
Arts- Entertainment- Recreation	1.36%	Accommodation- Food Services	4.30%
Other Services	13.50%	Total	100%

Source: Bizminer; Chicago, IL Hotels (Except Casino Hotels) and Motels Competitive Market Analysis (Jun 2014)

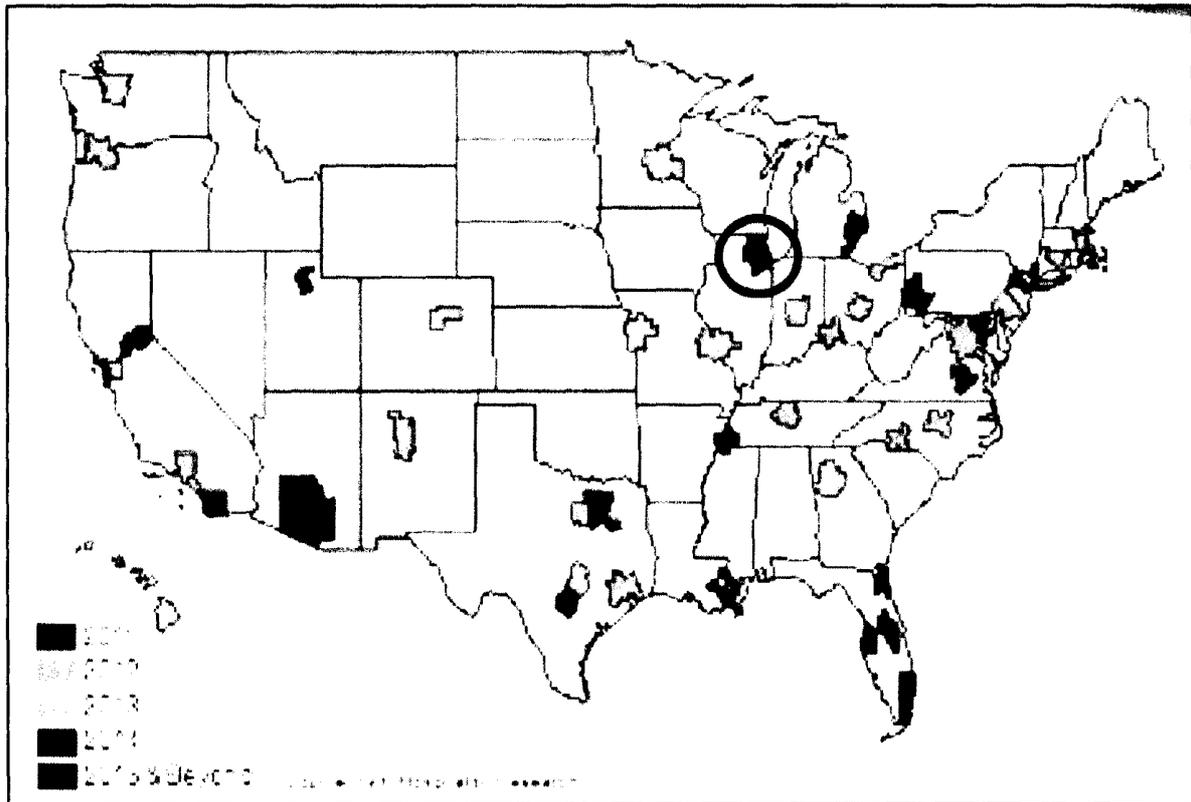
The market area includes 4,068,110 personal income reporting units with total gross income of \$302,924,740,950 (average income: \$74,463), 30.1% above the US average of \$57,227. (Each personal income reporting unit represents a single IRS tax return and is used to approximate a consumer decision-making unit.) The percentage of earning units within each income reporting bracket is noted in the table:

Personal Income Breakdown (IRS reporting units)	
Income Bracket	Market Area
\$1-\$25,000	37.9%
\$25,000-\$50,000	22.5%
\$50,000-\$75,000	13.3%
\$75,000-\$100,000	8.7%
\$100,000-\$200,000	12.7%
Over \$200,000	4.9%

Source: Bizminer

The average income of the 515,490 personal income units reporting \$100,000-\$200,000 gross income is \$135,926; Average income of the 200,530 units reporting more than \$200,000 gross income is \$584,026.

The following country map from PKF Consulting shows the biggest hotel markets and their anticipated recovery dates (the year in which they are expected to surpass their previous average daily room rate peak), with the market area pertaining to the Project circled in red:



Source: PKF Consulting

7.2.3 Hotel Supply Analysis

The 2012 U.S. Census reported 433 hotels and motels in Cook County and over 1400 in the State of Illinois, operating within Cook County and the State of Illinois:

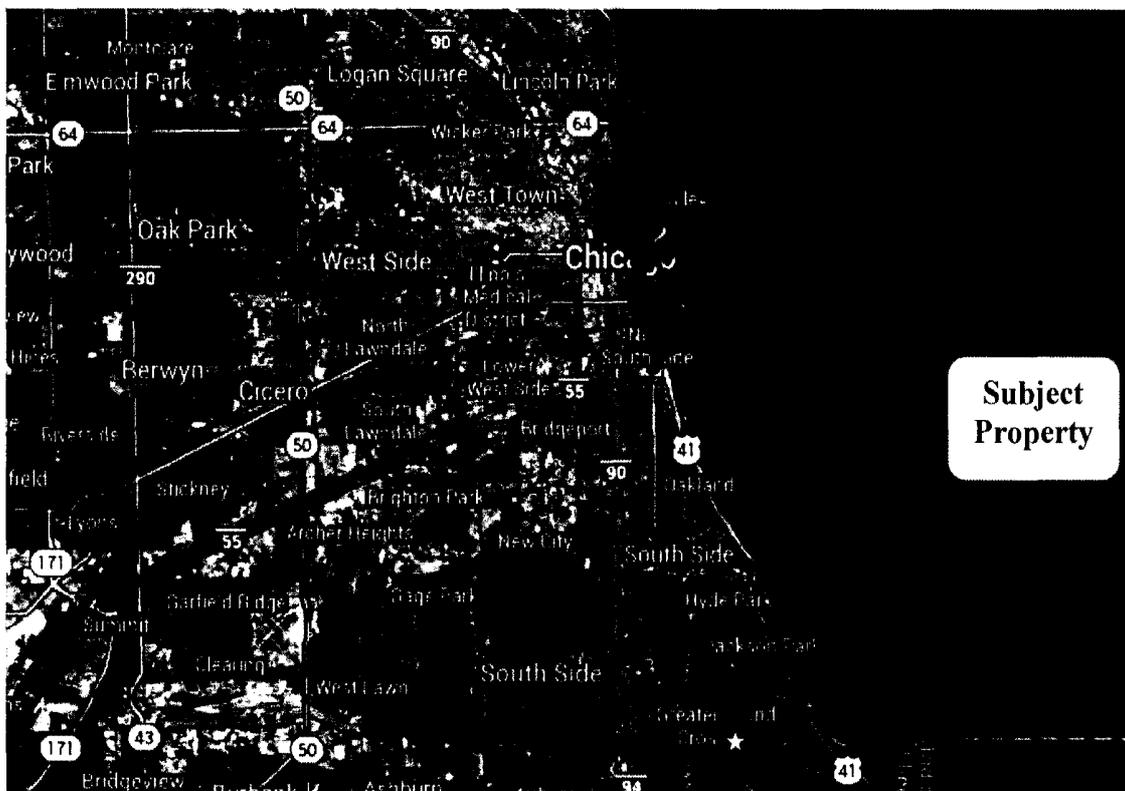
Geographic area name	2012 NAICS code	Meaning of 2012 NAICS code	Year	Number of establishments	Paid employees for pay period including March 12 (number)	First quarter payroll (\$1,000)	Annual payroll (\$1,000)
Cook County, Illinois	721110	Hotels (except no. hotels and motels)	2012	433	27,623	210,108	938,184

Source: U.S. Census Bureau, 2012 County Business Patterns.

Geographic area name	2012 NAICS code	Meaning of 2012 NAICS code	Year	Number of establishments	Paid employees for pay period including March 12 (number)	First quarter payroll (\$1,000)	Annual payroll (\$1,000)
Illinois	721110	Hotels (except no. hotels and motels)	2012	1,404	48,165	299,092	1,332,466

Source: U.S. Census Bureau, 2012 County Business Patterns.

The following map shows competing hotels nearest the Subject Property, regardless of scale:



As can be seen in the map above, the Subject Property is located in South Side Chicago, and would be the only hotel in the immediate area. All other hotels per Google search are located within downtown Chicago. The following map shows these downtown competitors and indicates their business information.



<p>Hyatt Regency McCormick Place \$429 Book</p> <p>2233 S Dr Martin Luther King Jr Dr, Chicago, IL 60608 (312) 587-1234 na.com/mccp are hyatt.com ★★★★★ 68 reviews</p> <p>high speed internet access · chicago · chicago · self parking · field museum · art institute</p>	<p>The Wheeler Mansion \$326 Book</p> <p>2020 S Calumet Ave, Chicago, IL 60608 (312) 945-2020 · wheelermansion.com ★★★★★ 6 reviews</p> <p>mccormick place · convention center · bicycle rental · chicago · chicago · gourmet breakfast · midway · international airport</p>	<p>W Chicago City Center \$389 Book</p> <p>172 W Adams St, Chicago, IL 60606 (312) 332-1200 · wchicagocitycenter.com ★★★★★ 71 reviews</p> <p>living room bar · high speed internet access · valet parking · water tower place · mini bar</p>
<p>Hilton Chicago \$269 Book</p> <p>720 S Michigan Ave, Chicago, IL 60605 (312) 322-4400 · hilton.com ★★★★★ 140 reviews \$\$\$</p> <p>irish pub · high speed internet access · grand ballroom · jogging track · front desk staff</p>	<p>Hyatt Regency Chicago \$259 Book</p> <p>151 E Upper Wacker Dr, Chicago, IL 60601 (312) 565-1234 chicagoregency.hyatt.com ★★★★★ 208 reviews \$\$\$</p> <p>valet parking · high speed internet access · place to stay · comfortable bed · tribune tower</p>	<p>W Marriott Chicago \$539 Book</p> <p>151 W Adams St, Chicago, IL 60606 (312) 660-8200 · marriott.com ★★★★★ 51 reviews \$\$\$</p> <p>the florentino · executive lounge · daniel burnham wellness center · place to stay</p>
<p>The Silverstein Hotel</p> <p>10 S Wabash Ave, Chicago, IL 60604 (312) 372-7696 silversteinchicagohotel.com ★★★★★ 42 reviews \$\$\$</p> <p>high speed internet access · field museum · frank lloyd wright · symphony center · queen bed</p>	<p>The Peninsula Chicago \$460 Book</p> <p>108 E Superior St, Chicago, IL 60601 (312) 337-2888 · chicago.peninsula.com ★★★★★ 43 reviews</p> <p>pirot gourmet · afternoon tea · high speed internet access · water tower place · museum of contemporary art</p>	<p>SoHo Chicago Water Tower \$336 Book</p> <p>20 E Chestnut St, Chicago, IL 60601 (312) 324-4000 sohochicago.watertower.com ★★★★★ 72 reviews</p> <p>valet parking · museum of contemporary art · jean-paul vignier · high speed internet access · place to stay</p>
		<p>Allington Hotel \$239 Book</p> <p>171 W Randolph St, Chicago, IL 60604 (312) 236-0123 · allingtonhotel.com ★★★★★ 73 reviews \$\$\$</p> <p>high speed internet access · evening wine hour · liquid lounge · cadillac palace theater · evening wine reception</p>

Source: Google Search

7.2.4 Hotel Demand Analysis

Demand for hotel and motel accommodation is derived from both the domestic and international visitors market. Domestic travel, business travel, and international tourism are the major demand determinants:

Domestic travel

Demand for hotel and motel accommodation is dependent on factors that affect travel, such as changes in household disposable income (which is influenced by changes in general employment growth) as well as movements in interest and tax rates. Changes in disposable income affect the number of trips a household takes as well as its expenditures while traveling, which in turn affects the growth and economic impact of the tourism industry.

A longer-term influence on travel patterns is the cost of taking a domestic trip compared with an international one. The difference between the two is influenced by exchange rate movements, the availability of cheap airfares and holiday packages and the supply of airline seats.

Finally, tourism promotions by private operators and federal and state governments (e.g. through TV programs and special sporting events) also stimulates travel. However, individual state government promotions typically influence domestic travel patterns to favor only their state, rather than the entire industry.

Business travel

Business travel is greatly influenced by changes in economic growth, business confidence and corporate profit. Economic conditions directly affect the number of business trips taken, the length of stay and budgeted travel spending. Increasingly, technologies such as teleconferencing and conference calling can take the place of business travel.

International tourism

International tourism is one of the most competitive industries globally. International tourism is affected by factors similar to domestic travel as well as global economic conditions, especially changes in economic growth. Furthermore, particularly in major visitor-origin countries/regions, international tourism is affected by changes in the US dollar against other major currencies, which has an impact on the cost of travel, as well as the relative attractiveness of traveling to competing destinations.

Presented in section *6.1 Revenue Assumptions*, the average occupancy for the proposed upper-scale hotel within a busy urban area of the East North Central region averages 72.5% occupancy and current pricing indicates that full-service hotels in Chicago average an ADR of \$253. Both of these indicate current demand is being met and higher pricing indicates a significant amount of unmet demand exists.

8.0 EMPLOYMENT

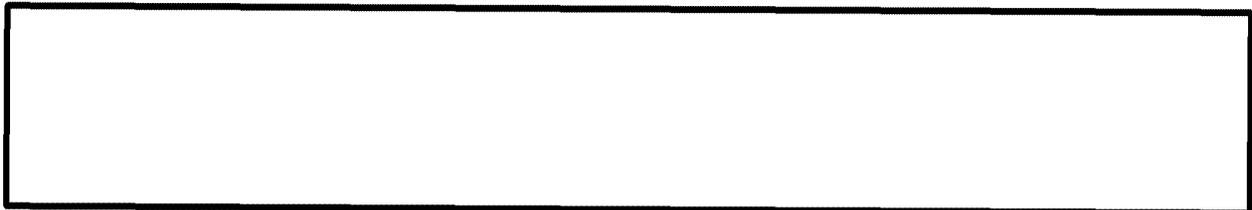
8.1 Targeted Employment Area

Under the EB-5 immigrant investor program, an alien can become eligible to obtain U.S. permanent resident status by investing either US \$1 million or US \$500,000 in a new commercial enterprise in the U.S. To participate in the immigrant investor program through investing the lower US \$500,000 amount, the alien must invest his/her capital funds into a geographic area that qualifies as a TEA.

Section 203(b)(5)(B) of the Immigration and Nationality Act defines a TEA as an area that, at the time of investment, is a rural area or an area that has experienced an unemployment rate that is at least 150 percent of the national average unemployment rate.

Specific to the Project, which is located within the boundary of the regional center's USCIS-pending geographic designation, the minimum threshold for an individual alien investor's capital investment into a new commercial enterprise will be \$500,000 if the investment is made in a TEA, or \$1,000,000 if outside of a TEA. The Subject Property's location currently qualifies as a TEA, for which evidence will be provided with the individual I-526 Petitions of EB-5 investor(s).

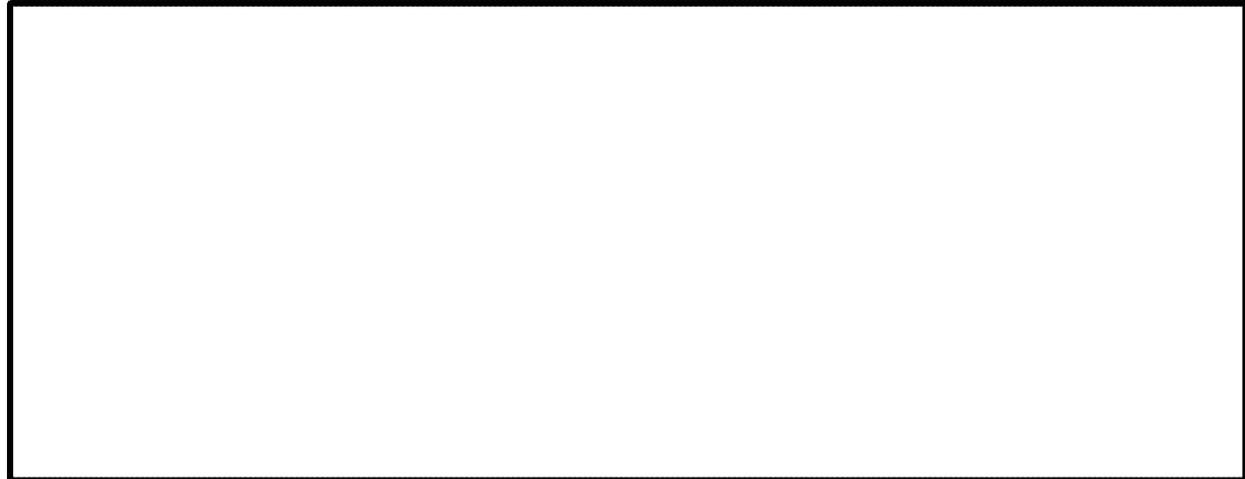
(b)(4)



8.2 Job Creation

The economic impact analysis conducted by Wright Johnson LLC finds that the Project will generate significant and positive economic benefits for the local, regional and U.S. economy.

(b)(4)



The following table demonstrates the breakdown of jobs utilizing the RIMS II input/output model:

<i>Project (with NAICS Code)</i>	Projected Expenditure/Revenue	RIMS II Final Demand Multiplier	Total Number of New Direct Jobs Created	Total Number of New Indirect Jobs Created	Total Number of New Permanent Jobs Created
Non-Residential Building Construction (NAICS 2362)*	(b)(4)	(b)(4)	(b)(4)	(b)(4)	(b)(4)
Furniture, Fixtures and Equipment Purchases (NAICS 4232, 4234 and 4236)*					
Traveler Accommodation (NAICS 7211)					
*Indirect jobs only					
Grand Total:					

(b)(4)

Note: Expenditures/Revenue within this chart have been reduced to reflect 2010 dollars.

Source: Economic Analysis conducted by Wright Johnson

Verification at the I-829 state of the EB-5 process would be receipts, tax documents, and other expense records. Construction employment was derived through expenditure modeling based upon detailed construction cost figures supplied by the Developer.

EXHIBIT A: MARKET STUDIES

The studies referenced in this business plan are listed as follows:

- *An Economic Analysis Of the Regional Center Project Encompassing the Chicago-Naperville-Joliet (IL-IN-WI) Metropolitan Statistical Area*
 - Published: September 2014
 - Pages: 43
 - Conducted by: Wright Johnson LLC

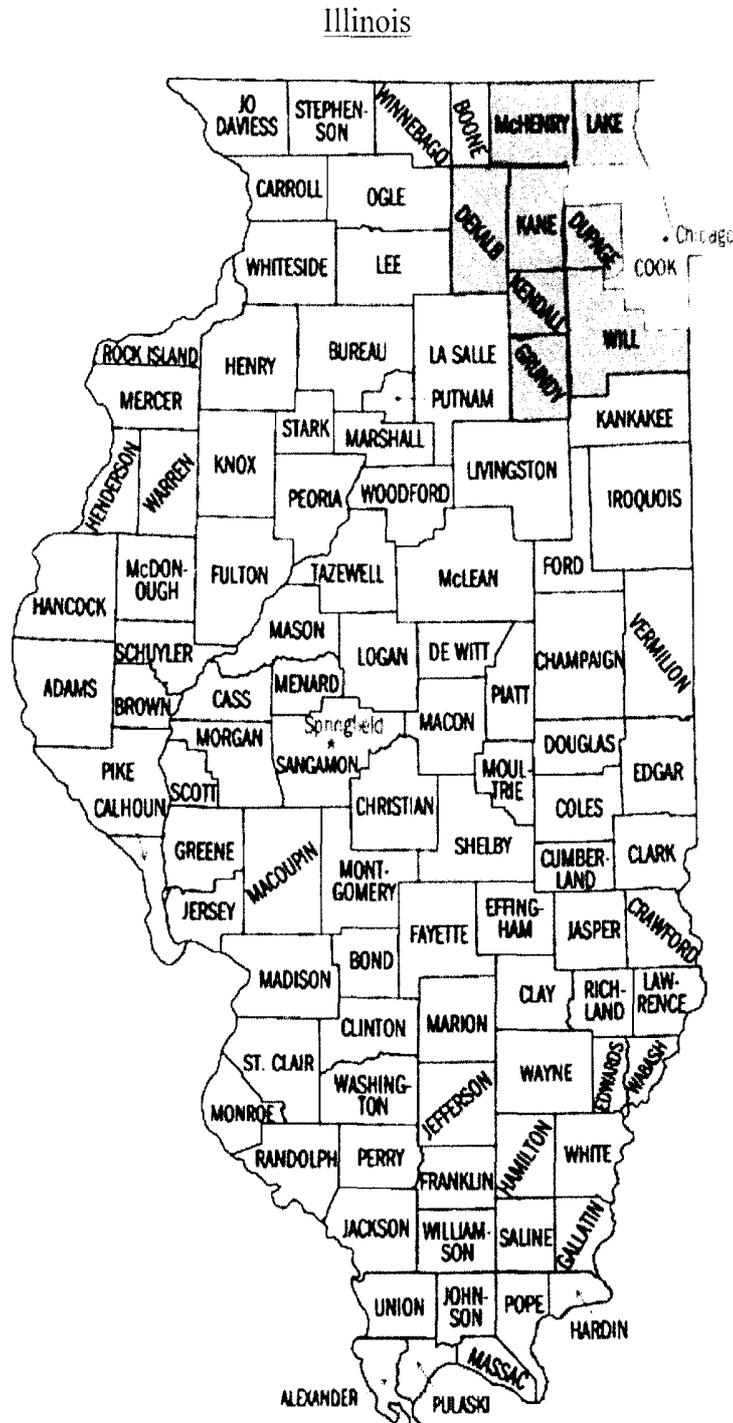
- *HOST Almanac 2014: U.S. Hotel Operating Statistics for the year 2013*
 - Published: 2014
 - Pages: 91
 - Conducted by: STR Analytics

- *Industry Report 72111 Hotels & Motels*
 - Published: February 2014
 - Pages: 36
 - Conducted by: IBISWorld

- *Cook County, Illinois Bizminer Competitive Market Analysis*
 - Published: December 2013
 - Pages: 8
 - Conducted by: Bizminer

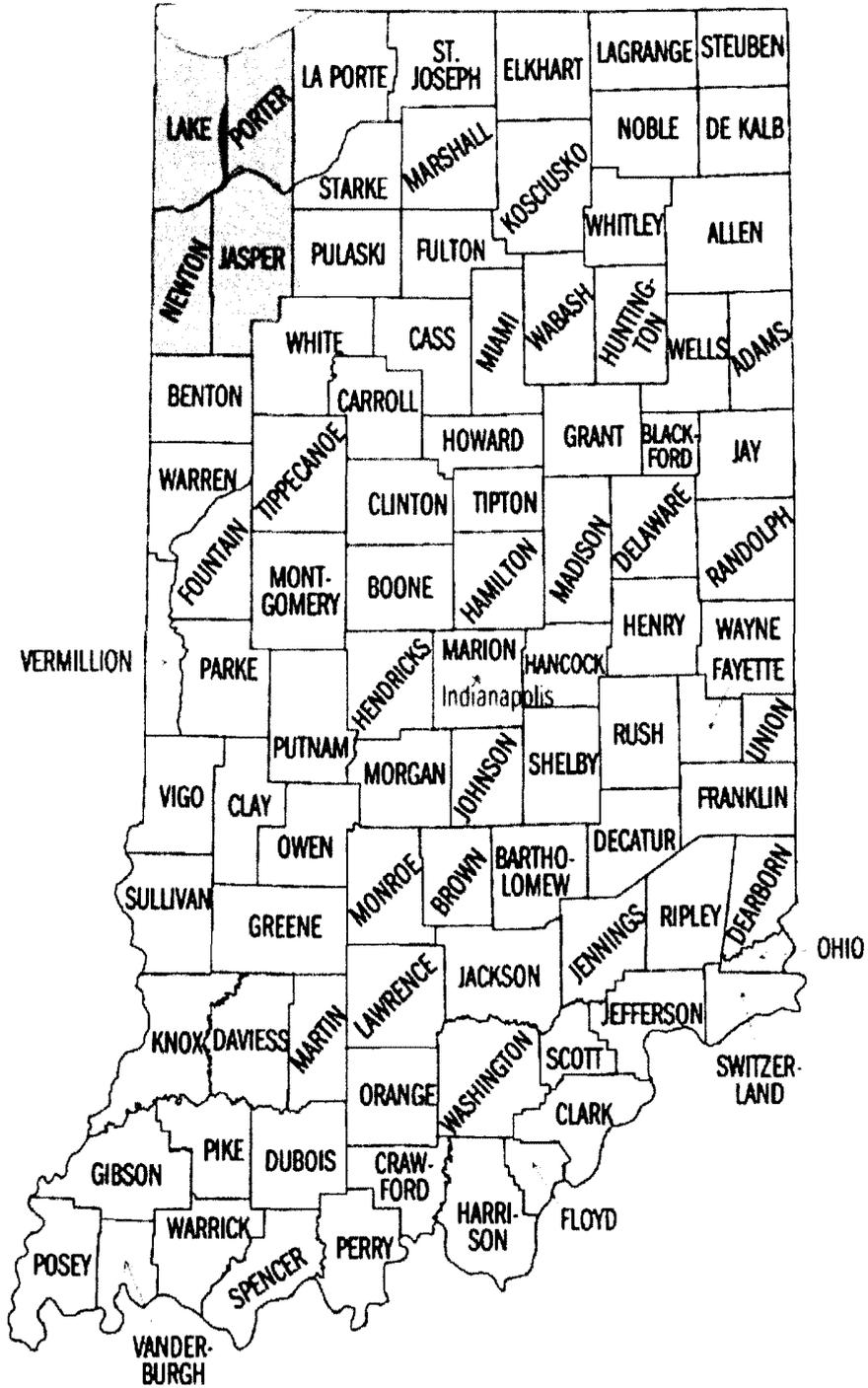
EXHIBIT B: PROPOSED REGIONAL CENTER BOUNDARIES

Geographic Boundaries



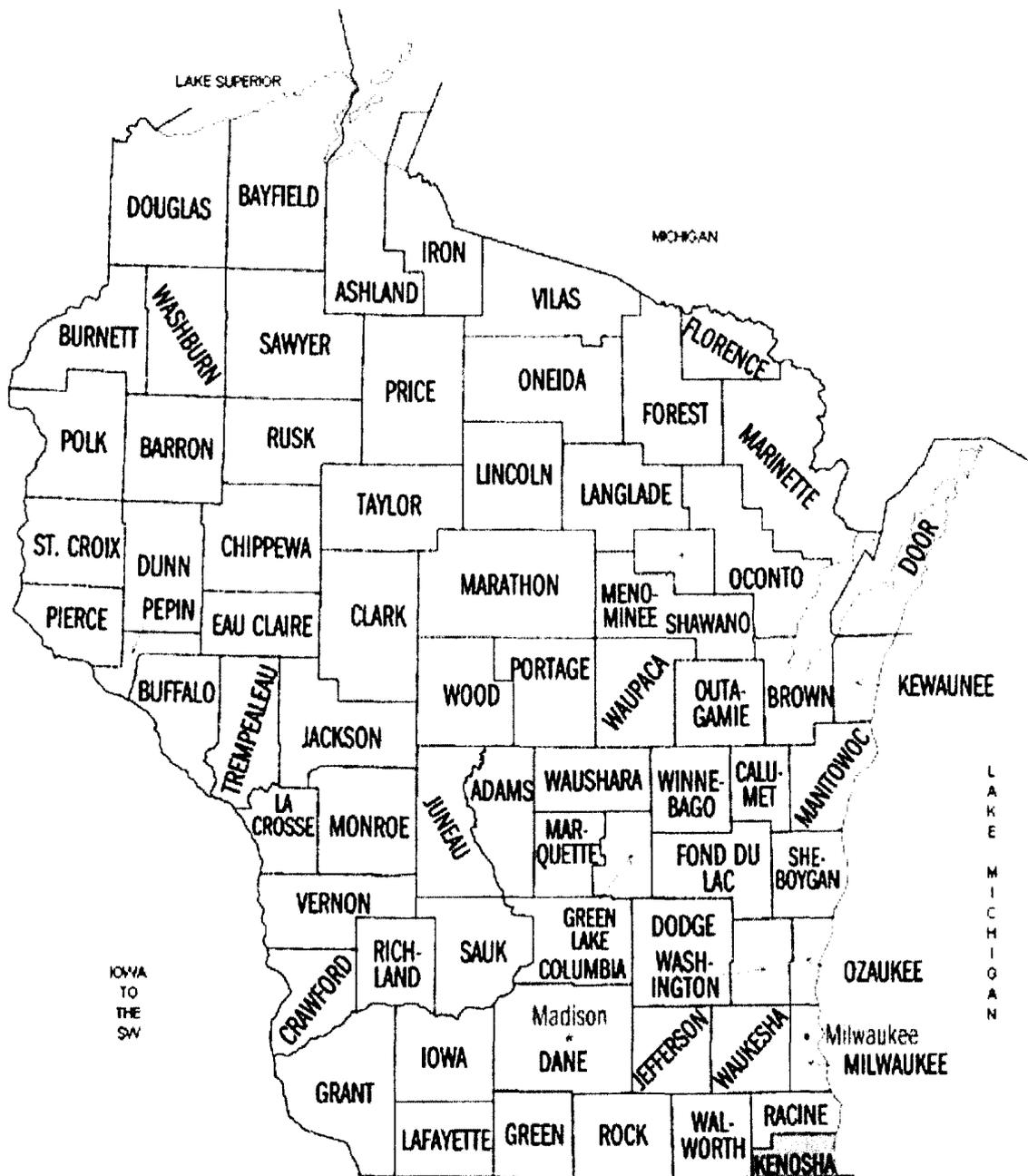
-  USCIS-designated geographic boundaries
-  Subject Property location

Indiana



-  USCIS-designated geographic boundaries
-  Subject Property location

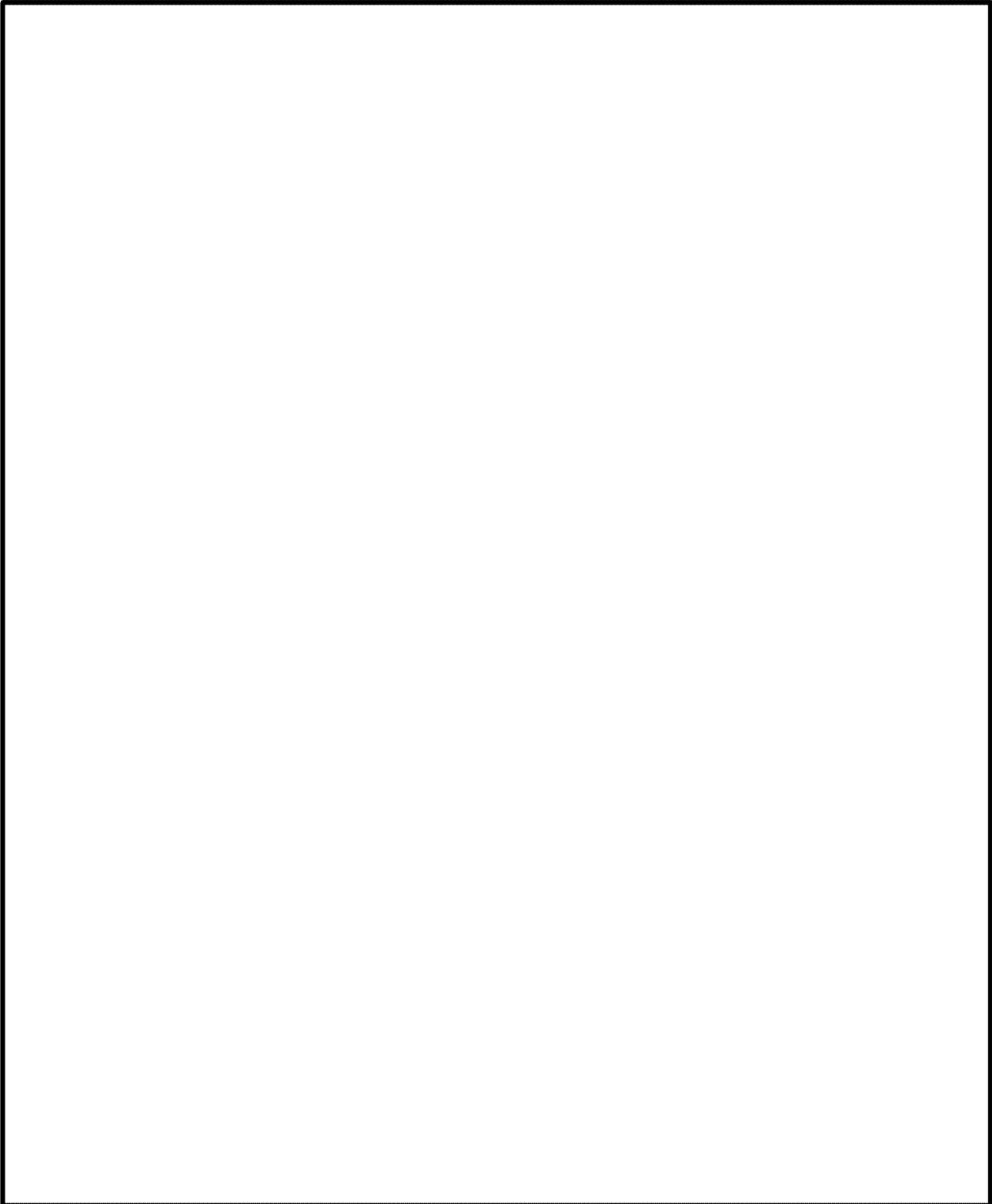
Wisconsin



- USCIS-designated geographic boundaries
- Subject Property location

EXHIBIT C: FLOW OF FUNDS

(b)(4)



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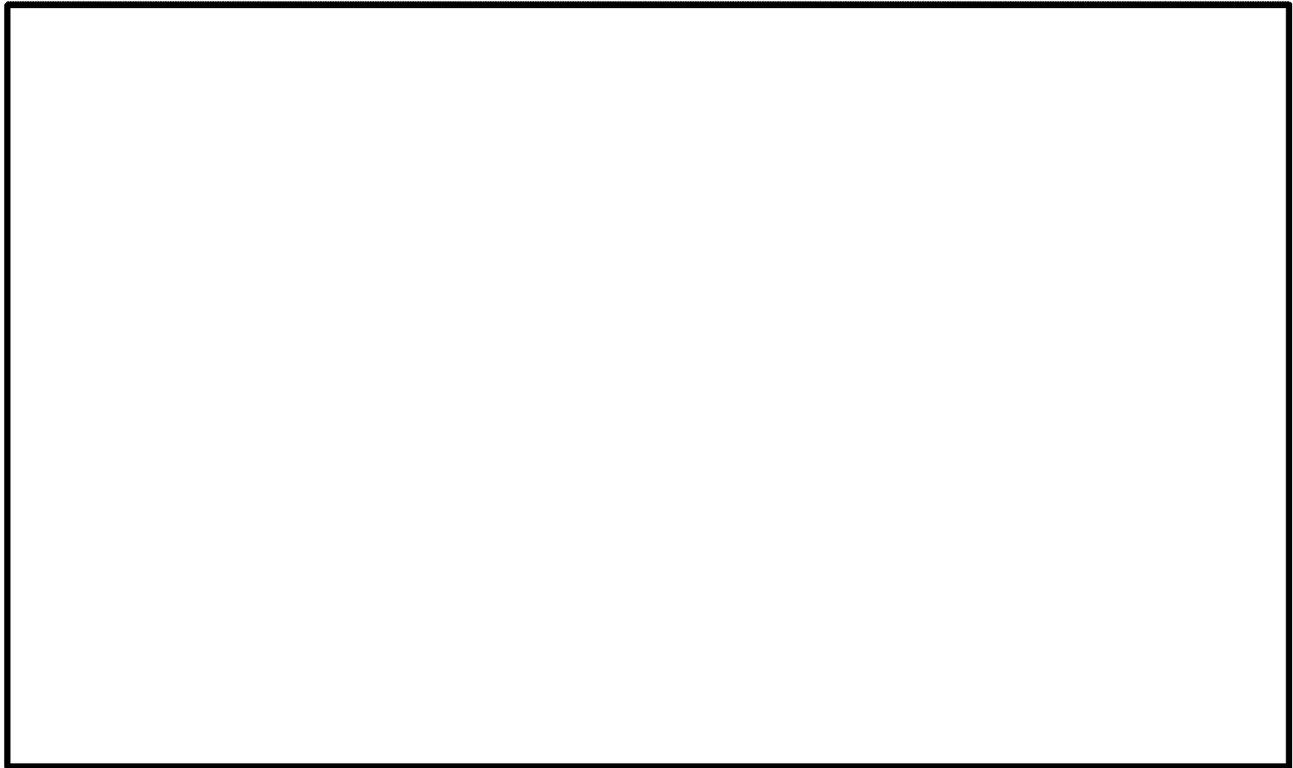


EXHIBIT D: DEVELOPMENT DETAILS

Land Listing:

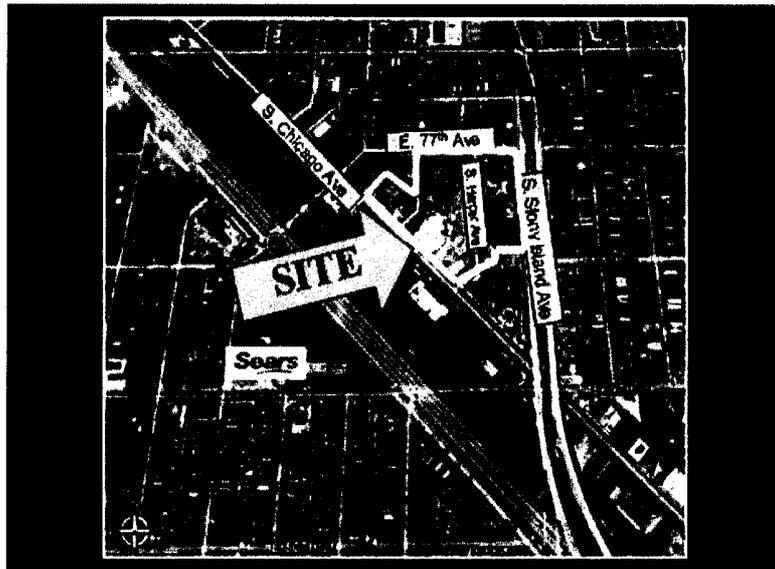
6.12 Acres in South Chicago
For Sale

\$1,000,000

6.12 AC | Land | Get Financing

1334 E 79th Street, Chicago, IL 60619

Contact Listing Broker Watch Property Create Report Share Print



Land For Sale

Price	\$1,000,000	Zoning Description:	C2, Motor Vehicle-Related Commercial District
Lot Size	6.12 AC	Listing ID	15120148
Property Type	Land	Last Updated	11 days ago
Property Sub-type	Retail (land)		
Additional Sub-types	Industrial (land) Multifamily (land) Commercial/ Other (land)		

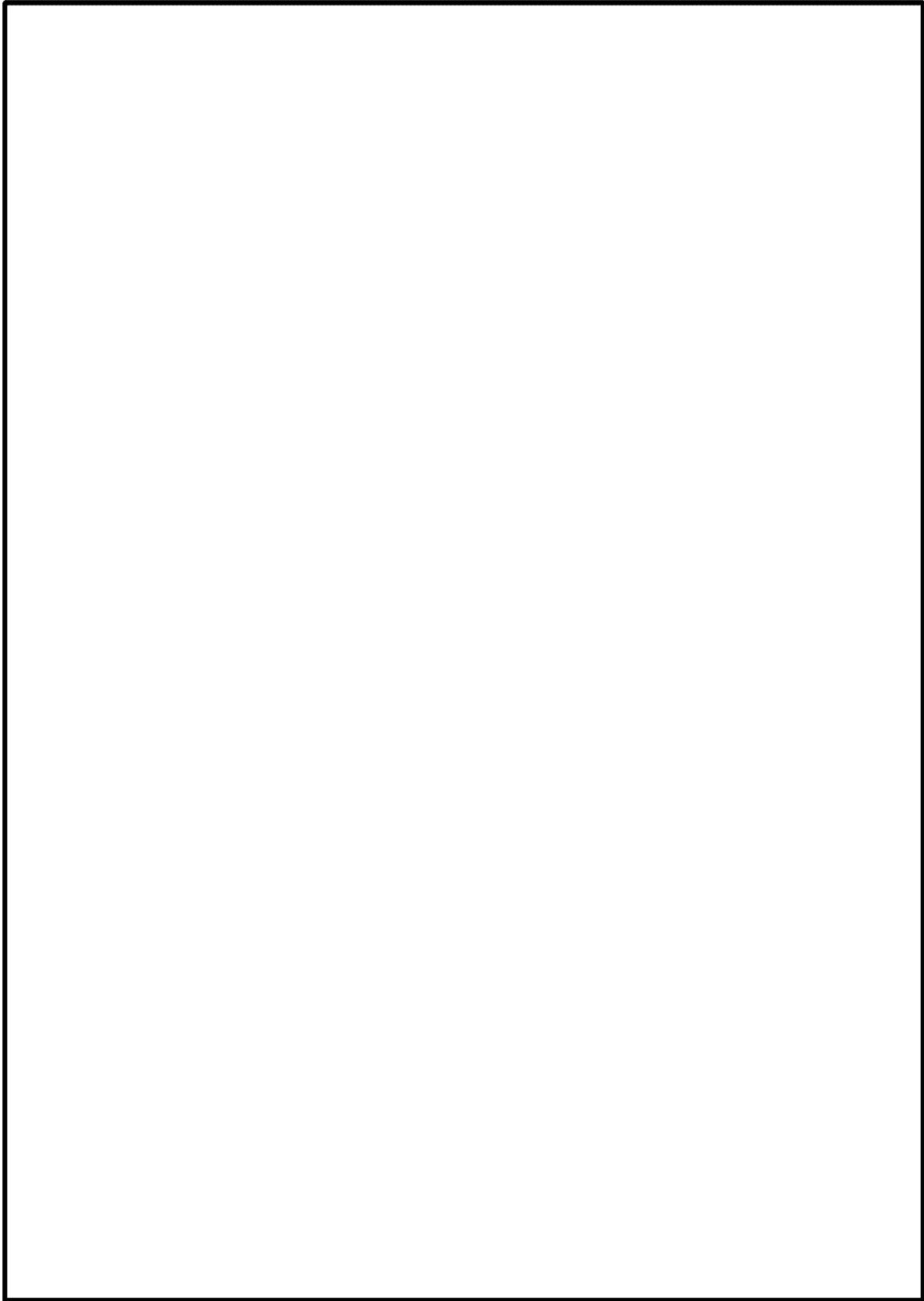
[Find Out More](#)

1 Lot Available

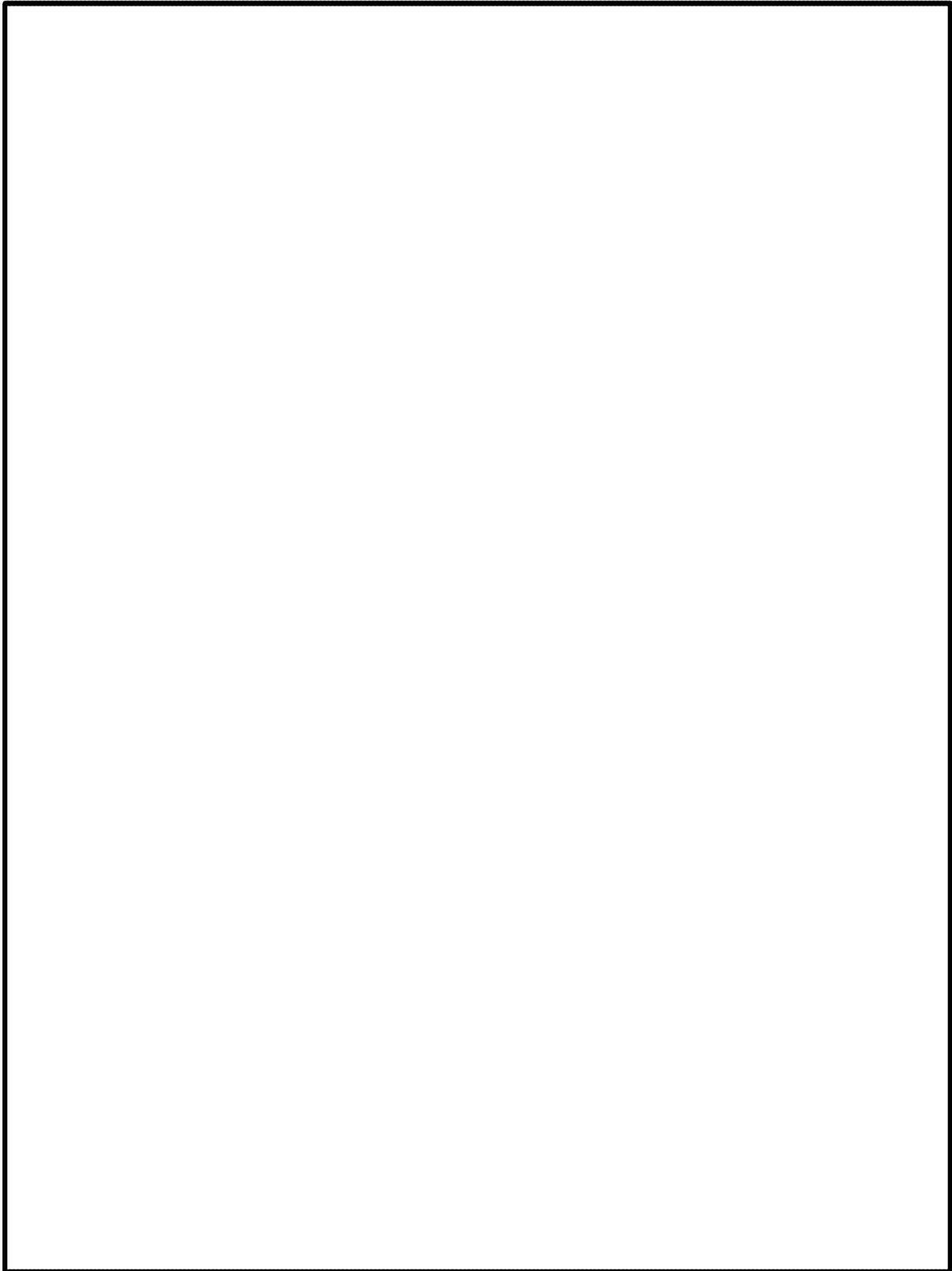
Lot 1	Price	\$1,000,000
	Lot Size	6.12 AC
	Price/AC	\$163,398.70
	Lot Type	Retail (land)
	Commission Split	4%

RS Means Online Estimate:

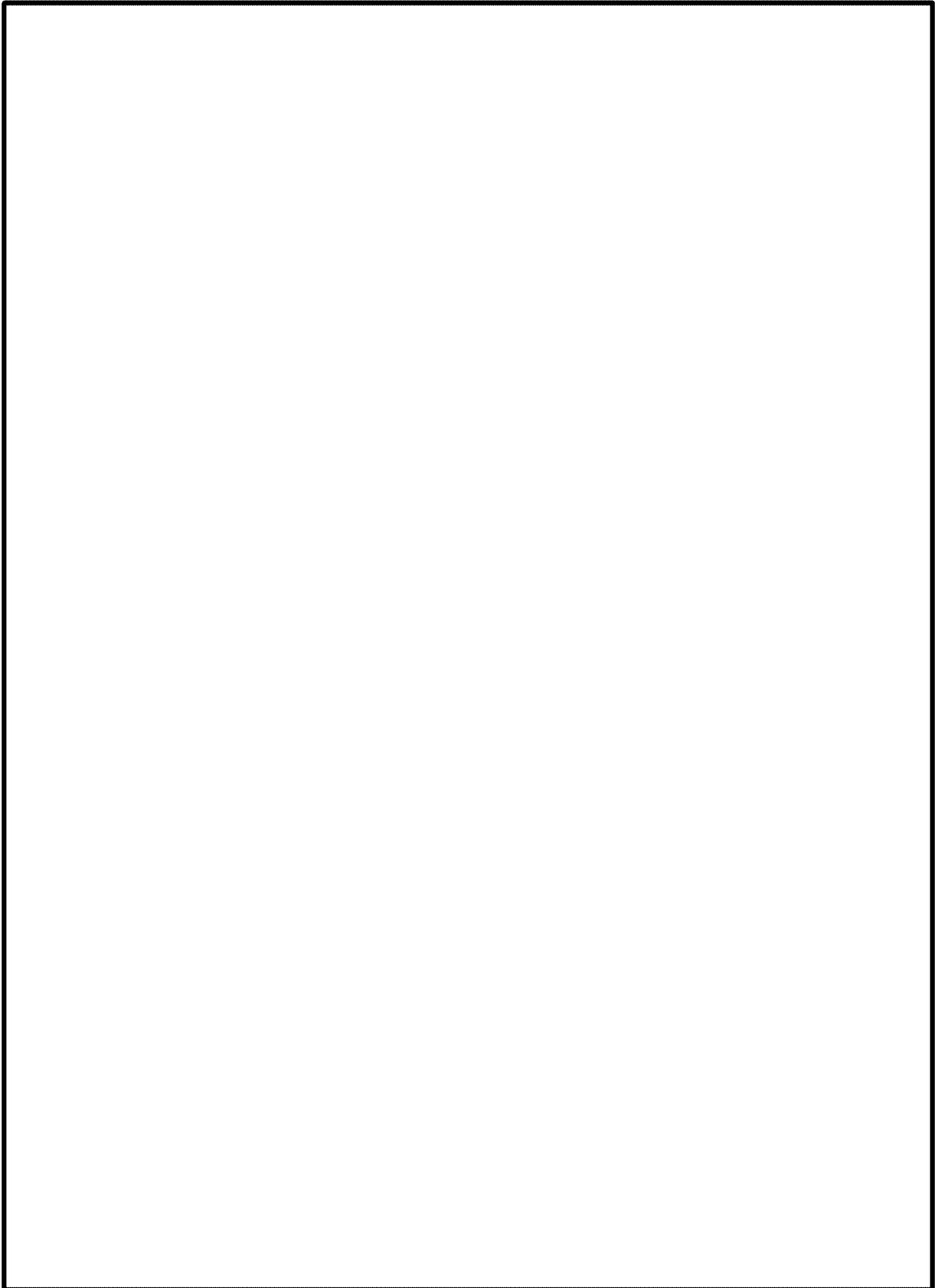
(b)(4)



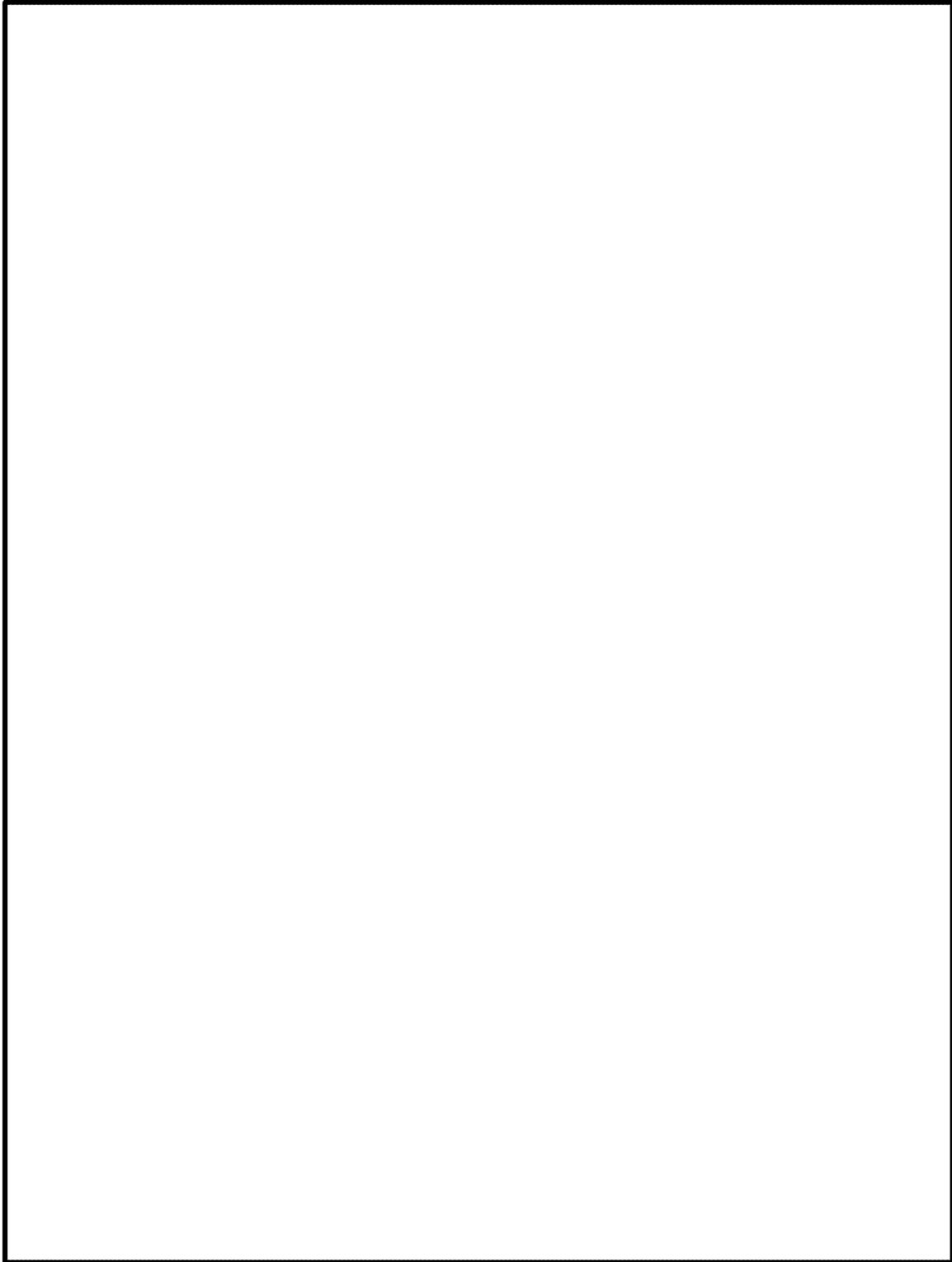
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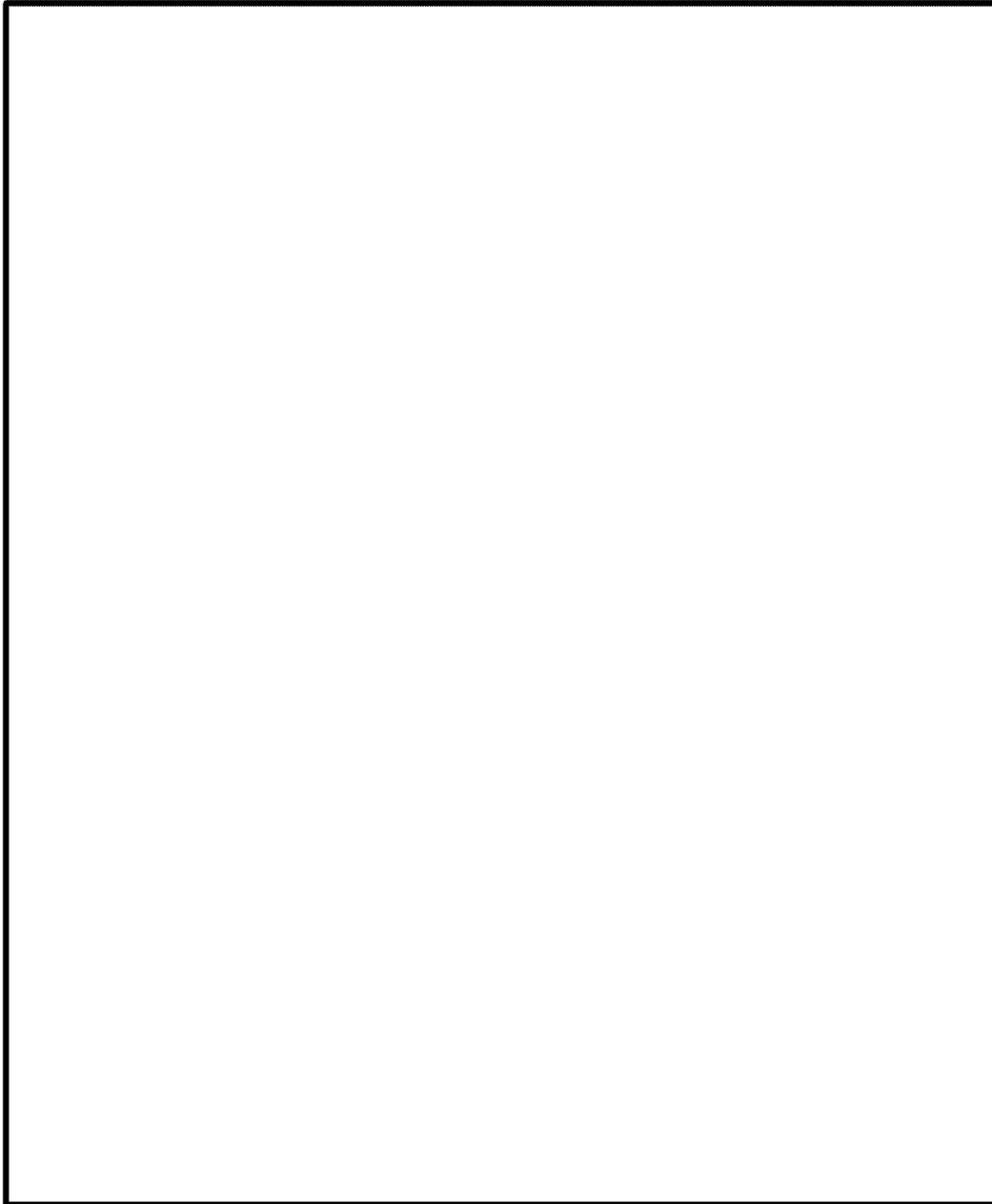


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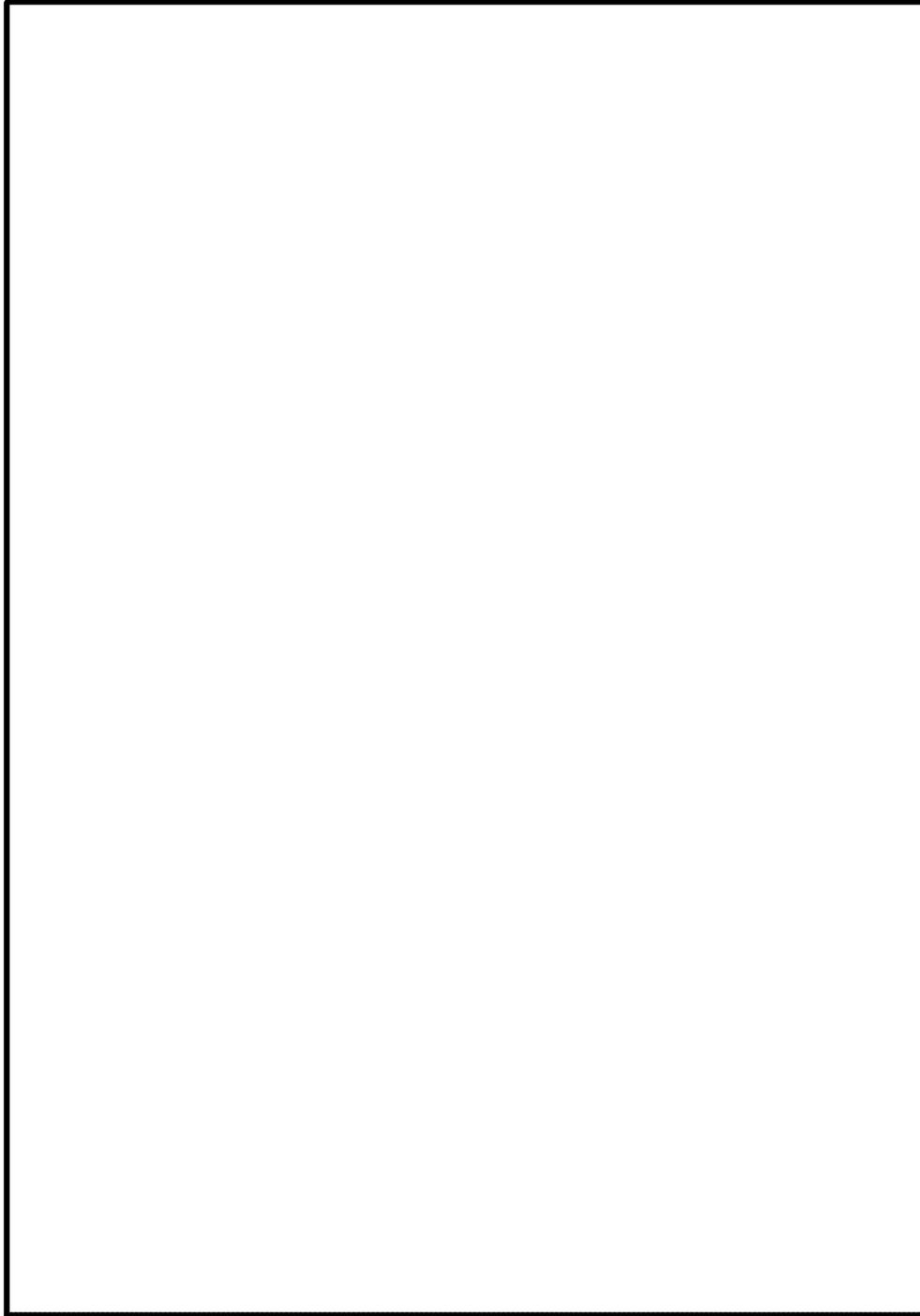


HVS 2014 Cost Estimating Guide, Upscale Hotels:

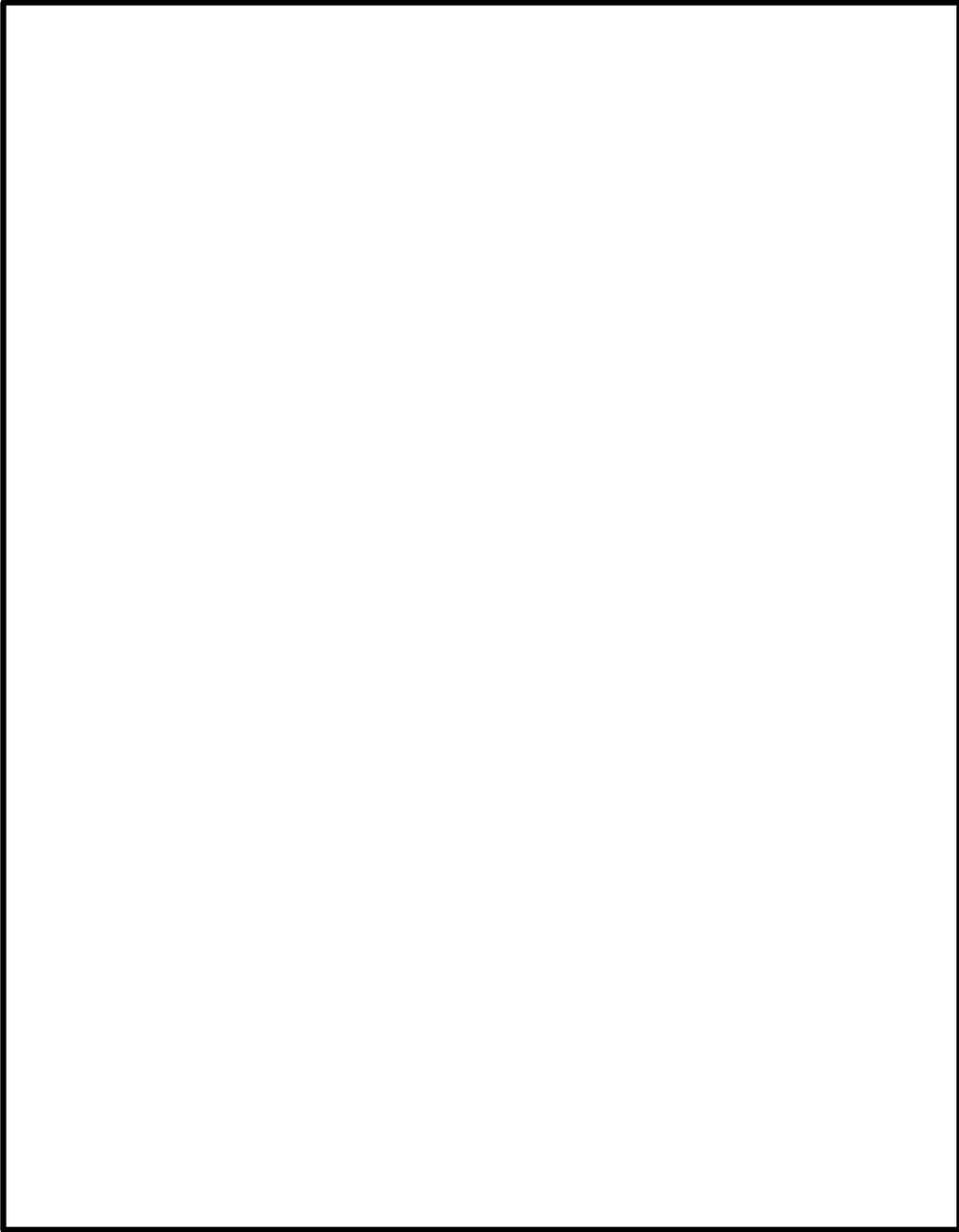
(b)(4)



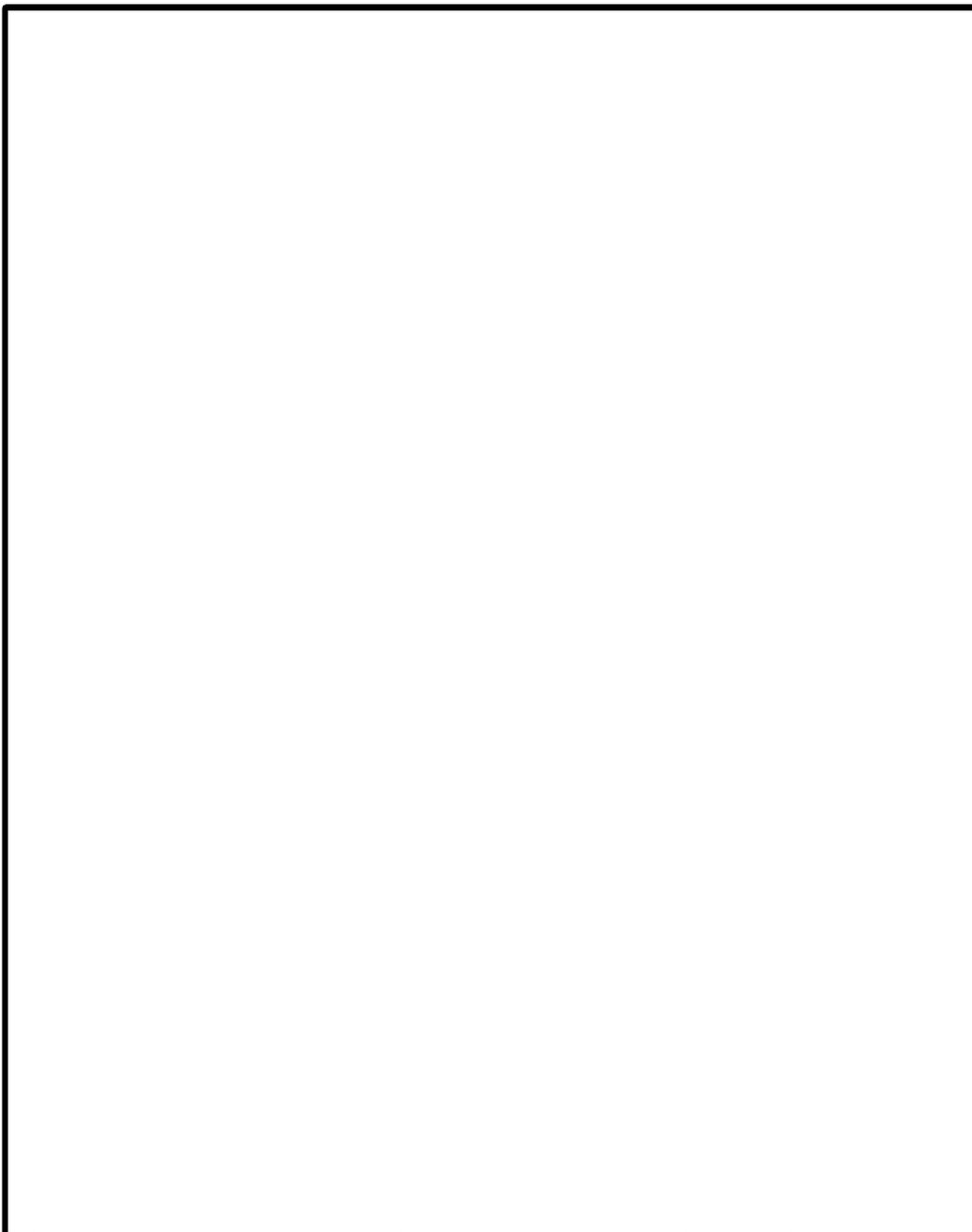
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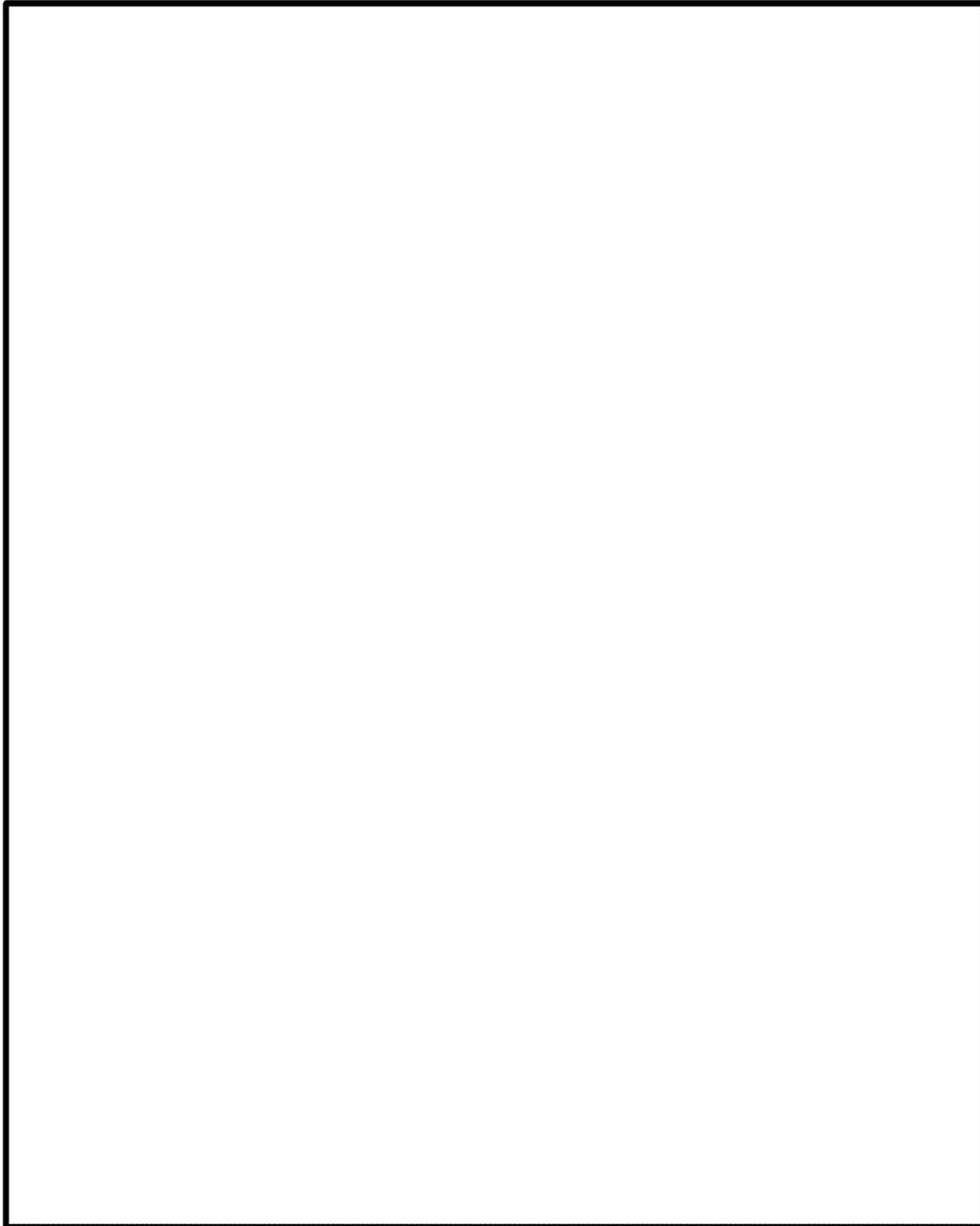
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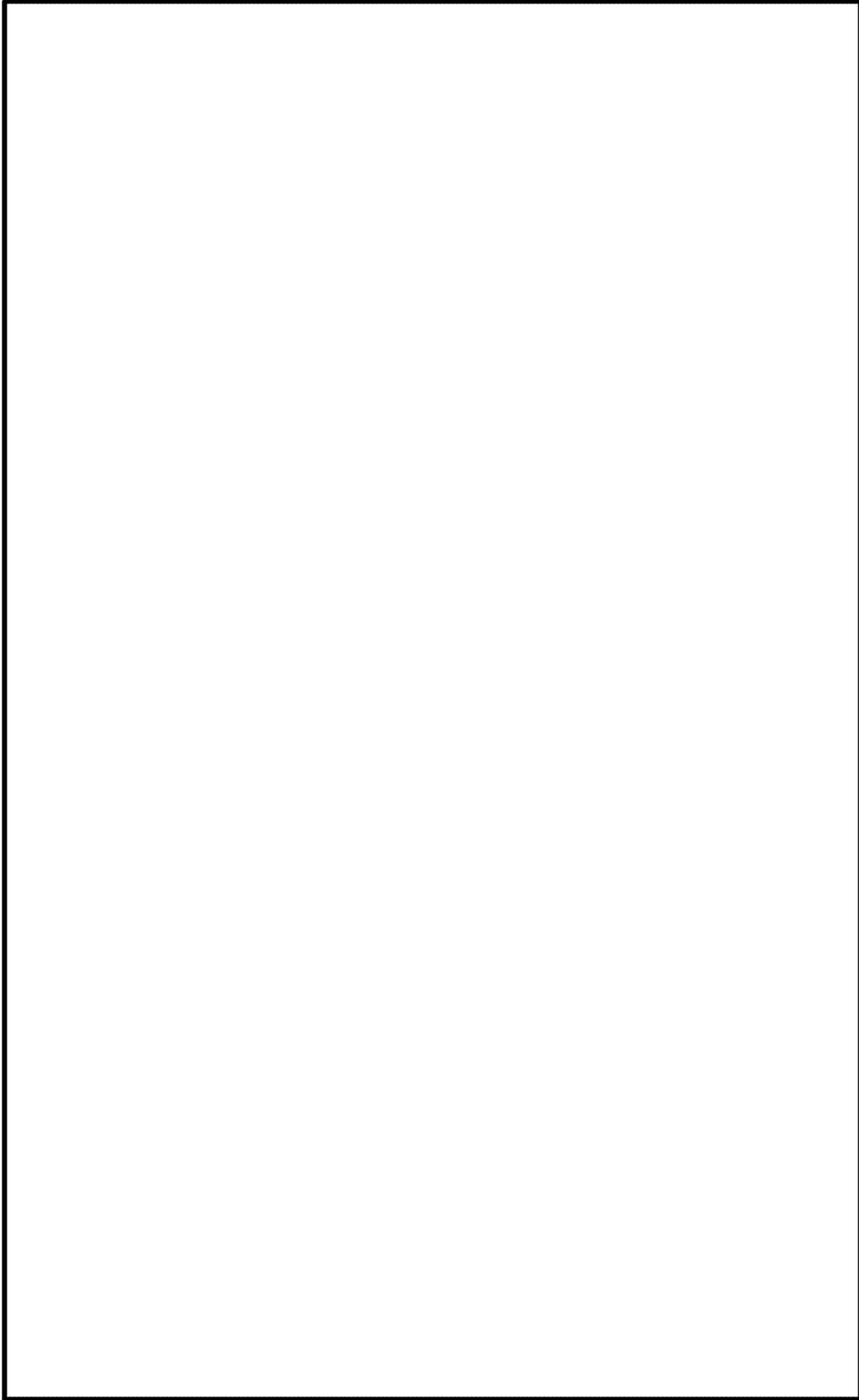
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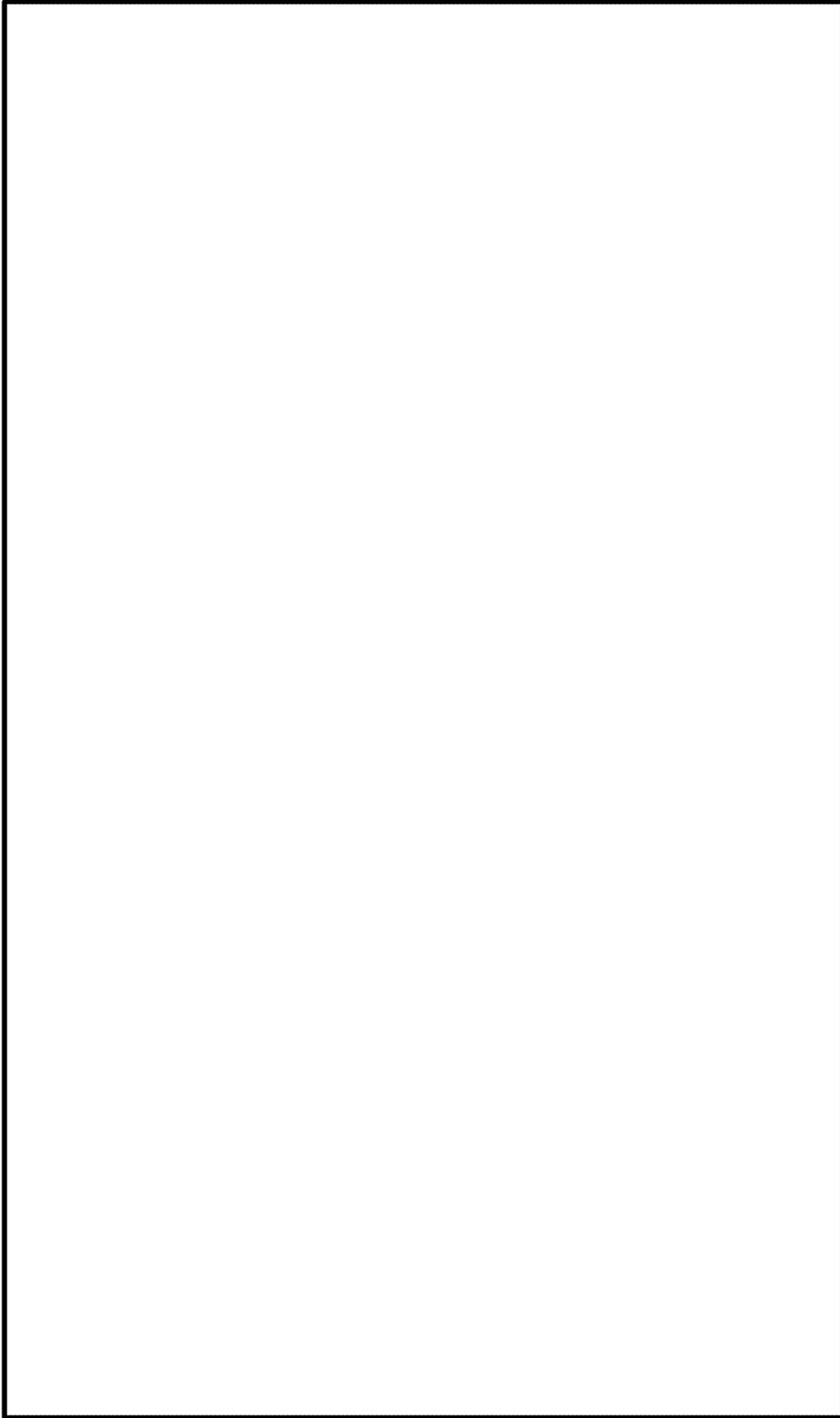
(b)(4)



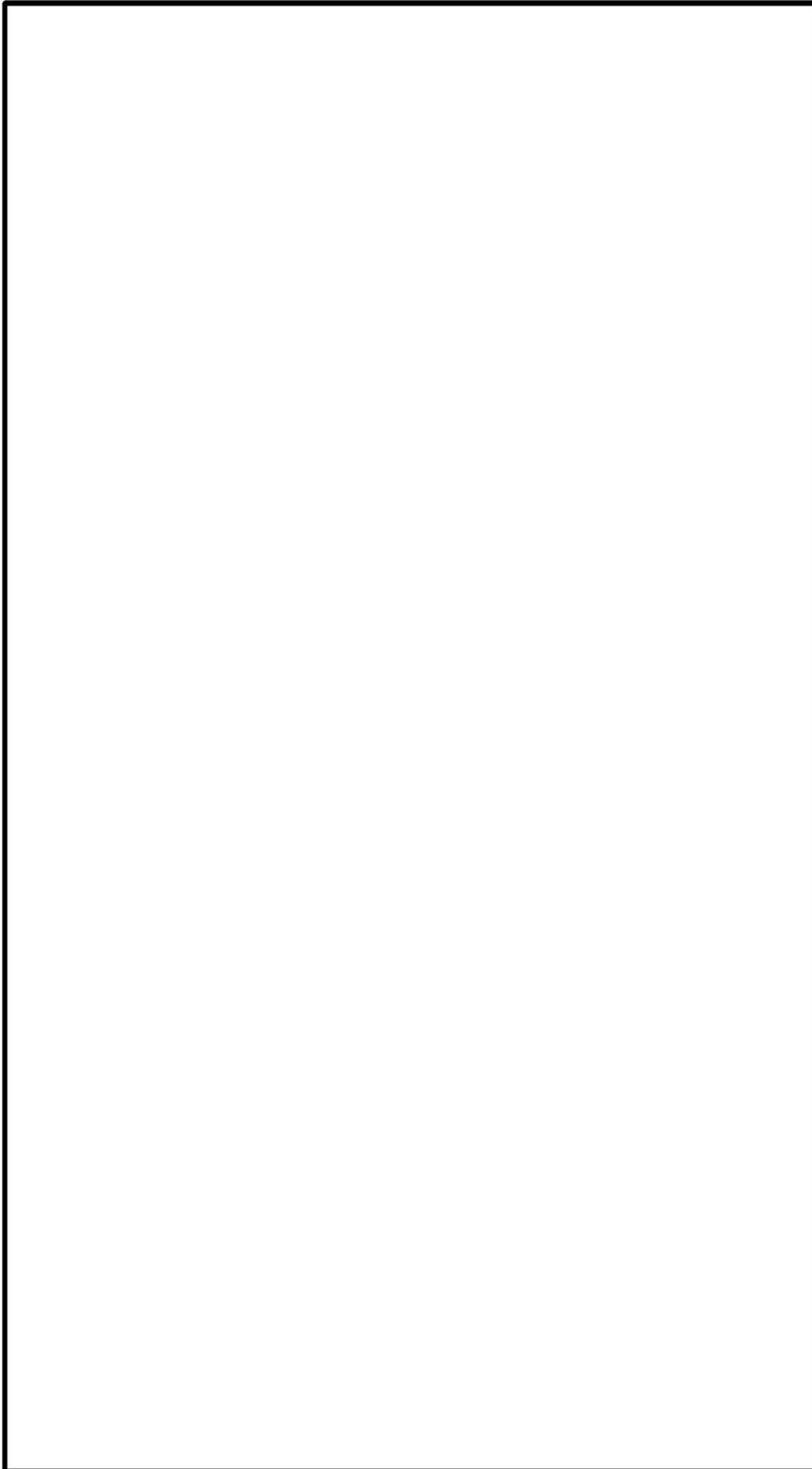
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c

HVS 2014 Development Cost Survey:

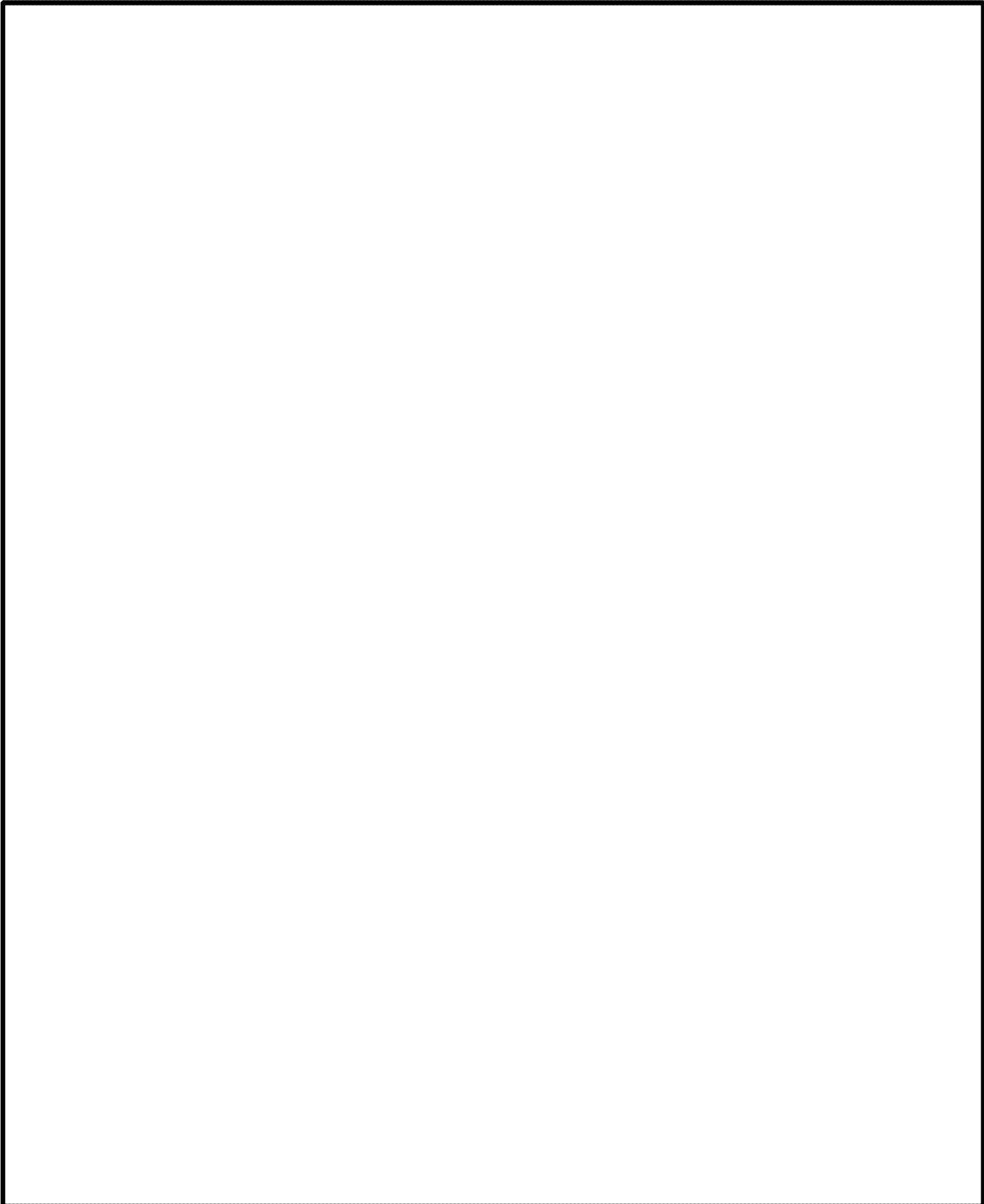


EXHIBIT E: FINANCIAL PROJECTION DETAILS

(b)(4)

2014 HOST Almanac Revenue and Expense Ratio-to-Sales:

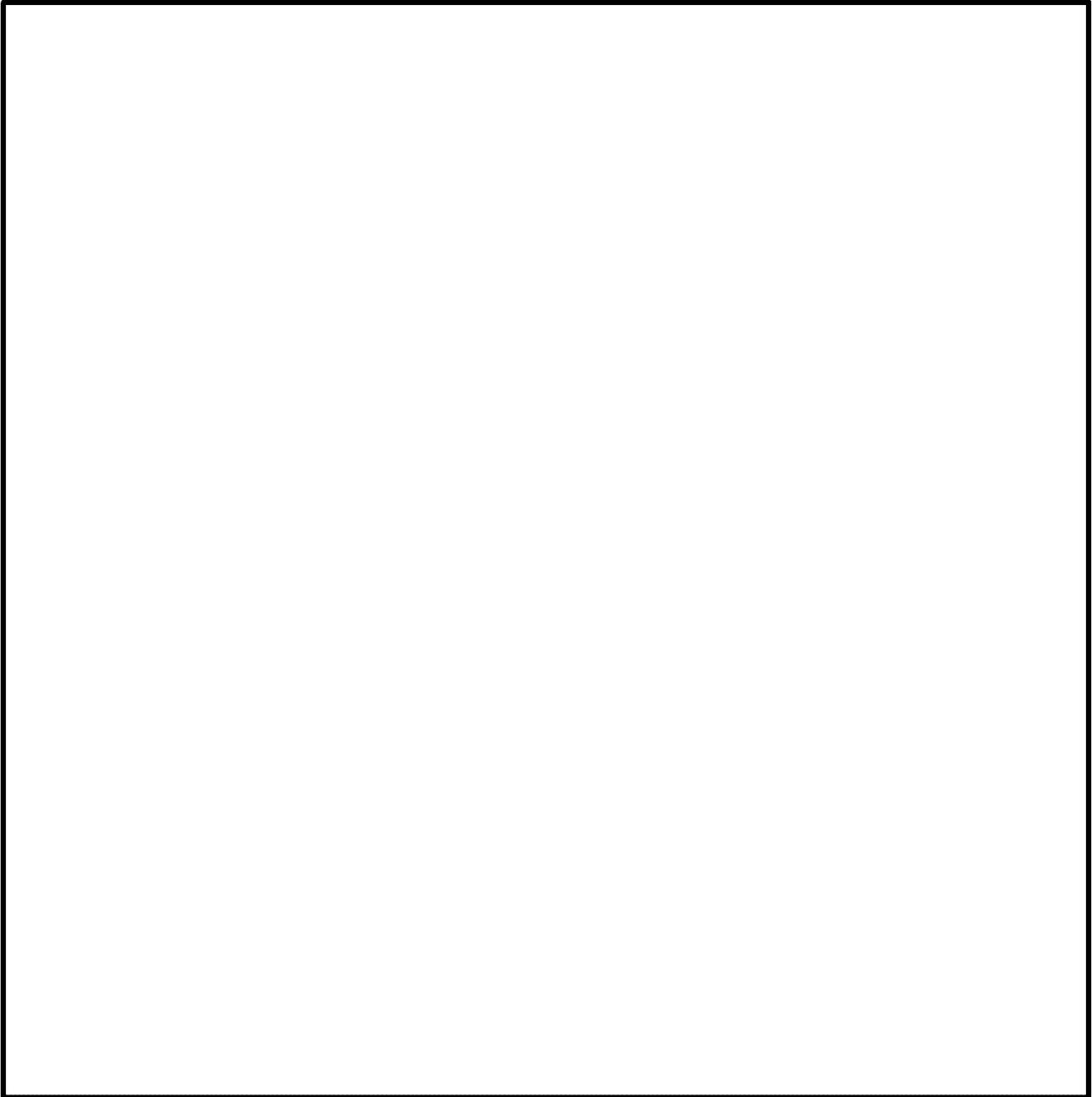


EXHIBIT 5

BIOGRAPHIES OF THE AMERICAN PIONEER REGIONAL CENTER OWNER AND MANAGER

Zhibin Wang – Owner/Sole Member of APRC

Mr. Wang incorporated Meihua Investment Group, Inc. (“Meihua”) in 1994 and has been its President and CEO for 20 years since then. Meihua is a corporate group consisting of numerous subsidiaries in five major industry sectors: real estate, finance, hotels, medical devices and education. It started from the real estate development area then developed smoothly and steadily into other sectors.

After 20 years of development, Meihua has successfully established itself as a diversified financial investment control group that has registered capital of 50 million RMB, over 2000 employees, and active operations in China, Australia, Southeast Asia, Korea, Europe and North America. Now the finance sector of Meihua includes 6 loan companies that manage loans of more than 1.5 billion RMB in total. All these loans are serving small business owners and individual customers, including residential home loans, small business expansion loans, loans to farmers and family businesses etc. Its real estate and hotel sectors have developed very quickly and formed joint ventures in various countries. In view of the trends of the global economy, Meihua is aiming to form a cooperative global business network under Mr. Wang’s direction.

Qi (Charles) Zhao - Manager

Qi Zhao started his secondary education at Beijing Industrial University with a Major in E-commerce. After two years of study he transferred to Harold Washington College and continued his education with a major in business.

In 2006 he began his career in business as an investment analyst at Massmutal Finance Group. Here he analyzed various financial information so that he could make sound investment recommendations to clients, help individual clients make personalized investment plans to fit their special needs, as well as keep a close eye on economic trends so that he could recommend revisions of investment strategies to clients and internal groups.

By 2008 Mr. Zhao was President and Owner of QaPrints.com where he supervised day-to-day operations of the company as well as design, implement, and facilitate overall marketing strategies and financial plans. He developed this company from a firm with only 2 employees to a firm with 7 employees in just a few years and established a good business reputation in the greater Chicago area.

Most recently, Mr. Zhao is acting as a managing member of Present Best Quest Development LLC. Here he is responsible for determining strategic and budget plans and establishing objectives for the company, evaluating the feasibility and profitability of various investment options, overseeing the executions and progresses of various real estate development projects, ensuring the company's overall financial control and smooth development, as well as making hiring decisions and providing employees with professional growth and directions.

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I. EXECUTIVE SUMMARY

This impact economic analysis report was prepared to evaluate the economic impacts of a specific project located within the Chicago-Naperville-Joliet (IL-IN-WI) Metropolitan Statistical Area. The project involves the construction and operation of a hotel located in Chicago, Illinois.

(b)(4) The Harper Hotel Project will result in the creation of [redacted] new jobs from the construction and operation of the development.

(b)(4) [redacted] This impact analysis finds that the project will generate significant and positive economic benefits for the regional economy.

(b)(4) [redacted]

The following chart summarizes the total permanent new jobs for construction and operation of the Project. These figures assume that the expenditures for the project given in this table are met.

Table I-1. Summary of Employment Projection for the Harper Hotel Project

<i>Project (with NAICS Code)</i>	<i>RIMS II</i>		<i>Total New</i>	<i>Total New</i>
	<i>Projected Expenditure/Revenue</i>	<i>Final Demand Multiplier</i>	<i>Total New Direct Jobs Created</i>	<i>Indirect Jobs Created</i> <i>Permanent Jobs Created</i>
Non-Residential Building Construction (NAICS 2362)*	[redacted]			
Furniture, Fixtures and Equipment Purchases (NAICS 4232, 4234 and 4236)*				
Traveler Accommodation (NAICS 7211)				
Total				

(b)(4)

* Indirect jobs only

Note: Expenditures/Revenue within this chart have been reduced to reflect 2010 dollars.

I-1 INTRODUCTION

Wright Johnson, LLC (“WJ”) has been retained by American Pioneer Regional Center, LLC (“APRC”) to perform an economic assessment of a planned investment of the construction and operation of a specific project located in the Chicago-Naperville-Joliet (IL-IN-WI) Metropolitan Statistical Area (MSA). The following industry clusters were analyzed as part of this project:

1. Non-Residential Building Construction—NAICS 2362
2. Furniture and Home Furnishing Merchant Wholesalers—NAICS 4232
3. Professional and Commercial Equipment and Supplies Merchant Wholesalers—NAICS 4234
4. Household Appliances and Electrical and Electrical Goods Merchant Wholesalers—NAICS 4236
5. Traveler Accommodation—NAICS 7211

APRC is proposing an EB-5 regional center with a geographic area encompassing the following contiguous counties within the states of Illinois, Indiana, and Wisconsin: Cook, DuPage, Lake, Will, Kane, McHenry, Kendall, DeKalb, and Grundy of the state of Illinois; the counties of Lake, Porter, Jasper, and Newton of the state of Indiana and the county of Kenosha of the state of Wisconsin.

This multi-county and multi-state area is defined as the Chicago-Naperville-Joliet (IL-IN-WI) Metropolitan Statistical Area (MSA). A metropolitan statistical area consists of a region that shares industry, infrastructure and housing and combines an area of urban agglomeration, called a commuter belt. The MSA is closely bound by employment and other commerce. The location of the project, Chicago, Illinois, is economically integrated with the Metropolitan Statistical Area, which has been defined as the regional center for this project. Based on information provided by APRC, WJ performed an analysis for the target industry economic cluster in the proposed project specific geographic area. RIMS II was utilized.

The focus of the study is analyzing the Regional Center impacts of the construction and operation of a hotel in Chicago, Illinois, within Cook County.

WJ used RIMS II to model the total economic impact associated with various levels of site investment and operational employment. To quantify the net economic impact (direct and indirect) of the development, RIMS II modeled the following direct effects:

- Indirect Effects of construction employment, household earnings, taxation, and output
- Direct Effects of operational employment, household earnings, taxation, and output

(b)(4)



(b)(4)



1-2 INDUSTRY CLUSTER DEFINITIONS¹

Non-Residential Building Construction—NAICS code 2362

This industry comprises establishments primarily responsible for the construction (including new work, additions, alterations, maintenance, and repairs) of commercial and institutional buildings and related structures, such as stadiums, grain elevators, and indoor swimming facilities. This industry includes establishments responsible for the on-site assembly of modular or prefabricated commercial and institutional buildings. Included in this industry are commercial and institutional building general contractors, commercial and institutional building for-sale builders, commercial and institutional building design-build firms, and commercial and institutional building project construction management firms.

Furniture and Home Furnishings Merchant Wholesalers—NAICS code 4232

This industry comprises establishments primarily engaged in the merchant wholesale distribution of furniture (except hospital beds, medical furniture, and drafting tables). Also, this industry comprises establishments primarily engaged in the merchant wholesale distribution of home furnishings and/or housewares.

Professional and Commercial Equipment and Supplies Merchant Wholesalers—NAICS code 4234

This industry comprises establishments primarily engaged in the merchant wholesale distribution of commercial and related machines and equipment (except photographic equipment and supplies; office equipment; and computers and computer peripheral equipment and software) generally used in commercial facility operations.

Household Appliances and Electrical and Electrical Goods Merchant Wholesalers—NAICS code 4236

This industry comprises establishments primarily engaged in the merchant wholesale distribution of electrical construction materials; wiring supplies; electric light fixtures; light bulbs; and/or electrical power equipment for the generation, transmission, distribution, or control of electric energy. Also, this industry comprises establishments primarily engaged in the merchant wholesale distribution of household-type gas and electric appliances (except water heaters and heating stoves (i.e., non-cooking)), room air-conditioners, and/or household-type audio or video equipment.

1. NAICS code definitions provided by the U.S. Census Bureau

Traveler Accommodation—NAICS code 7211

This industry comprises establishments primarily engaged in providing short-term lodging in facilities known as hotels, motor hotels, resort hotels, and motels. The establishments in this industry may offer food and beverage services, recreational services, conference rooms and convention services, laundry services, parking, and other services.

I-3 DISCUSSION OF COUNTY GROUPING SELECTED BASED ON METROPOLITAN STATISTICAL DATA

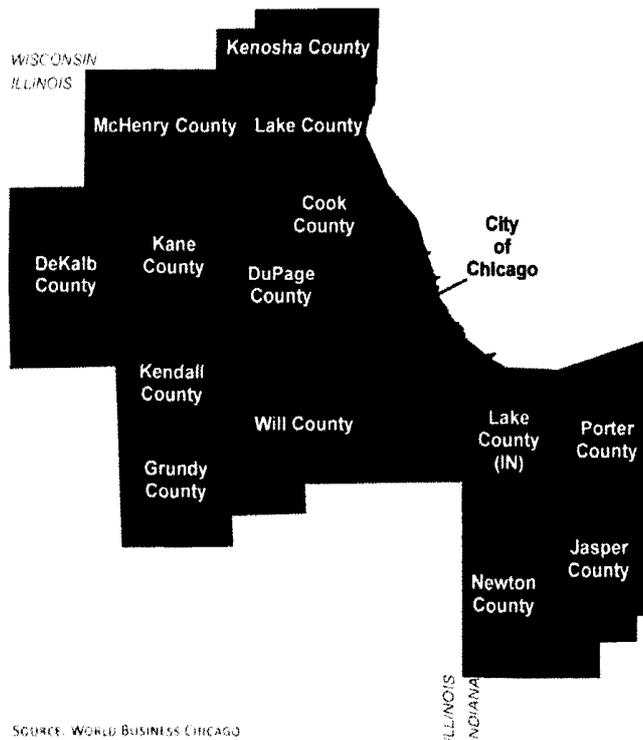
WJ used the Chicago-Naperville-Joliet (IL-IN-WI) MSA as the basis of the region for this analysis. The US Census Bureau defines a Metropolitan Statistical Area as follows:

The general concept of a metropolitan area is that of a large population nucleus, together with adjacent communities having a high degree of social and economic integration with that core. Metropolitan statistical areas comprise one or more entire counties, except in New England, where cities and towns are the basic geographic units.

The Office of Management and Budget (OMB) defines metropolitan areas for purposes of collecting, tabulating, and publishing federal data. Metropolitan area definitions result from applying published standards to Census Bureau data.

The United States Census Bureau estimates that Chicago-Naperville-Joliet (IL-IN-WI) MSA population was 9,537,289 as of July 1, 2013, an increase of +0.71% since 2010 and ranking as the third most populous metropolitan statistical area of the United States.

Chicago-Naperville-Joliet, IL-IN-WI Metropolitan Statistical Area



The MSA consists of the following contiguous counties: Cook, DuPage, Lake, Will, Kane, McHenry, Kendall, DeKalb, and Grundy of the state of Illinois; the counties of Lake, Porter, Jasper, and Newton of the state of Indiana and the county of Kenosha of the state of Wisconsin.

I-4 EFFECT OF HOUSEHOLD EARNINGS, DEMAND FOR BUSINESS SERVICES, UTILITIES, MAINTENANCE AND CONSTRUCTION, AND NEW SUPPLIER/VENDOR RELATIONSHIPS WITH MANUFACTURERS

If the project was to be operating at the stated capacities given in this report within two and a half years of the date of this report, the economic impact as measured by household earnings, demand for business services, utilities, maintenance and repair, and new supplier and vendor relationships is summarized in the chart below.

Summary Measures of Economic Impact for Harper Hotel Project		
<i>Category</i>	<i>Project Total</i>	
Household income from:		
Construction	(b)(4)	
FF&E Purchases		
Hotel Operations		
Total		
Demand (output) for:		
Professional and business support services		
Utilities		
Maintenance and repair construction		
Supplier/ vendor links with manufacturers		
Total		

Household Earnings (Labor Income)

The jobs created by the various components of the regional center will subsequently create new sources of household income. The total household income from the project will be \$17,234,540. This income calculation comes from the RIMS II input-output model, which measures the average income per job by industry. The model calculations are based on the types of jobs that will be created within the regional center, with indirect impacts allocated based on the types of commodity inputs required by the businesses that would potentially locate in the regional center.

Demand for Business Services, Utilities, Maintenance and Construction, and New Supplier/Vendor Relationships Created with Manufacturers

The total economic impact of the regional center from the supplier purchases and business relationships is estimated at approximately \$29,834,694 across the region. These supplier purchases are calculated from the indirect increase in output generated by the RIMS II model. It should be noted that some of these supplier industries might potentially locate within the regional center, and their economic output is included in this total.

The estimate of supplier purchases is based on the commodity data in the RIMS II input-output model. This data specifies the amount and type of commodity input needed to maintain specific types of business operations. The model estimates the supplier purchases based on the types of jobs and number of jobs that will be created within the regional center. In addition, the model allocates the supplier purchases to businesses within the region, based on trade flow data from the U.S. Bureau of Economic Analysis.

(b)(4) The regional center will create demand for business services including, professional services, and business services and support services [redacted]

(b)(4) Utilities include services such as electricity, natural gas, and water and sewer facilities. The economic impact on utility services totals [redacted]

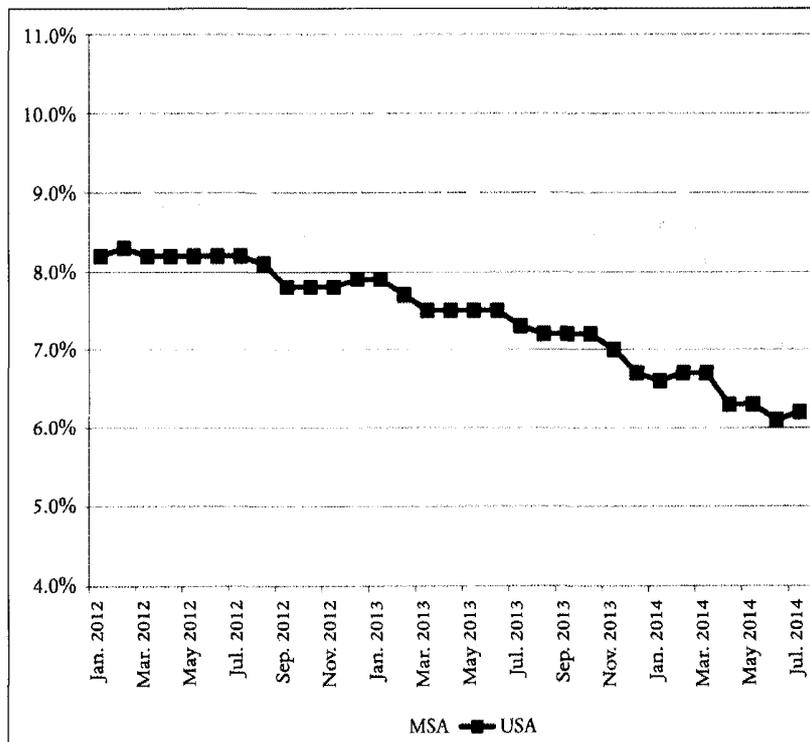
(b)(4) Maintenance and repair services include building and construction activity on existing buildings. The regional center would create an economic impact of [redacted] within these sectors in the region. Because most of the construction activity is either upfront during building construction or integrated into repair and maintenance services, the economic impact for construction sectors is minimal on an ongoing basis.

New supplier/vendor relationships with manufacturers would create an economic impact of [redacted]. These activities include purchases of locally manufactured goods plus purchased materials for construction, plus any locally produced materials used in hotel operations.

I-5 DISCUSSION OF UNEMPLOYMENT

The following graph summarizes a comparison of the regional and national unemployment levels for 2012 through July 2014. The graph shows the MSA's unemployment rate was higher than the national average over the entire period. The July 2014 US unemployment rate ended at 6.2%, whereas the MSA's unemployment rate ended at 6.8%. For a more detailed look at the unemployment rates within the region, see the attached **Exhibit 1—Unemployment Rates in the Project Region**.

Comparison of US and Regional Unemployment Rate—2012 through July 2014



2. METHODS & ASSUMPTIONS

2-1 ASSUMPTIONS

For the project, WJ examined the economic effects of site development and operations. WJ systematically reviewed each set of assumptions used to properly customize the sector outputs that make up the set matrices. In the following assumptions, WJ applied specific sector data resulting in a very detailed, realistic and logical range of likely outcomes.

The tables within this analysis show the expected spending as well as increases in employment and household earnings for ongoing operations. The definition of “direct jobs” used in this report should not be confused with the concept of direct job creation measurable by Forms I-9, payroll records or other similar documentation as set forth in 8 C.F.R. § 204.6(i)(4)(i)(A). That section contemplates jobs created by the actual employees of the new commercial enterprise, specifically in the non-regional center context.

When economists use the term “direct” jobs in the context of an econometric methodology such as RIMS II, what is meant are jobs created directly by revenues (which in the EB-5 Pilot program results from an immigrant investor’s investment). For example, where a regional center-based new commercial enterprise comprised of immigrant investors renovates a building it purchases, the employees of the various unaffiliated tenants of that building would be considered “direct” jobs in the context of an econometric report. However, those jobs are not “direct” in the sense set forth in 8 C.F.R. § 204.6(i)(4)(i)(A) where the new commercial enterprise is itself the employer that can provide Form I-9 or other similar documentation on its own employees. The tenants’ employees are not “direct” employees of the regional center-based new commercial enterprise.

To be clear, this report does set forth the number of jobs that are likely to be created by the new commercial enterprises. However, as 8 C.F.R. § 204.6(i)(4)(iii) clearly states, the proof of job creation in the context of regional centers is not Forms I-9, payroll records or similar documentation, but rather “reasonable methodologies” such as this report.

2-2 SIMULATION INPUTS

The data used includes an estimated construction timeline provided by APRC, and expected development costs and a variety of industry information as well as public information from U.S. Government sources. Additional research and analysis was performed by WJ to substantiate data for reasonableness.

Industry and project related metrics such as output and employment were compared to national and regional data sources. Information from for the proposed project was provided by APRC and industry sources and such information was evaluated and then incorporated into this analysis for area specific background and demographic purposes.

Based on the data provided and corroborated, inputs were created for use in the RIMS II system to model the economic impact of the construction phase of the project. The relevant information and data used to develop the model inputs of the project were provided by APRC. A summary of the proposed project follows:

(b)(4)

APRC proposes to build a 200-room, 8-story hotel, encompassing 150,000 square feet of space. The total investment into the project is estimated at [REDACTED] and the EB-5 investment is projected to be [REDACTED]. The remaining funding will come from developer equity and domestic sources.

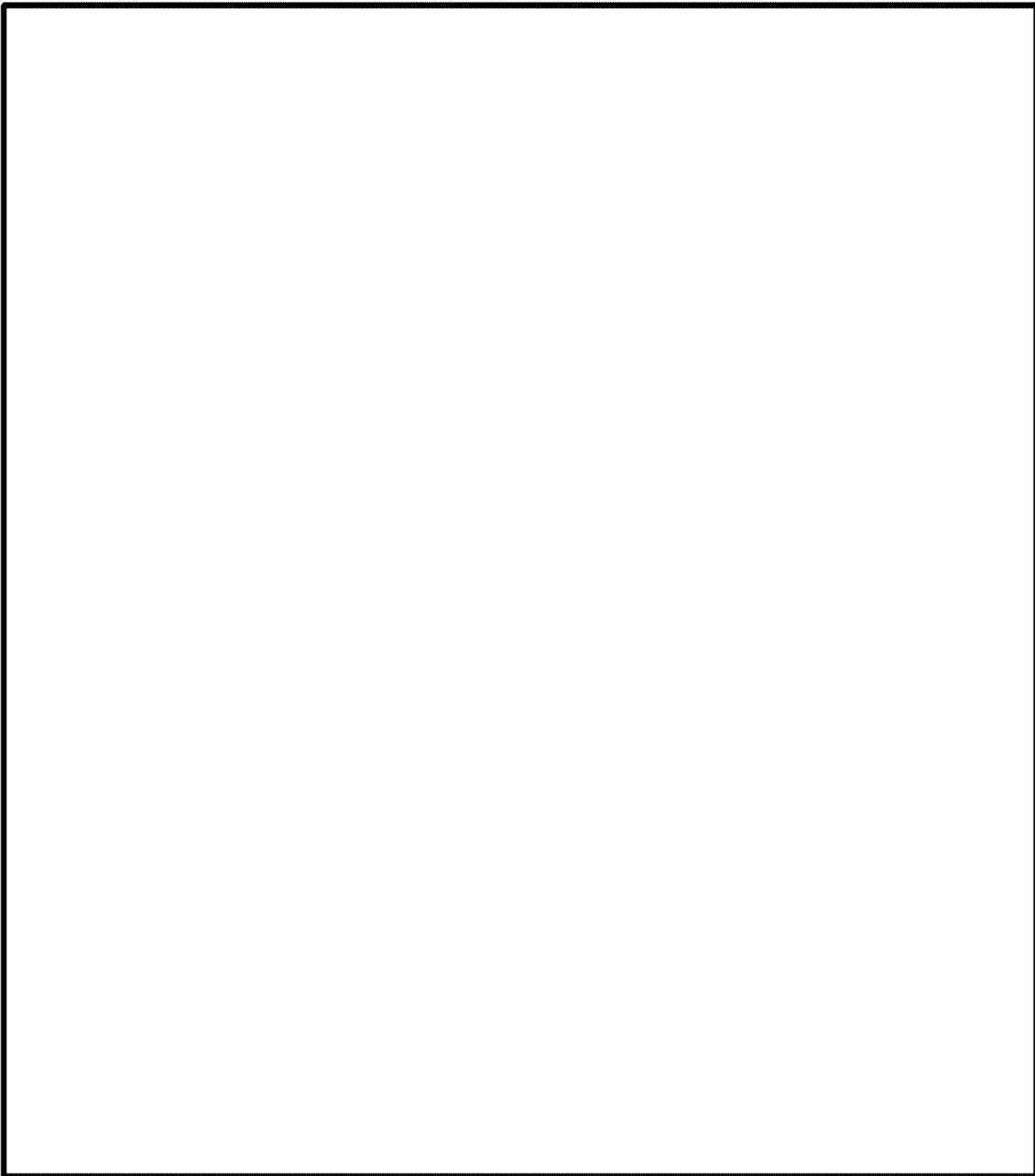
Summary of Project Construction Costs

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Construction

(b)(4)



**Construction Expenditure 2014 Dollars
vs. 2010 Dollars**

(b)(4)



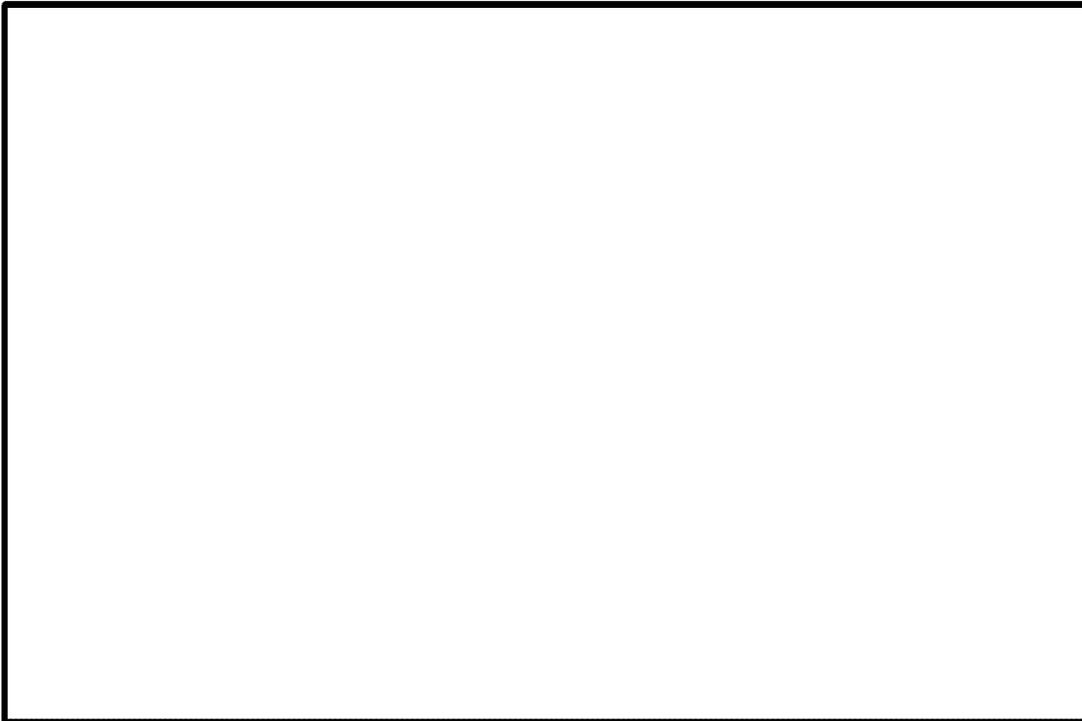
Furniture, Fixtures and Equipment Purchases (EB-5 Eligible Costs)

(b)(4)



Hotel Project

(b)(4)



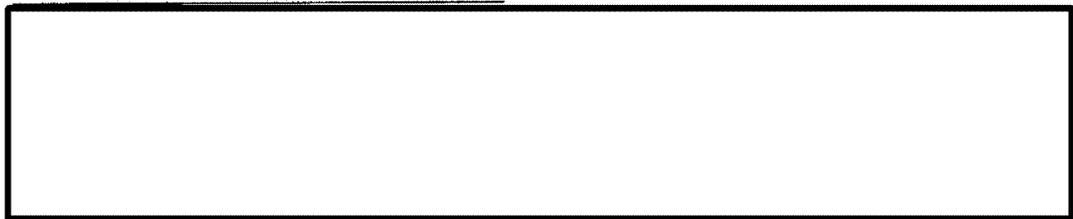
Twelve-Month EB-5 Revenue

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Hotel Revenue 2014 Dollars vs. 2010 Dollars

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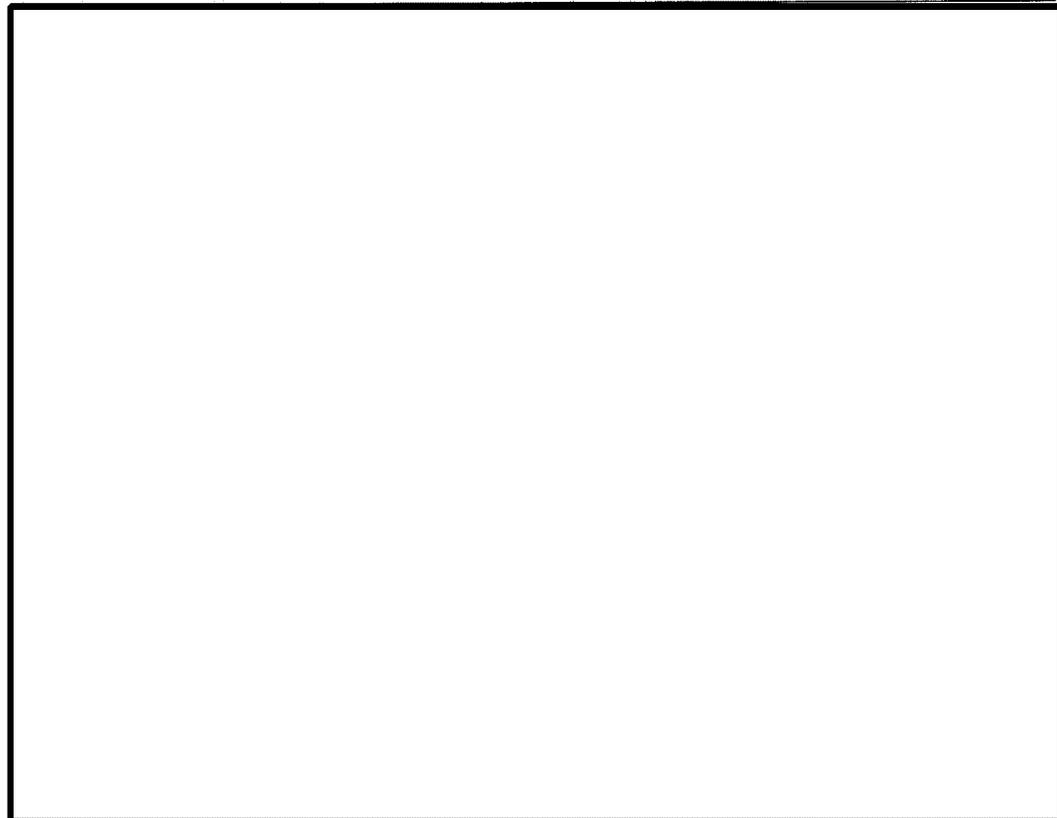


2-3 RIMS II FINAL DEMAND AND EMPLOYMENT MULTIPLIERS

Shown in the chart below are the actual RIMS II final demand and employment multipliers used in the project for this analysis specific for the counties within the Regional Center.

RIMS II Final Demand and Employment Multipliers

(b)(4)



**2-4 CALCULATION OF EMPLOYMENT RESULTS
USING FINAL DEMAND MULTIPLIER**

Construction

(b)(4)



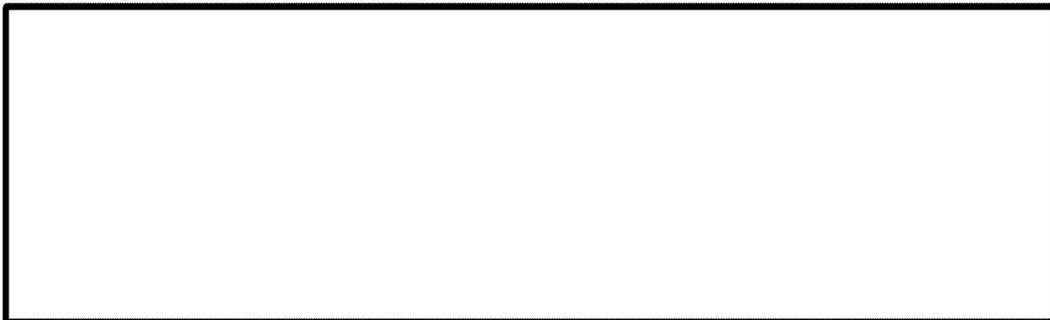
Furniture, Fixtures and Equipment Purchases

(b)(4)



Hotel Operations

(b)(4)



(b)(4)



2-5 GUIDELINES AND METHODOLOGY FOR CONSTRUCTION EMPLOYMENT CREATION

USCIS guidelines state that direct construction jobs lasting less than two years should not be counted for the purpose of determining EB-5 job count. However, the indirect jobs can be counted. The method used to determine indirect employment creation is capital expenditure to determine direct and indirect job creation and then to subtract the direct jobs.

The project will include less than two years of construction. Therefore, direct construction jobs will not be included in the total census. Also, the number of construction jobs must be based upon the capital expended on the "hard costs" of construction and the EB-5 eligible cost of FF&E. Soft costs, such as development fees and permitting are not included. These jobs are calculated as indirect effects within the RIMS II model and to use these costs would be double counting.

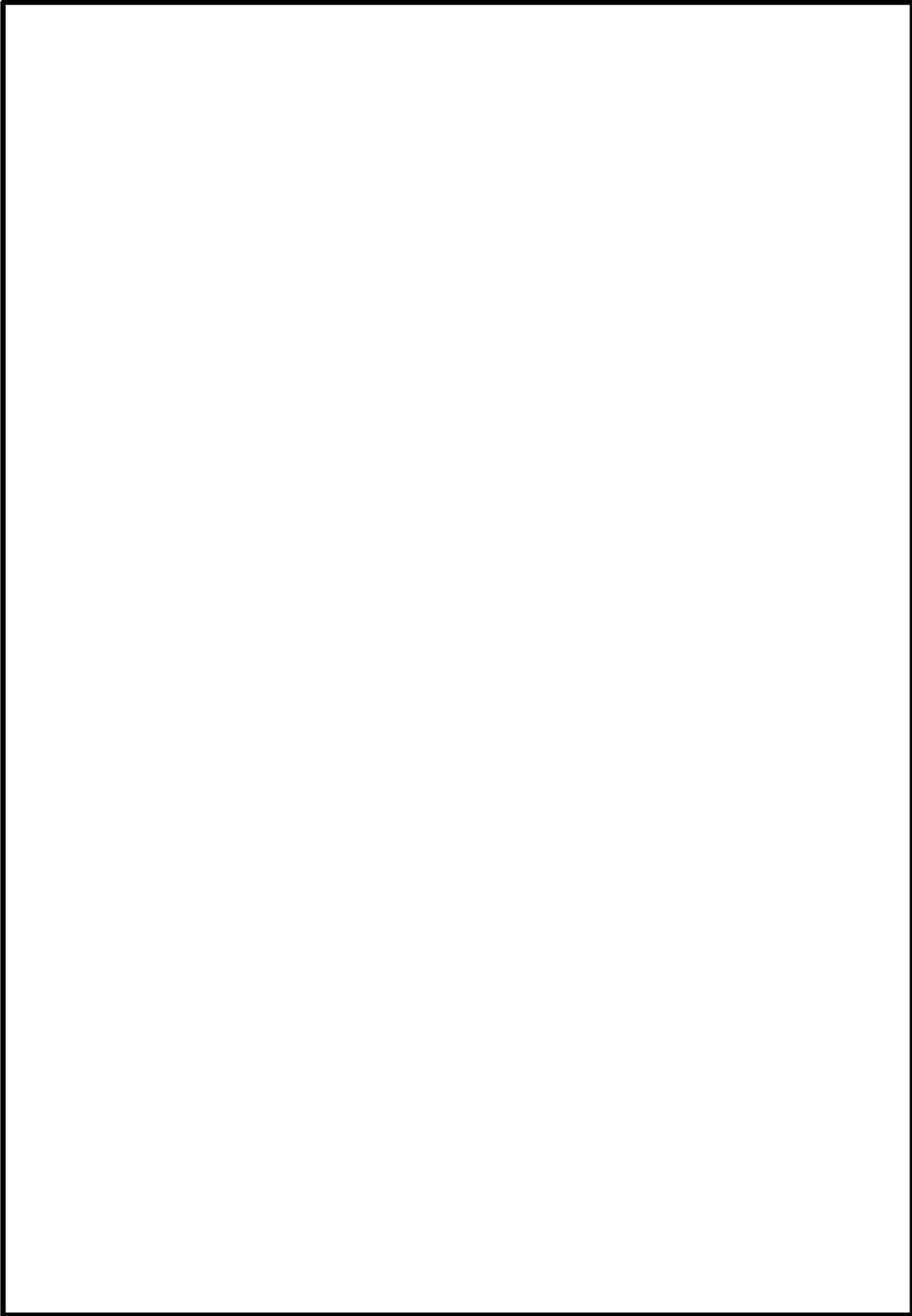
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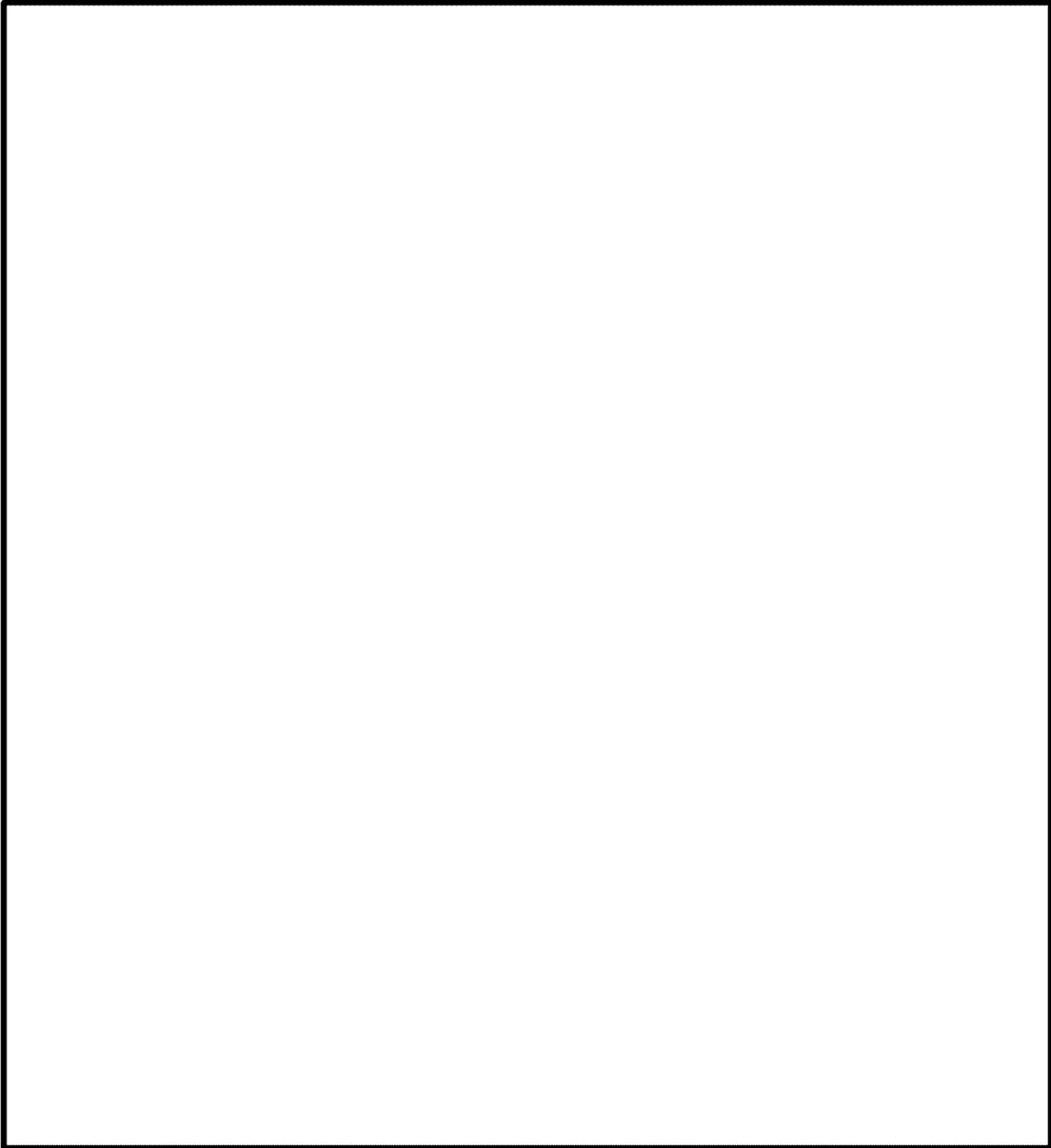
2-6 ECONOMIC IMPACTS OF PROJECT

Construction

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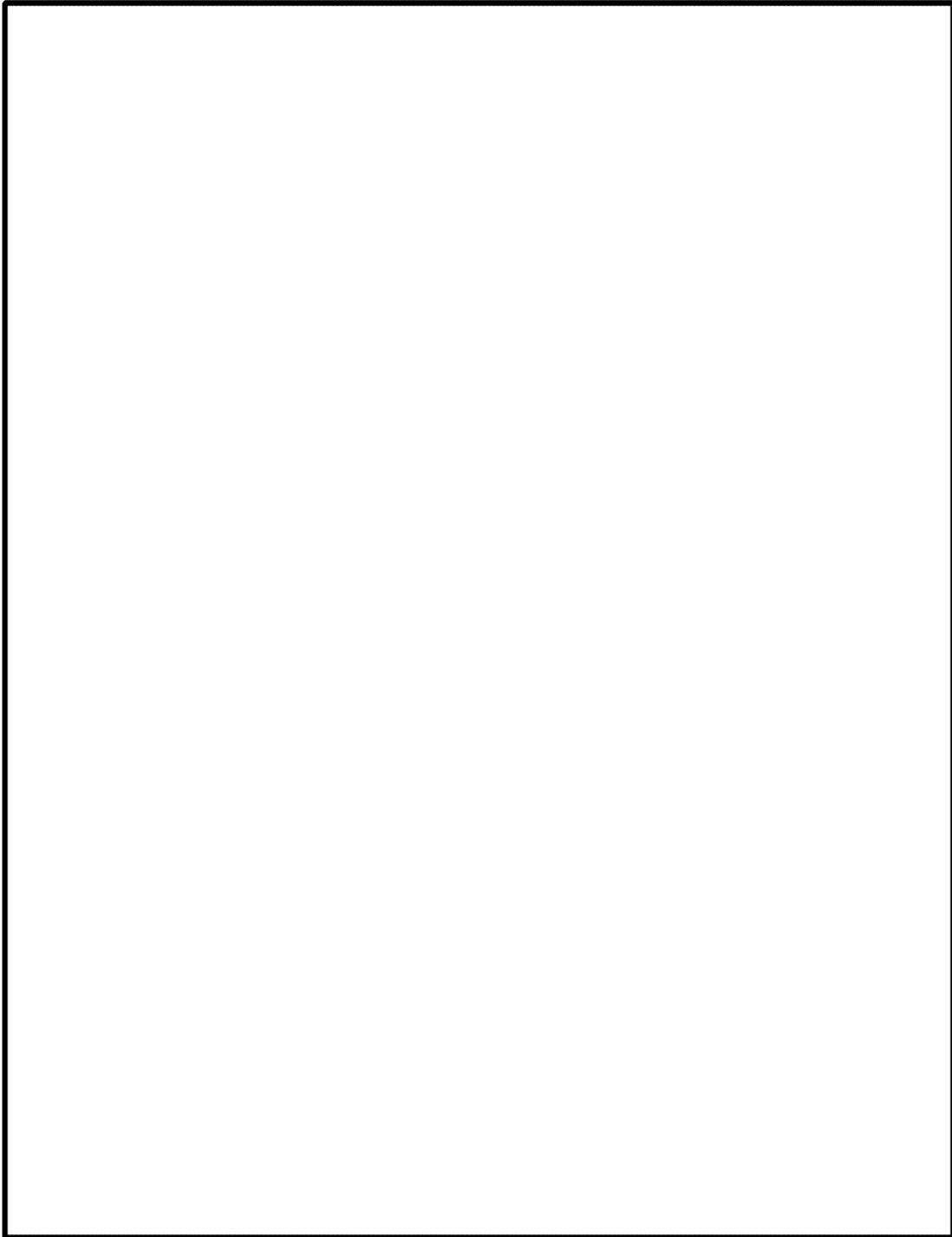


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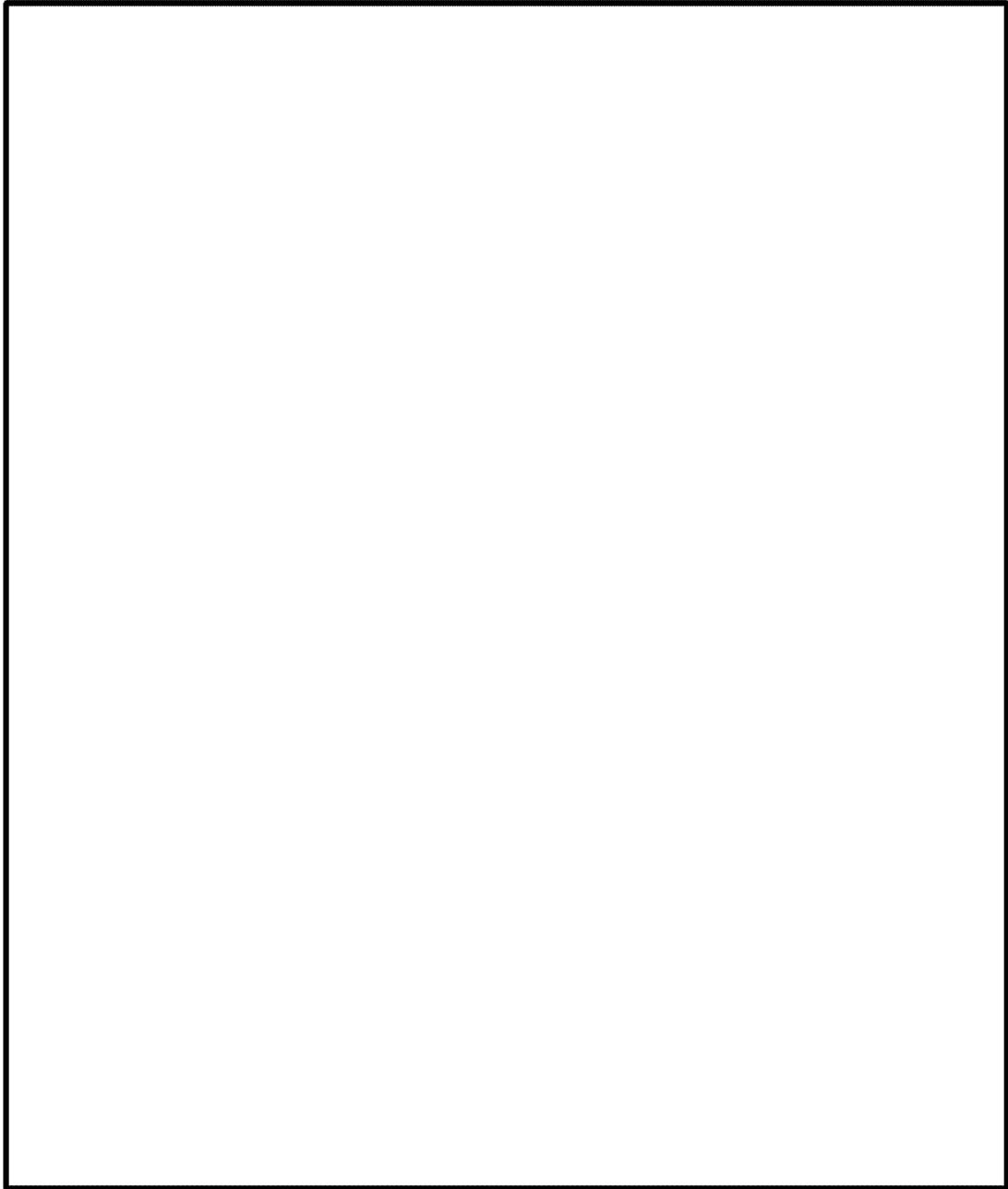


Furniture, Fixtures and Equipment Purchases (EB-5 eligible soft costs)

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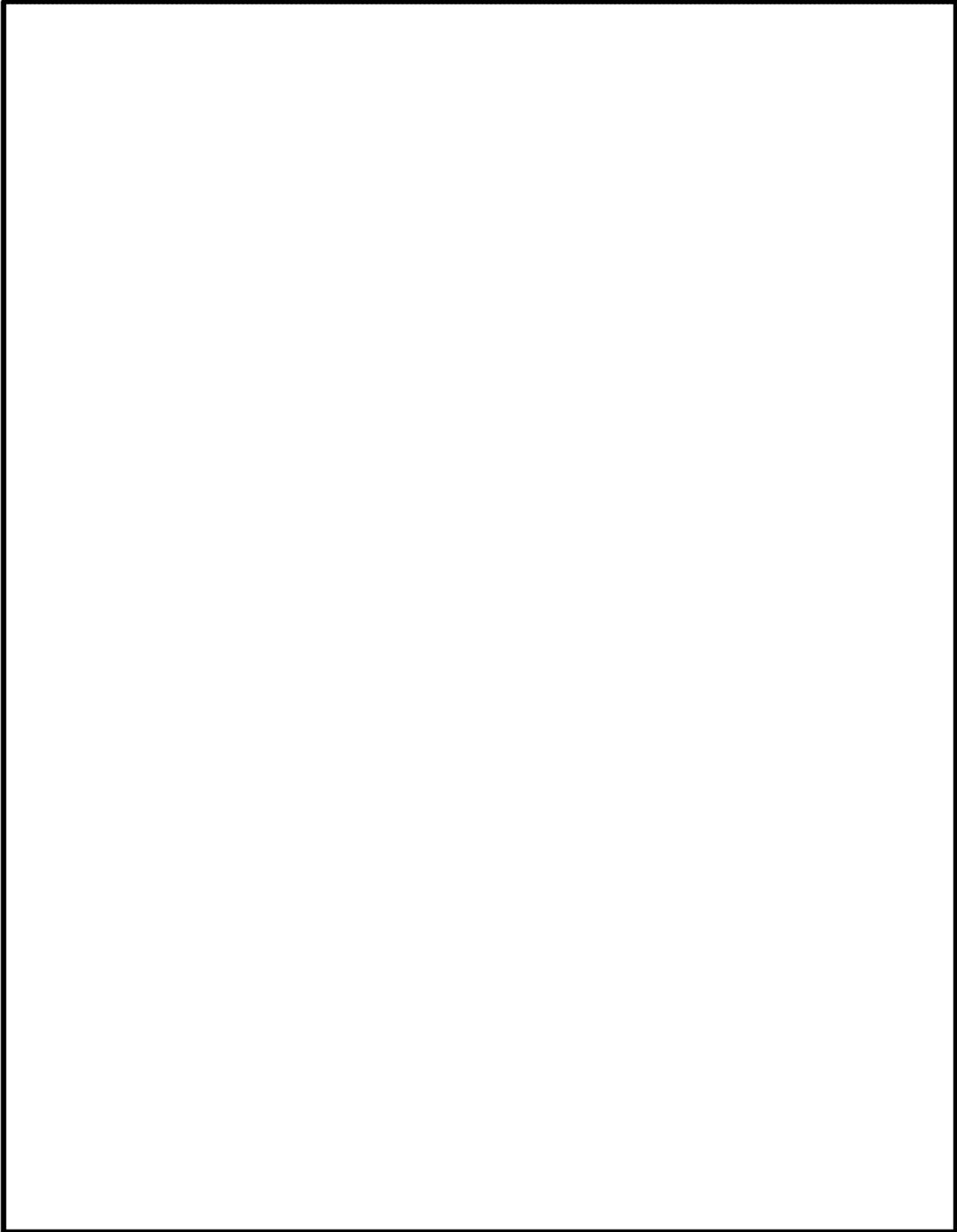


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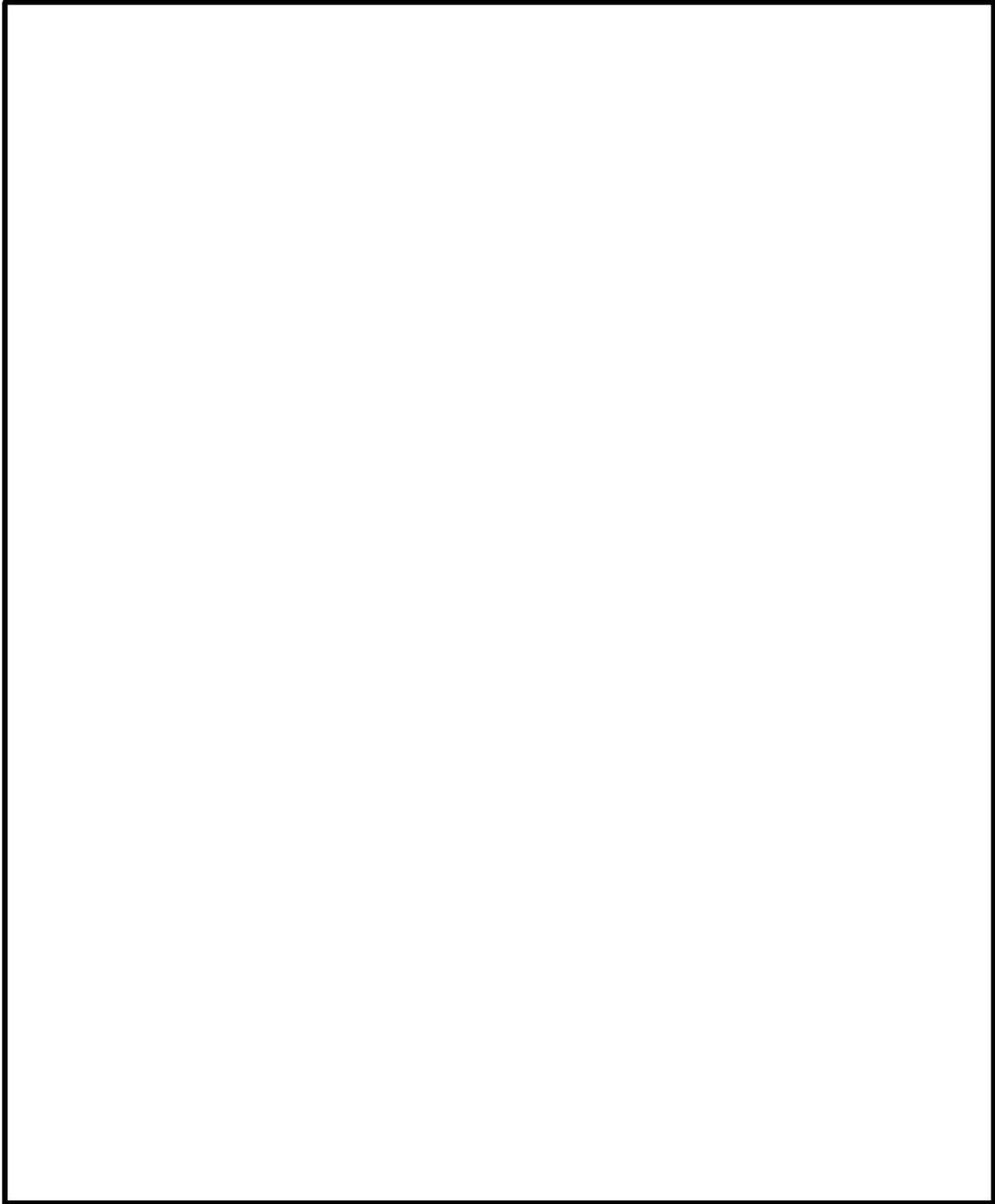


Hotel Operations

(b)(4)



(b)(4)



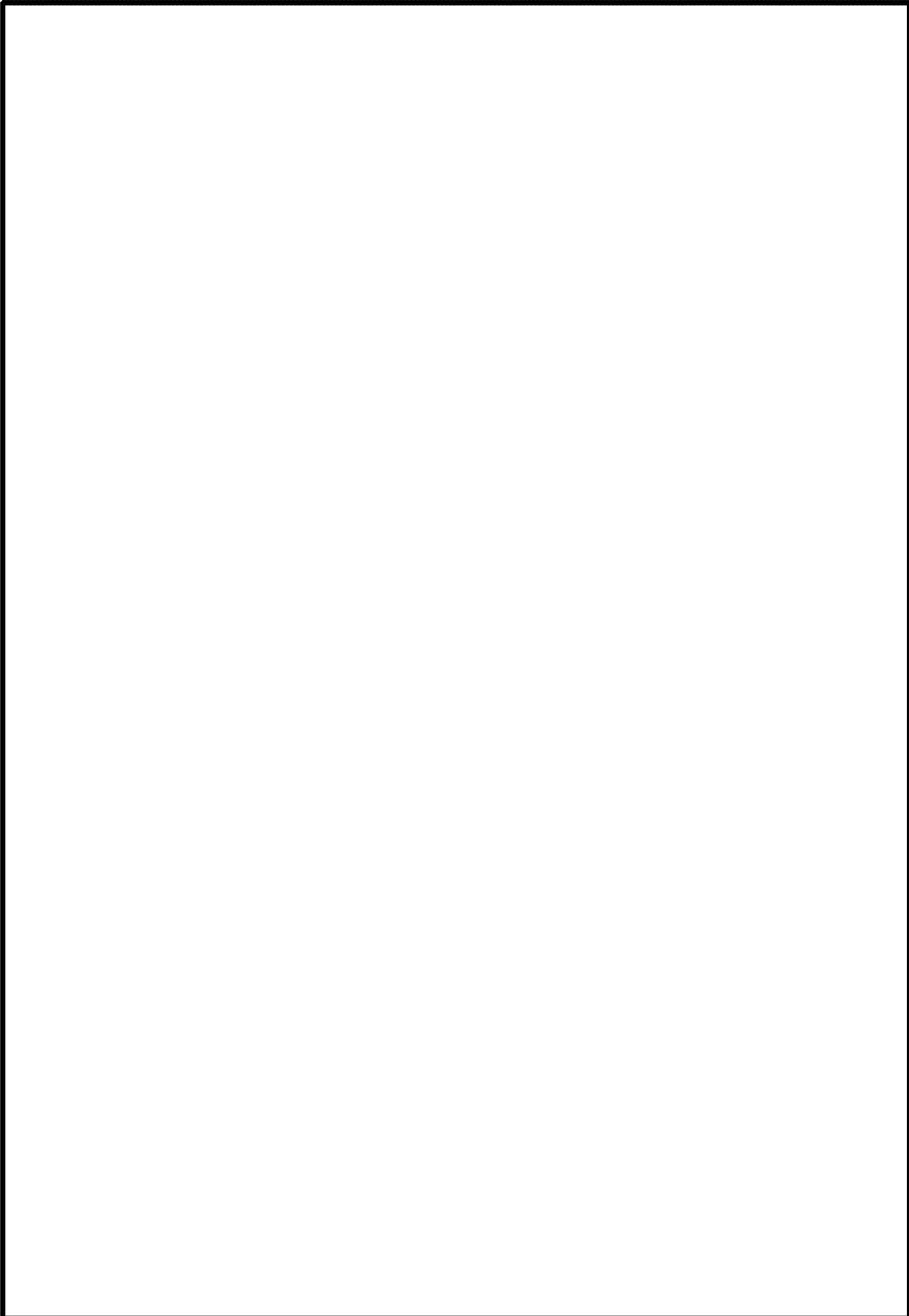
2-7 VERIFICATION OF INPUTS

Building Construction

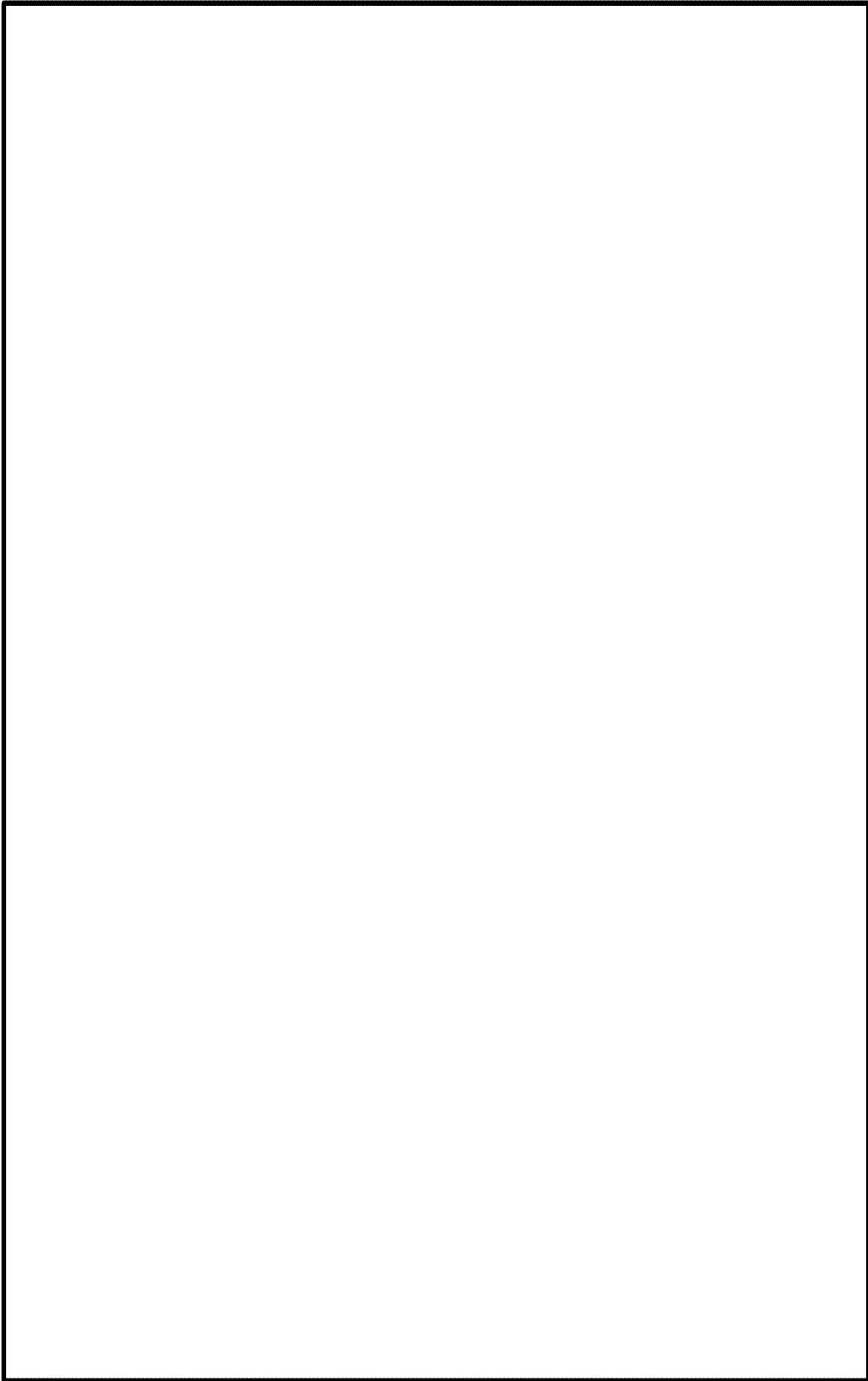
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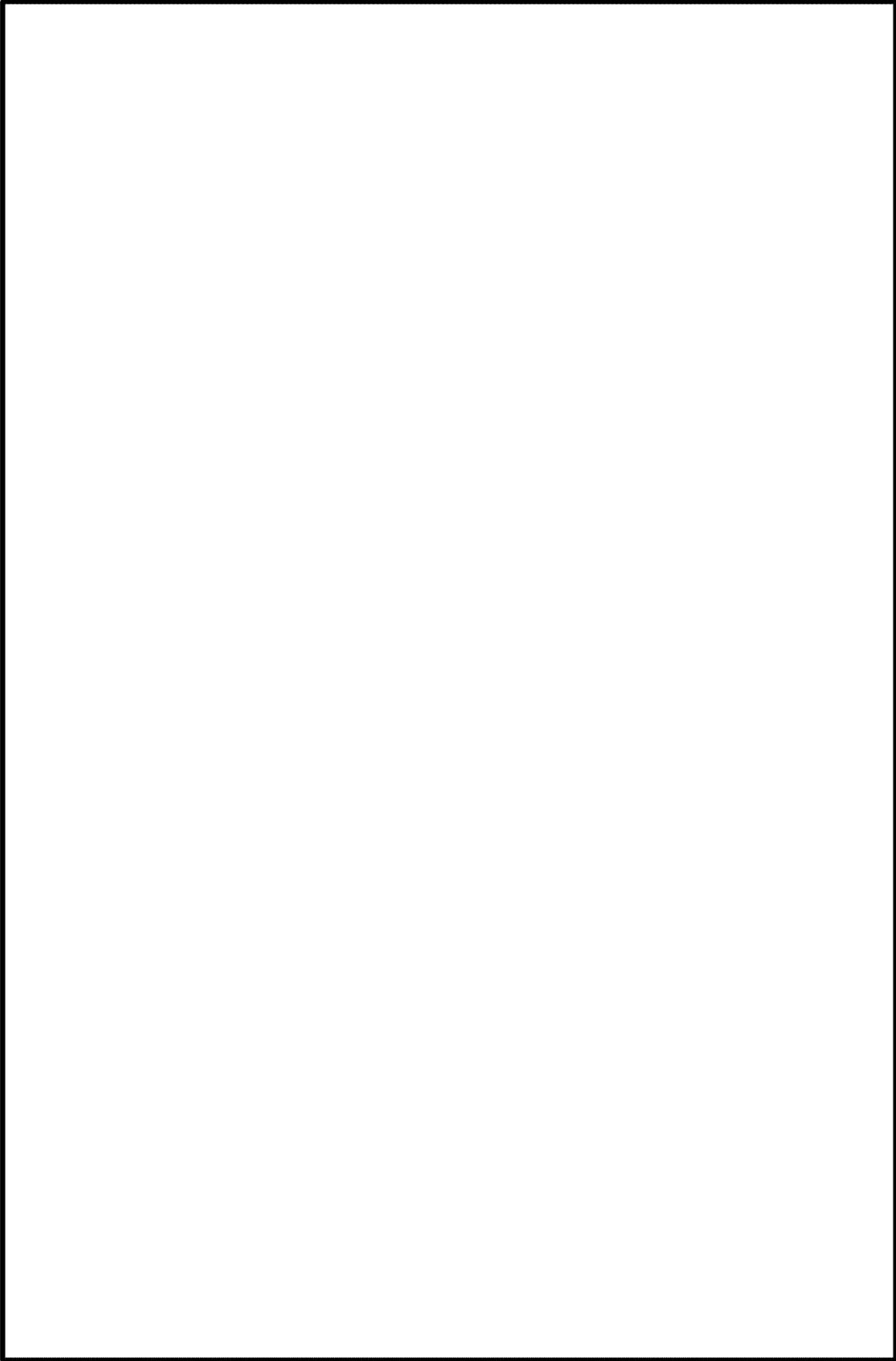
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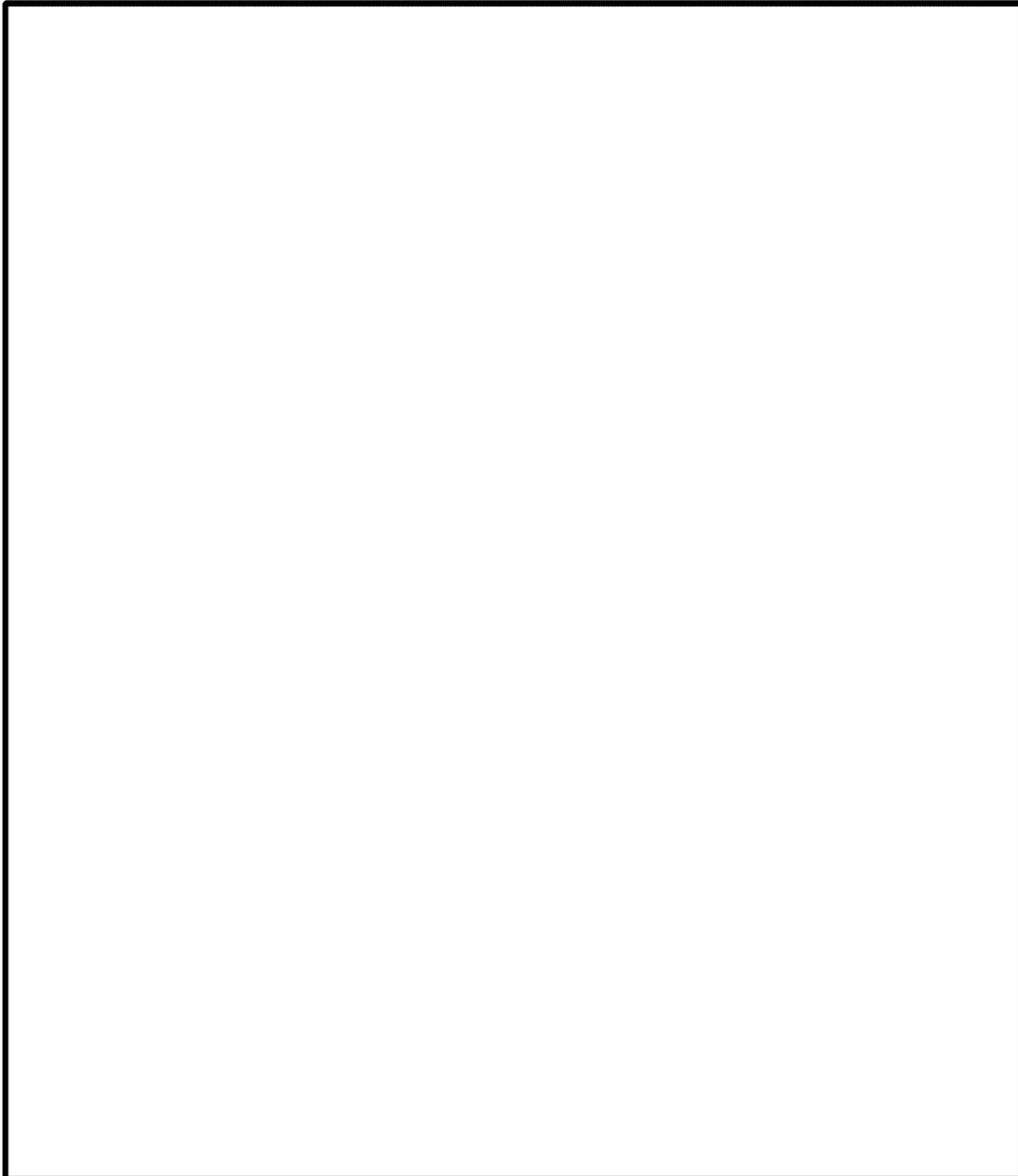


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HVS 2014 Cost Estimating Guide, Upscale Hotels:

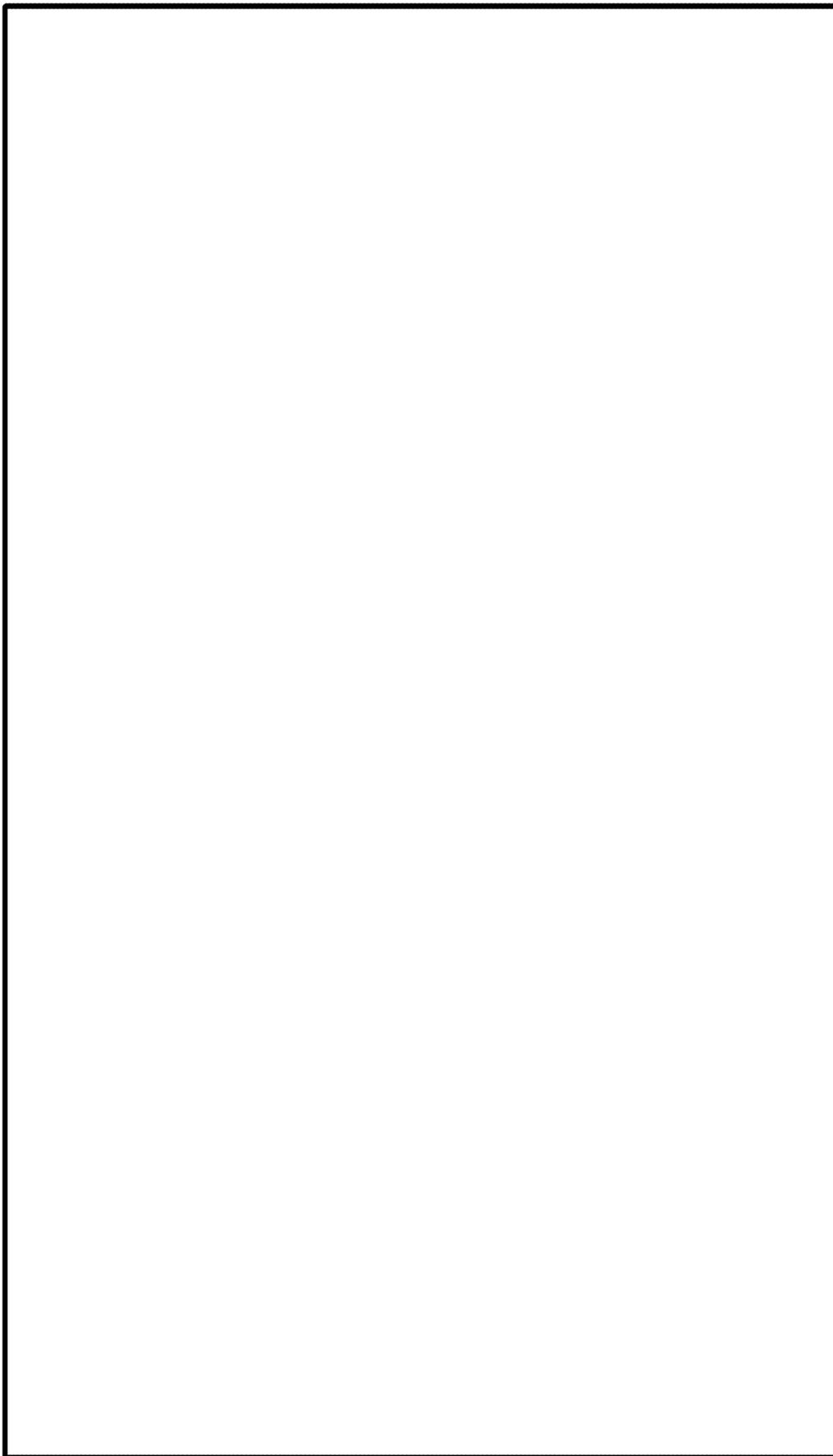
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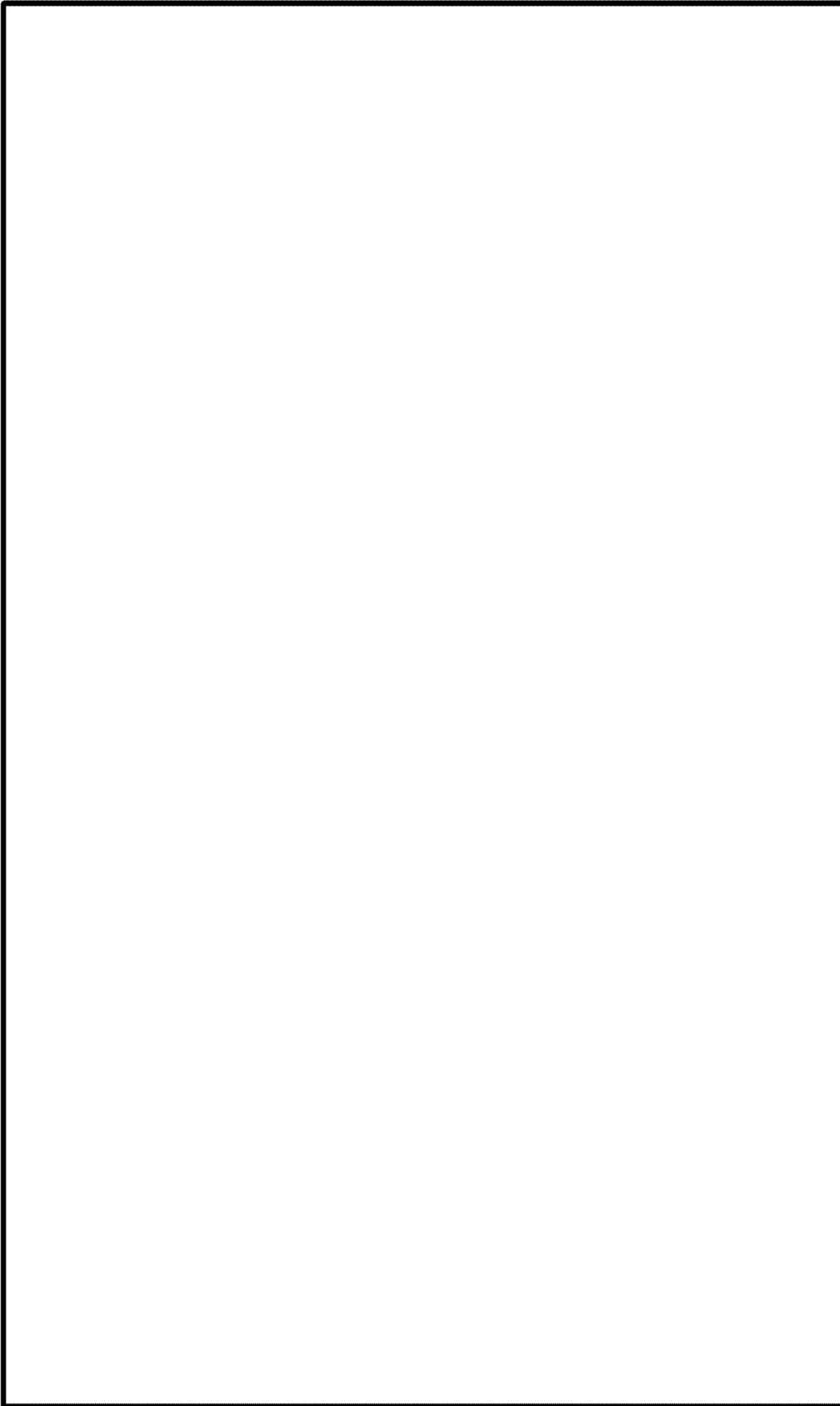
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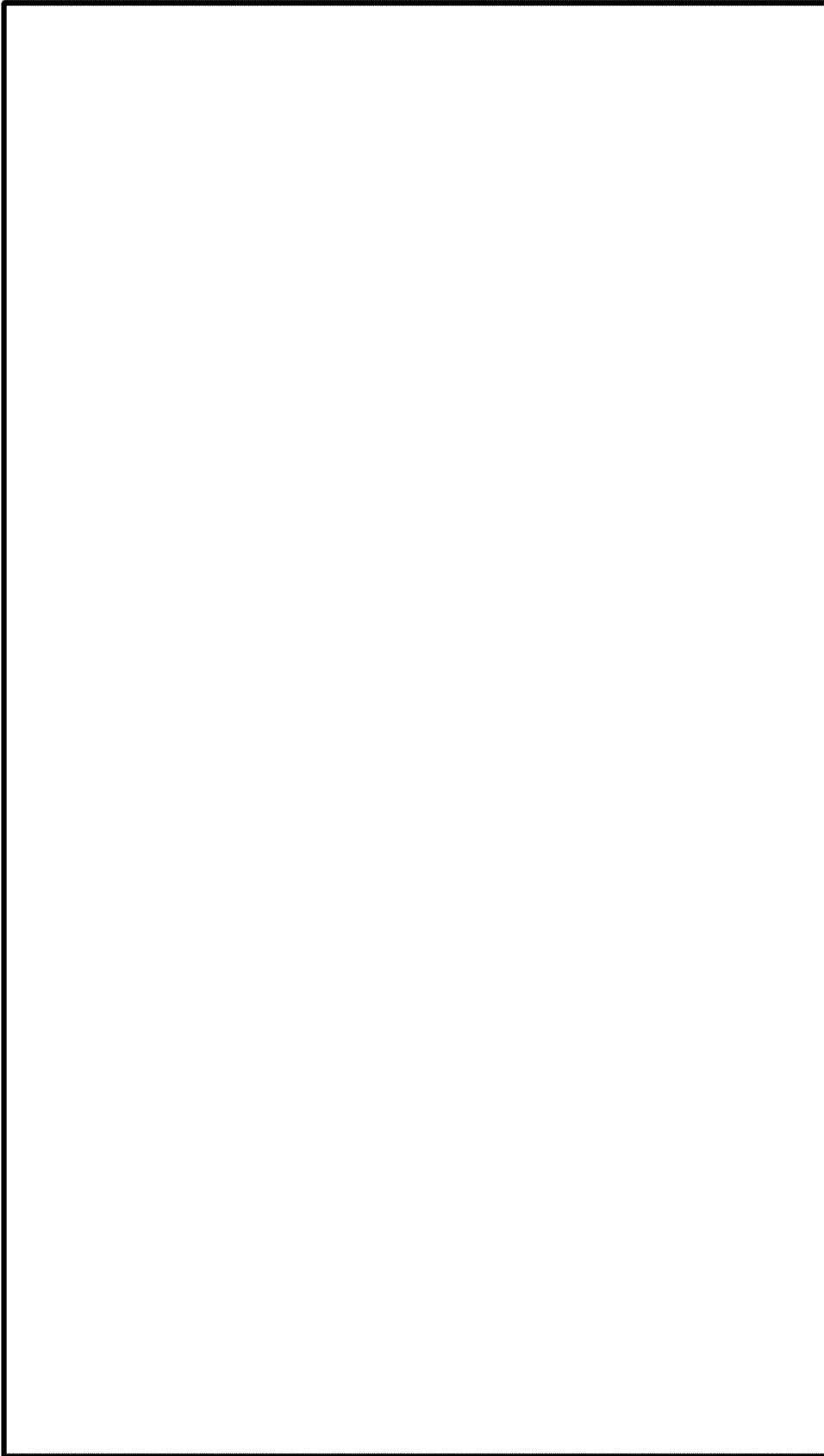
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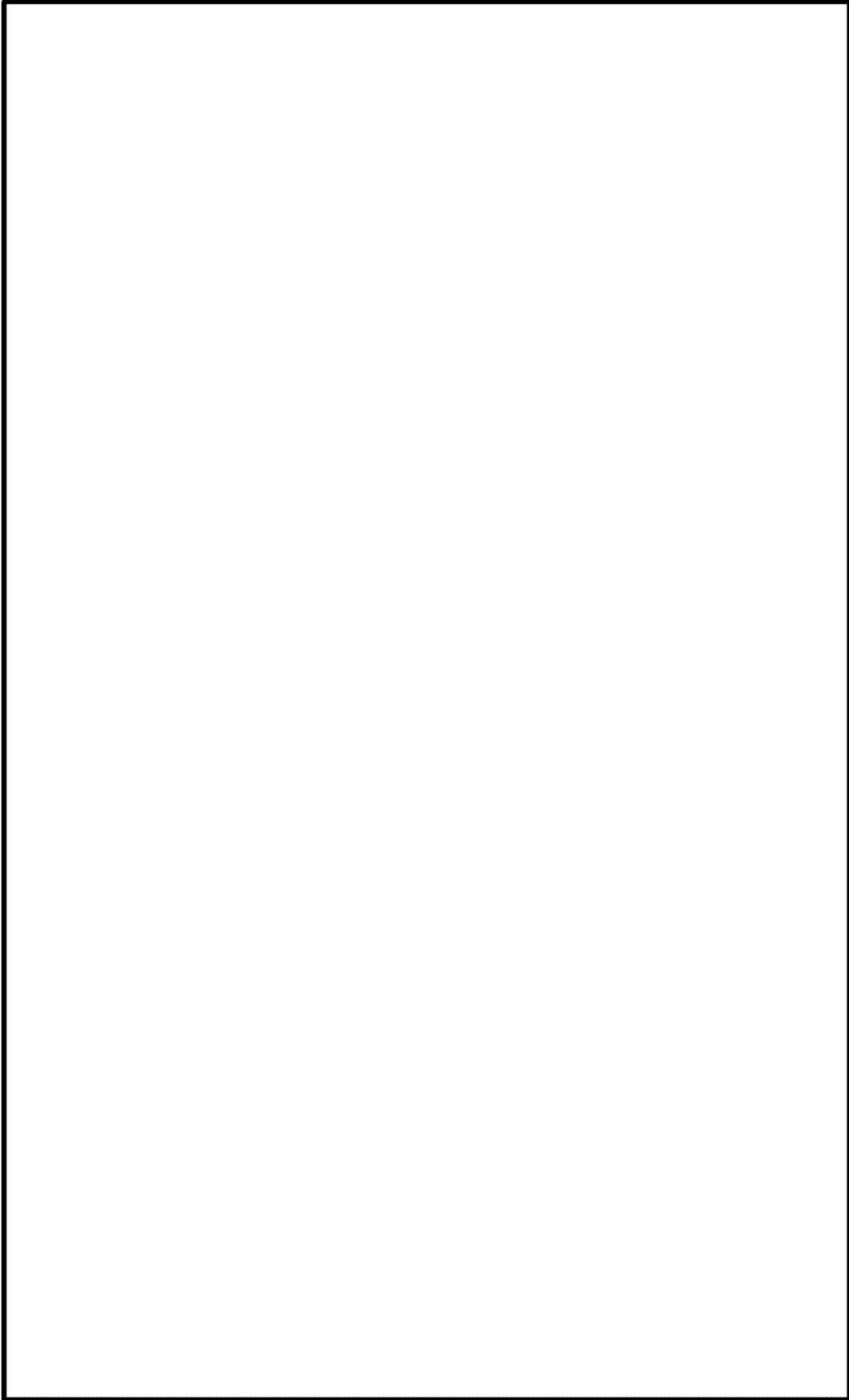
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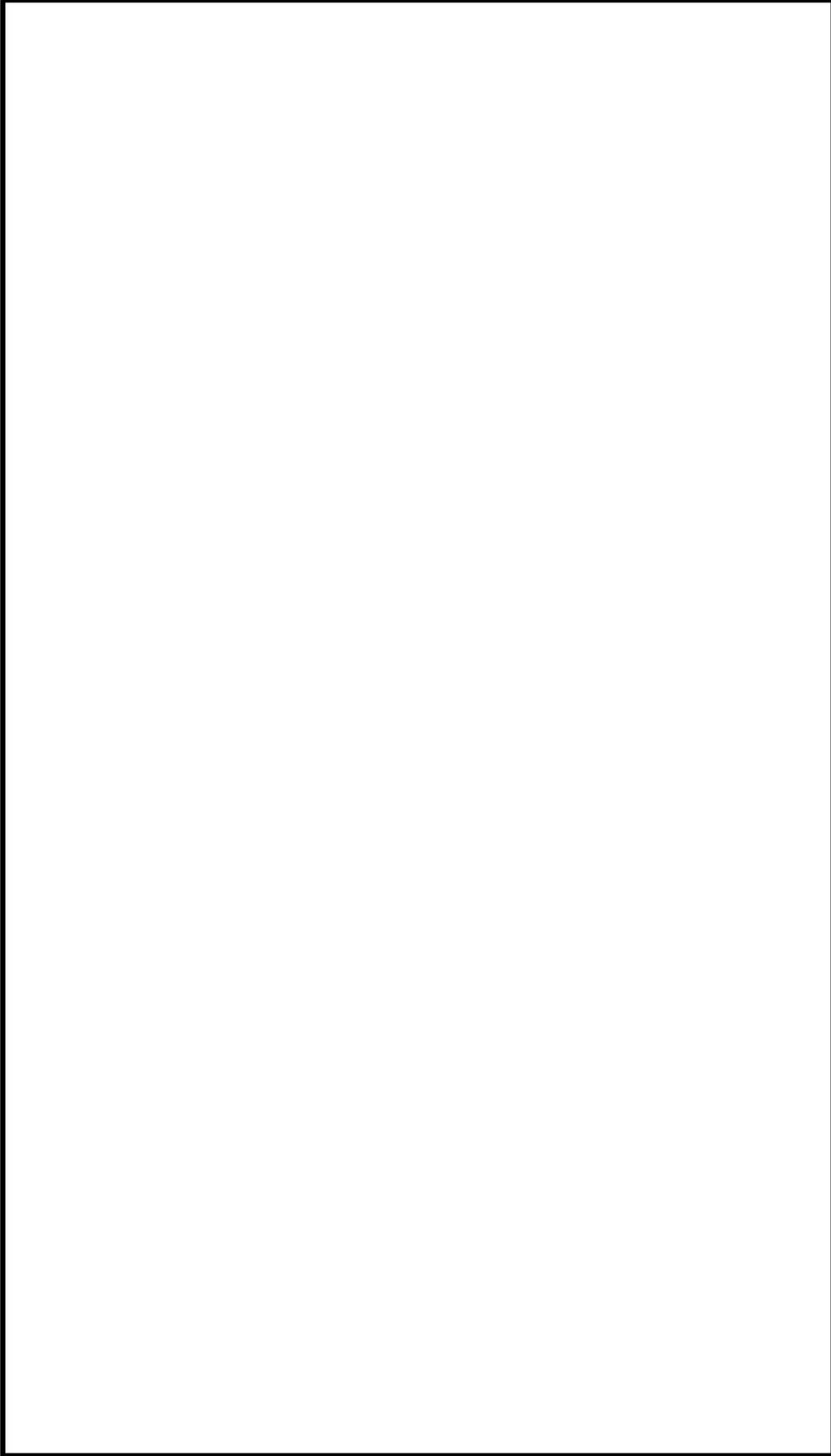
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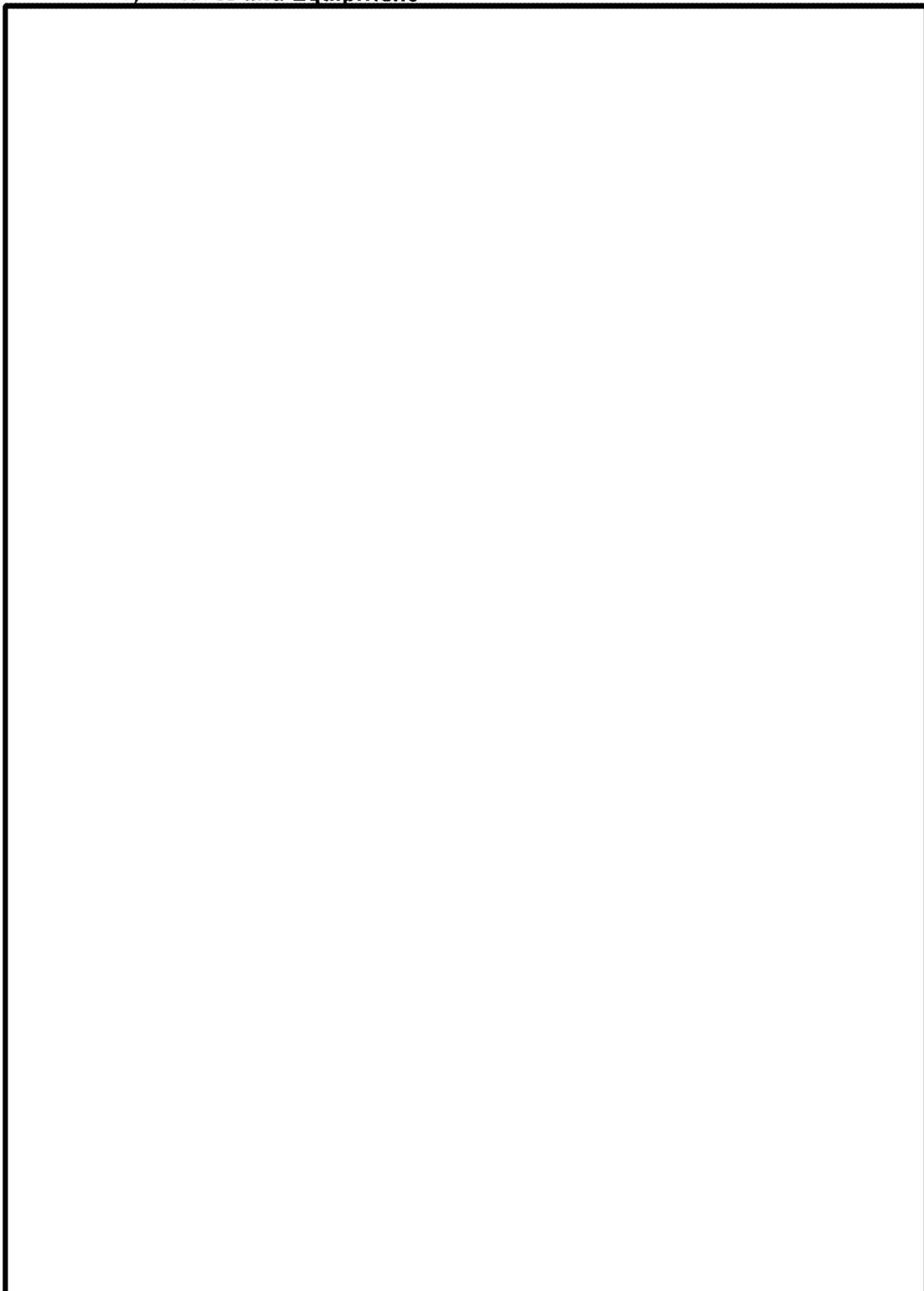


Hotel Costs per Room by Type of Hotel

(b)(4)

A large rectangular box with a black border, completely empty, representing redacted content.

(b)(4) **Furniture, Fixtures and Equipment**



APRC's room rates are also conservative in comparison to the other hotels within the Chicago area:

Average Published Rate—8/06/2014	
<i>Hotel</i>	<i>Daily Rate</i>
Palmer House—A Hilton Hotel	\$229.00
Millennium Knickerbocker Hotel Chicago	\$197.00
Fairmont Chicago Millennium Park	\$246.00
Kinzie Hotel	\$249.00
Allegro Hotel	\$239.00
The James Chicago Hotel	\$269.00
Hyatt Regency Chicago Hotel	\$279.00
Hotel Monaco—Chicago	\$269.00
Omni Chicago Hotel	\$279.00
MileNorth, A Chicago Hotel	\$279.00
Average	\$253.50

Source: Google Search

3. ABOUT RIMS II FINAL DEMAND METHODOLOGY

The following material has been condensed from the RIMS II User Handbook.

INTRODUCTION AND GENERAL COMMENTS

Effective planning for public- and private-sector projects and programs at the State and local levels requires a systematic analysis of the economic impacts of these projects and programs on affected regions. In turn, systematic analysis of economic impacts must account for the inter-industry relationships within regions because these relationships largely determine how regional economies are likely to respond to project and program changes. Thus, regional input-output (I-O) multipliers, which account for inter-industry relationships within regions, are useful tools for conducting regional economic impact analysis.

In the 1970s, the Bureau of Economic Analysis (BEA) developed a method for estimating regional I-O multipliers known as RIMS (Regional Industrial Multiplier System), which was based on the work of Garnick and Drake. In the 1980s, BEA completed an enhancement of RIMS, known as RIMS II (Regional Input-Output Modeling System), and published a handbook for RIMS II users. In 1992, BEA published a second edition of the handbook in which the multipliers were based on more recent data and improved methodology. In 1997, BEA published a third edition of the handbook that provides more detail on the use of the multipliers and the data sources and methods for estimating them.

RIMS II is based on an accounting framework called an I-O table. For each industry, an I-O table shows the industrial distribution of inputs purchased and outputs sold. A typical I-O table in RIMS II is derived mainly from two data sources: BEA's national I-O table, which shows the input and output structure of nearly 500

U.S. industries, and BEA's regional economic accounts, which are used to adjust the national I-O table to show a region's industrial structure and trading patterns.

Using RIMS II for impact analysis has several advantages. RIMS II multipliers can be estimated for any region composed of one or more counties and for any industry, or group of industries, in the national I-O table. The accessibility of the main data sources for RIMS II keeps the cost of estimating regional multipliers relatively low. Empirical tests show that estimates based on relatively expensive surveys and RIMS II-based estimates are similar in magnitude.

BEA's RIMS multipliers can be a cost-effective way for analysts to estimate the economic impacts of changes in a regional economy. However, it is important to keep in mind that, like all economic impact models, RIMS provides approximate order-of-magnitude estimates of impacts. RIMS multipliers are best suited for estimating the impacts of small changes on a regional economy. For some applications, users may want to supplement RIMS estimates with information they gather from the region undergoing the potential change. To use the multipliers for impact analysis effectively, users must provide geographically and industrially detailed information on the initial changes in output, earnings, or employment that are associated with the project or program under study. The multipliers can then be used to estimate the total impact of the project or program on regional output, earnings, and employment.

RIMS II is widely used in both the public and private sector. In the public sector, for example, the Department of Defense uses RIMS II to estimate the regional impacts of military base closings. State transportation departments use RIMS II to estimate the regional impacts of airport construction and expansion. In the private-sector, analysts and consultants use RIMS II to estimate the regional impacts of a variety of projects, such as the development of shopping malls and sports stadiums.

RIMS II METHODOLOGY

RIMS II uses BEA's benchmark and annual I-O tables for the nation. Since a particular region may not contain all the industries found at the national level, some direct input requirements cannot be supplied by that region's industries. Input requirements that are not produced in a study region are identified using BEA's regional economic accounts.

The RIMS II method for estimating regional I-O multipliers can be viewed as a three-step process. In the first step, the producer portion of the national I-O table is made region-specific by using six-digit NAICS location quotients (LQs). The LQs estimate the extent to which input requirements are supplied by firms within the region. RIMS II uses LQs based on two types of data: BEA's personal income data (by place of residence) are used to calculate LQs in the service industries; and BEA's wage-and-salary data (by place of work) are used to calculate LQs in the non-service industries.

In the second step, the household row and the household column from the national I-O table are made region-specific. The household row coefficients, which are derived from the value-added row of the national I-O table, are adjusted to reflect regional earnings leakages resulting from individuals working in the region but residing outside the region. The household column coefficients, which are based on the personal consumption expenditure column of the national I-O table, are adjusted to account for regional consumption leakages stemming from personal taxes and savings. In the last step, the Leontief inversion approach is used to estimate multipliers. This inversion approach produces output, earnings, and employment multipliers, which can be used to trace the impacts of changes in final demand on and indirectly affected industries.

ACCURACY OF RIMS II

Empirical evidence suggests that RIMS II commonly yields multipliers that are not substantially different in magnitude from those generated by regional I-O models based on relatively expensive surveys. For example, a comparison of 224 industry-specific multipliers from survey-based tables for Texas, Washington, and West Virginia indicates that the RIMS II average multipliers overestimate the average multipliers from the survey-based tables by approximately 5%. For the majority of individual industry-specific multipliers within these states, the difference between RIMS II and survey-based multipliers is less than 10%. In addition, RIMS II and survey multipliers show statistically similar distributions of affected industries.

ADVANTAGES OF RIMS II

There are numerous advantages to using RIMS II. First, the accessibility of the main data sources makes it possible to estimate regional multipliers without conducting relatively expensive surveys. Second, the level of industrial detail used in RIMS II helps avoid aggregation errors, which often occur when industries are combined. Third, RIMS II multipliers can be compared across areas because they are based on a consistent set of estimating procedures nationwide. Fourth, RIMS II multipliers are updated to reflect the most recent local-area wage-and-salary and personal income data.

OVERVIEW OF DIFFERENT MULTIPLIERS

RIMS II provides users with five types of multipliers: final demand multipliers for output, for earnings, and for employment; and direct-effect multipliers for earnings and for employment. These multipliers measure the economic impact of a change in final demand, in earnings, or in employment on a region's economy.

The final demand multipliers for output are the basic multipliers from which all other RIMS II multipliers are derived. In this table, each column entry indicates the change in output in each row industry that results from a \$1 change in final demand in the column industry. The impact on each row industry is calculated

by multiplying the final demand change in the column industry by the multiplier for each row. The total impact on regional output is calculated by multiplying the final demand change in the column industry by the sum of all the multipliers for each row except the household row.

RIMS II provides two types of multipliers for estimating the impacts of changes on earnings: final demand multipliers and direct effect multipliers. These multipliers are derived from the table of final demand output multipliers.

The final demand multipliers for earnings can be used if data on final demand changes are available. In the final demand earnings multiplier table, each column entry indicates the change in earnings in each row industry that results from a \$1 change in final demand in the column industry. The impact on each row industry is calculated by multiplying the final demand change in the column industry by the multipliers for each row. The total impact on regional earnings is calculated by multiplying the final demand change in the column industry by the sum of the multipliers for each row.

EMPLOYMENT MULTIPLIERS

RIMS II provides two types of multipliers for estimating the impacts of changes on employment: final demand multipliers and direct effect multipliers. These multipliers are derived from the table of final demand output multipliers.

The final demand multipliers for employment can be used if the data on final demand changes are available. In the final demand employment multiplier table, each column entry indicates the change in employment in each row industry that results from a \$1 million change in final demand in the column industry. The impact on each row industry is calculated by multiplying the final demand change in the column industry by the multiplier for each row. The total impact on regional employment is calculated by multiplying the final demand change in the column industry by the sum of the multipliers for each row.

The direct effect multipliers for employment can be used if the data on the initial changes in employment by industry are available. In the direct effect employment multiplier table, each entry indicates the total change in employment in the region that results from a change of one job in the row industry. The total impact on regional employment is calculated by multiplying the initial change in employment in the row industry by the multiplier for the row.

CHOOSING A MULTIPLIER

The choice of multiplier for estimating the impact of a project on output, earnings, and employment depends on the availability of estimates of the initial changes in final demand, earnings, and employment. If the estimates of the initial changes in all three measures are available, the RIMS II user can select any of the RIMS II multipliers. In theory, all the impact estimates should be consistent. If the available estimates are limited to initial changes in final demand, the user can select a final demand multiplier for impact estimation. If the available estimates are limited to initial changes in earnings or employment, the user can select a direct effect multiplier.

The EB-5 regulations provide that “jobs created indirectly” by a regional center–affiliated business may be credited to foreign investors who made a qualifying investment in the business. To show this job creation, “reasonable” methodologies may be used. 8 CFR§204.6(m)(7). The RIMS II input/output model has been recognized by the USCIS as an acceptable methodology for showing job creation resulting from a regional center–affiliated investment project.

EXHIBIT I

Unemployment Rates in the Project Region

In the following tables, WJ focused on the unemployment rates in the region. The tables highlight the non-seasonally adjusted unemployment rate for the project region (Chicago-Naperville-Joliet (IL-IN-WI) MSA) and location (Cook County, Illinois). The annual unemployment level for the region at the beginning of 2012 was 458,376, with an unemployment rate of 9.5 percent. This number declined to 336,736 persons and 6.8 percent as of July 2014.

Project Region (Chicago-Naperville-Joliet (IL-IN-WI) Metropolitan Statistical Area)					
<i>Year</i>	<i>Period</i>	<i>Labor Force</i>	<i>Employment</i>	<i>Unemployment</i>	<i>Unemployment Rate %</i>
2012	Jan	4,822,778	4,364,402	458,376	9.5
2012	Feb	4,850,090	4,401,748	448,342	9.2
2012	Mar	4,849,219	4,412,644	436,575	9.0
2012	Apr	4,842,826	4,422,500	420,326	8.7
2012	May	4,868,408	4,445,145	423,263	8.7
2012	Jun	4,960,133	4,491,463	468,670	9.4
2012	Jul	4,949,325	4,486,262	463,063	9.4
2012	Aug	4,885,538	4,447,289	438,249	9.0
2012	Sep	4,874,973	4,471,612	403,361	8.3
2012	Oct	4,891,548	4,477,139	414,409	8.5
2012	Nov	4,873,976	4,465,633	408,343	8.4
2012	Dec	4,886,881	4,454,160	432,721	8.9
2013	Jan	4,884,567	4,394,204	490,363	10.0
2013	Feb	4,893,854	4,412,768	481,086	9.8
2013	Mar	4,867,605	4,416,552	451,053	9.3
2013	Apr	4,868,634	4,434,110	434,524	8.9
2013	May	4,906,410	4,463,208	443,202	9.0
2013	Jun	4,993,489	4,501,157	492,332	9.9
2013	Jul	4,979,961	4,511,444	468,517	9.4
2013	Aug	4,913,333	4,473,157	440,176	9.0
2013	Sep	4,881,755	4,469,336	412,419	8.4
2013	Oct	4,867,122	4,454,886	412,236	8.5
2013	Nov	4,888,367	4,485,209	403,158	8.2
2013	Dec	4,872,418	4,469,883	402,535	8.3
2014	Jan	4,863,348	4,443,196	420,152	8.6
2014	Feb	4,889,741	4,447,954	441,787	9.0
2014	Mar	4,895,307	4,496,903	398,404	8.1
2014	Apr	4,846,411	4,491,109	355,302	7.3
2014	May	4,860,207	4,512,079	348,128	7.2
2014	Jun	4,933,277	4,583,244	350,033	7.1
2014	Jul	4,943,946	4,607,210	336,736	6.8

Project Location (Cook County, Illinois)					
<i>Year</i>	<i>Period</i>	<i>Labor Force</i>	<i>Employment</i>	<i>Unemployment</i>	<i>Unemployment Rate %</i>
2012	Jan	2,567,370	2,319,172	248,198	9.7
2012	Feb	2,580,923	2,341,253	239,670	9.3
2012	Mar	2,583,441	2,347,689	235,752	9.1
2012	Apr	2,583,352	2,348,716	234,636	9.1
2012	May	2,595,792	2,357,178	238,614	9.2
2012	Jun	2,639,520	2,377,411	262,109	9.9
2012	Jul	2,639,161	2,378,263	260,898	9.9
2012	Aug	2,606,640	2,357,337	249,303	9.6
2012	Sep	2,601,368	2,370,690	230,678	8.9
2012	Oct	2,610,885	2,373,315	237,570	9.1
2012	Nov	2,601,419	2,369,166	232,253	8.9
2012	Dec	2,603,664	2,363,618	240,046	9.2
2013	Jan	2,603,380	2,337,534	265,846	10.2
2013	Feb	2,609,437	2,348,343	261,094	10.0
2013	Mar	2,593,561	2,348,132	245,429	9.5
2013	Apr	2,596,515	2,353,612	242,903	9.4
2013	May	2,619,691	2,365,130	254,561	9.7
2013	Jun	2,663,257	2,382,876	280,381	10.5
2013	Jul	2,658,665	2,390,550	268,115	10.1
2013	Aug	2,625,461	2,371,287	254,174	9.7
2013	Sep	2,609,378	2,370,696	238,682	9.1
2013	Oct	2,597,852	2,360,765	237,087	9.1
2013	Nov	2,608,719	2,379,027	229,692	8.8
2013	Dec	2,596,461	2,371,866	224,595	8.7
2014	Jan	2,586,754	2,358,656	228,098	8.8
2014	Feb	2,600,735	2,361,183	239,552	9.2
2014	Mar	2,605,175	2,389,410	215,765	8.3
2014	Apr	2,571,912	2,374,077	197,835	7.7
2014	May	2,581,518	2,384,668	196,850	7.6
2014	Jun	2,618,078	2,422,348	195,730	7.5
2014	Jul	2,626,059	2,436,869	189,190	7.2