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)*: Klasko

1.b. Given Name *(First Name)*: H

1.c. Middle Name: Ronald

2. Name of Law Firm or Recognized Organization: Klasko Rulon Stock Seltzer LLP

3. Name of Law Student or Law Graduate:

4. State Bar Number: PA 20384

5.a. Street Number: 1800

5.b. Street Name: John F Kennedy Boulevard

5.c. Apt. ☐ Ste. ☒ Flr. ☐ 1700

5.d. City or Town: Philadelphia

5.e. State: PA **5.f.** Zip Code: 19103

5.g. Postal Code:

5.h. Province:

5.i. Country: United States

6. Daytime Phone Number (215) 825 - 8600

7. E-Mail Address of Attorney or Accredited Representative: rklasko@klaskolaw.com

Part 2. Eligibility Information For Attorney or Accredited Representative

(Check applicable items(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. Pennsylvania

1.b. I *(choose one)* ☒ *am not* ☐ *am* subject to any order of any court or administrative agency disbarring, 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. [X] USCIS - List the form number(s)

1.a. I-924

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:** [X] Applicant [ ] Petitioner [ ] Respondent (ICE, CBP)

Name of Applicant, Petitioner, or Respondent

5.a. Family Name *(Last Name)* Healey

5.b. Given Name *(First Name)* Lori

5.c. Middle Name

5.d. Name of Company or Organization, if applicable

Tur Partners Metropolitan

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 900 N Michigan Avenue

6.b. Apt. [ ] Ste. [X] Flr. [ ] 1720

6.c. City or Town Chicago

6.d. State IL 6.e. Zip Code 60611

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

Lori Healey

8.b. Date *(mm/dd/yyyy)* ▶ 11/12/2013

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)* ▶ 11/07/2013

Part 5. Additional Information

1. The full name of the Applicant's company is: Tur Partners Metropolitan Regional Center LLC.

OMB No. 1615-0061; Expires 01/31/2015

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

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

Do Not Write in This Block - for USCIS Use Only (except G-28 block below)	
Action Block U.S. Department of Homeland Security APPROVED JUL 17 2014 7344 U.S. Citizenship and Immigration Services	Fee Receipt RCW1332451293 egarcia2 I924 11/20/2013 ☒ G-28 attached Attorney's State License No. PA 20384

C30056

Part 1. Information About Principal of the Regional Center

Name: Last	First	Middle
Healey	Lori	

C/O: Tur Partners Metropolitan Regional Center LLC

Street Address/P.O. Box: 900 N. Michigan Avenue, Suite 1720

City: Chicago	State: IL	Zip Code: 60611

Date of Birth (mm/dd/yyyy):	Fax Number (include area code): (312) 212-3001	Telephone Number (include area code): (312) 506-6950

Web site address: (b)(6)

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: Tur Partners Metropolitan Regional Center LLC

Street Address/P.O. Box: 900 N. Michigan Avenue, Suite 1720

City: Chicago	State: IL	Zip Code: 60611

Web site address:	Fax Number (include area code):	Telephone Number (include area code):
	(312) 212-3001	(312) 506-6950

Part 3. Information About the Regional Center *(Continued)*

B. Name of Managing Company/Agency: Tur Partners LLC

Street Address/P.O. Box: 900 N Michigan Avenue, Suite 1720

City: Chicago	State: IL	Zip Code: 60611
Web site address: www.turpartners.com	Fax Number (include area code): (312) 212-3001	Telephone Number (include area code): (312) 506-6950

C. Name of Other Agent:

Street Address/P.O. Box:

City:	State:	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.)

Lori Healey will be the Regional Center's Managing Principal while Richard M. Daley will serve as the Executive Chairman. The Regional Center will be located at 900 N. Michigan Avenue, Suite 1720, Chicago, IL 60611. Phone:(312)506-6950.

Other Regional Center Principals include:

Patrick R. Daley - Date of Birth: [redacted] (b)(6)
Sourna Daneshvar - Date of Birth: [redacted]
A. Joshua Strickland - Date of Birth: [redacted]

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.

Tur Partners Metropolitan Regional Center LLC is a Delaware Limited Liability Company formed on October 14, 2013. The Managing Principal of the regional center is Lori Healey and the Executive Chairman is Richard M. Daley. See Section V of the attached Business and Operations Plan for a list of additional principals and the relevant regional center ownership structure.

b. Date the Regional Center was established(mm/dd/yyyy): 10/14/2013

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.

See the attached Regional Center Business and Operations Plan for the relevant geographic map. The proposed territory is comprised of the 14-county area known as the Chicago Metropolitan Statistical Area ("MSA"), which in turn is comprised of 3 Metropolitan Divisions ("MD"). The list of counties include: the Chicago-Aurora-Juliet, IL MD counties of Cook, DeKalb, DuPage, Grundy, Kane, Kendall, McHenry, and Will; the Gary, IN MD counties of Jasper, Lake, Newton, and Porter; and the Lake County-Kenosha County, IL-WI MD counties of Lake and Kenosha.

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 Regional Center will engage in oversight and administration of investment activities pursuant to its responsibilities under the regulations. The Regional Center will maintain an automated case management system that will track, monitor, and store relevant investor information, e.g. name, date of birth, petition receipt number, alien registration number, contact information, copies of approval notices, etc. The Regional Center will also track each investor's investment, relevant industry codes, job creation, and other data required to be maintained for reporting to USCIS. The Regional Center will also manage the allocation of created jobs among investors. See Section XII of the attached Business and Operations Plan for a complete description.

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.

The Regional Center and its projects will be marketed through a variety of means, including trade show exhibitions, promotional materials, overseas brokers and agents, the personal and professional network of the regional center's principals, and their respective affiliates and partners located abroad. Marketing will be done in accordance with U.S. securities laws. A marketing plan is included in Section X and a projected marketing budget is detailed in Section VII of the attached Business and Operations Plan.

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.

The Regional Center will screen each investor to ensure that the investor is an accredited investor under U.S. securities laws, is making the investment on his or her own behalf, and is investing funds acquired from a lawful source. Investors will be required to complete a questionnaire and submit documentation of the lawful source of their funds. The lawful source of funds will be further vetted by the escrow agent and bank in accordance with U.S. PATRIOT Act requirements, review by the Regional Center, and review by each investor's immigration attorney. See the Business and Operations Plan.

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

Industry Category	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?
Industry Category Title: Nonresidential Building Construction NAICS Code for the Industry Category: 2 3 6 2	☐ No - Attach an explanation ☒ Yes
Industry Category Title: NAICS Code for the Industry Category:	☐ No - Attach an explanation ☐ Yes
Industry Category Title: NAICS Code for the Industry Category:	☐ No - Attach an explanation ☐ Yes

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.

Foreign investors will invest in a hypothetical entity called Project Lender, LP, a New Commercial Enterprise ("NCE"). Note, because the regional center application is supported by a hypothetical project, the NCE has not been formed. Investors will be Limited Partners in the Partnership. The L.P. will be managed by its General Partner, [redacted] EB5 GP, LLC (another hypothetical entity) which in turn will be wholly or majority-owned by Tur Partners LLC. The principals of the regional center are affiliated with Tur Partners LLC. See the attached Project Business Plan for additional details. (b)(4)

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?

See attached.

☐ 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? See attached.

☐ 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 compete **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.

Signature of Applicant	Daytime Phone Number *(Area/Country Codes)*	Date *(mm/dd/yyyy)*
Lori Healey	(312) 506-6950	11/12/2013
Printed Name of Applicant (b)(6)	**E-Mail Address**	
Lori Healey	[redacted]	
Relationship to the Regional Center Entity (Managing Member, President, CEO, etc.)		
Managing Principal		

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**	**Date** *(mm/dd/yyyy)*
[signature]	H. Ronald Klasko	11/07/2013

Firm Name and Address
Klasko Rulon Stock & Seltzer, LLP
1800 John F. Kennedy Blvd, Suite 1700
Philadelphia, PA 19103

Daytime Phone Number *(Area/Country Codes)*	**Fax Number** *(Area/ Country Codes)*	**E-Mail Address**
(215) 825-8600	(215) 825-8699	rklasko@klaskolaw.com

Tur Partners Metropolitan Regional Center, LLC
Application for Regional Center Designation

Addendum to I-924

Part 3, Question 8d (b)(4)

The New Commercial Enterprise will consist of up to [redacted] Limited Partners and will be managed by one General Partner, [redacted] GP, LLC. The General Partner will either be wholly or majority-owned by Tur Partners, LLC. The General Partner will have exclusive management and control over all aspects of the Partnership's business, including the oversight and administration of the Loan made to the New Commercial Enterprise. The principals and executive management for the General Partner include Lori Healey, who also serves as the managing principal for the Regional Center, and Richard Daley, who serves as the executive chairman.

Lori J. Healey
11/12/13

Klasko, Rulon, Stock & Seltzer, LLP
Practice limited to Immigration and Nationality Law

PHILADELPHIA • NEW YORK

KLASKO
Immigration and Nationality Law

November 19, 2013

VIA FedEx

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

Re: Form I-924, Application for Regional Center Designation of Tur Partners Metropolitan Regional Center, LLC

I-526 *Hypothetical* Petition Attached[1]

Dear Officer:

On behalf of Tur Partners Metropolitan Regional Center LLC ("TPMRC"), it is our pleasure to enclose for your review, and favorable consideration, an Application for Regional Center Designation under §203(b)(5) of the *Immigration & Nationality Act* and Section 610 of the Appropriations Act of 1993.

Pursuant to 8 CFR 204.6(m), each regional center wishing to participate in the Immigrant Investor Pilot Program shall submit a proposal to the Assistant Commissioner for Adjudications, which:

(i) Clearly describes how the regional center focuses on a geographical region of the United States, and how it will promote economic growth through increased export sales, improved regional productivity, job creation, and increased domestic capital investment;

[1] Note, according to the May 30, 2013 EB-5 Adjudications Policy Memorandum ("Policy Memo"), "general proposals and general predictions may be sufficient to determine that the regional center will more likely than not promote economic growth, improved regional productivity, job creation, and increased domestic capital investment." The Policy Memo further states that "[o]rganizational and transactional documents submitted with a Form I-924 hypothetical project will not be reviewed to determine compliance with program requirements since these documents will receive de novo review in subsequent filings," As a result, TPMRC has not retained counsel to draft transactional documents for this hypothetical filing. TPMRC has, however, submitted other detailed project documents and made general predictions regarding the impact of a hypothetical project within its requested geographic region. It should further be noted that the EB-5 project described in this proposal is a real project that is still in its preliminary stages.

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(ii) Provides in verifiable detail how jobs will be created indirectly through increased exports;
(iii)Provides a detailed statement regarding the amount and source of capital which has been committed to the regional center, as well as a description of the promotional efforts taken and planned by the sponsors of the regional center;
(iv)Contains a detailed prediction regarding the manner in which the regional center will have a positive impact on the regional or national economy in general as reflected by such factors as increased household earnings, greater demand for business services, utilities, maintenance and repair, and construction both within and without the regional center; and
(v) Is supported by economically or statistically valid forecasting tools, including, but not limited to, feasibility studies, analyses of foreign and domestic markets for the goods or services to be exported, and/or multiplier tables.

TPMRC is seeking designation as a Regional Center by USCIS and seeking eligibility to offer EB-5-compliant capital investment opportunities in new commercial enterprises within the defined target industry economic cluster of NAICS 2362 (Nonresidential Building Construction).

The geographical area for which TPMRC is seeking approval consists of a 14-county region commonly referred to as the Chicago Metropolitan Statistical Area ("MSA") or more formally, the Chicago-Naperville-Elgin, IL-In-WI MSA, under the regulation 8 CFR §204.6(m). The actual list of counties is contained within three Metropolitan Divisions ("MD") that includes: the Chicago-Aurora-Joliet, IL MD counties of Cook, DeKalb, DuPage, Grundy, Kane, Kendall, McHenry, and Will; the Gary, IN MD counties of Jasper, Lake, Newton, and Porter; and the Lake County-Kenosha County, IL-WI MD counties of Lake and Kenosha.

Pursuant to 8 CFR 204.6(m)(6), TPMRC will focus on this geographic area to promote economic growth through improved regional productivity, net new job creation, and increased domestic capital investment within the proposed designated region. The focus of the Initial *Hypothetical* Project of the Regional Center's investment program will be the [redacted] Project (the "Project"), a mixed-use building containing two hotels, residential apartments, retail space and parking spaces located in the [redacted]

A hypothetical new commercial enterprise affiliated with TPMRC, Project Lender, LP ("PLLP"), aims to raise capital from foreign investors under the EB-5 program and loan such capital to [redacted] Project LLC (the "Borrower" or the "Project Company"). (b)(4)
PLLP will raise a total [redacted] or [redacted] of total funds necessary for completion of the Project by soliciting investments of $500,000 (plus costs and expenses) from [redacted]

(b)(4)

(b)(4)

investors. The remaining [redacted] or [redacted] of the required Project cost will be capitalized by a mix of developer equity (comprised of land contribution and additional equity) and senior debt. (b)(4)

Borrower, which is an affiliate of [redacted] (the "Developer"), has acquired the land on which the Project will be developed and will use all the loan proceeds from PLLP to fund the construction and development of the Project. The Project, a [redacted] SF mixed-use building, will contain two hotels, [redacted]esidential apartments, [redacted]SF of retail space, and [redacted] parking spaces. Construction of the Project will take approximately 30 months.

(b)(4)

The Project will generate significant and positive economic benefits for TPMRC's regional economy through construction expenditures.[2] For example, in addition to the projected [redacted] jobs generated from the Project's construction, the regional economy will have a net increase of [redacted]n economic output as well as a [redacted] increase in earnings. Because the jobs created by the Project originate exclusively from construction, ***tenant occupancy is not a concern***. The scope of the job impact was determined using RIMS II.

(b)(4)

Regional Center Commitment

TPMRC is committed to promoting economic growth within the proposed TPMRC's geographic area. Tur Partners LLC ("Tur") the owner and operator of TPMRC is well placed in the market to identify, facilitate and structure strategic partnerships that will secure quality development projects under TPMRC. *See* **Exhibit 4**, Project Business Plan. Tur is further committed as TPMRC's principal investor and strategic advisor. It has expended [redacted] in related application fees to develop TPMRC and has committed to fund TPMRC with additional operating capital as necessary. ***Id.***; *See also* **Exhibit 3**, Tur Partners LLC's Expenditures. Tur identified and partnered with the Developer on the first hypothetical project being used as the basis for the TPMRC's I-924 application. The Developer has committed approximately [redacted] *See* **Exhibit 4**, Project Business Plan. TPMRC also has developed marketing and recruitment plans for investors, due diligence screening procedures for investors, and procedures for the administration of the regional center. *See* **Exhibit 1**, Regional Center Business and Operations Plan ("RC Business Plan").

(b)(4)

(b)(4)

[2] Note, the Economic Impact Report attached to this application did not analyze the job impact resulting from the operations of the Project's various components.

I. Focus on the Regional Economy of the Chicago-Naperville-Elgin, IL-IN-WI MSA

Pursuant to 8 CFR 204.6(m), the application for regional center designation should describe how the regional center focuses on a geographical region of the United States, and how it will promote economic growth through increased export sales, improved regional productivity, job creation, and increased domestic capital investment.

Geographic Area of the Regional Center

TPMRC will focus on the geographic area of a 14-county region that was developed and confirmed following a study by the Organisation for Economic Co-operation and Development ("OECD") in 2012.[3] ***Id.*** The OECD study confirmed that the Chicago tri-state metro-region is an economically interdependent array of counties, cities, and towns that encompasses the 14-county region TPMRC is requesting for its geographic area. ***Id.*** The OECD study further used a multi-factor analysis that not only included consideration of the regional economy, but also included an analysis of transportation linkages, commuting data, demographic data and a myriad of other data that could be considered important to economic and job impacts associated with the proposed initial EB-5 project in Cook County, IL. ***Id.***

The OECD study's analysis adheres to the requirements of 8 CFR §204.6(m) which requires that a regional center "focus on a geographical region of the United States" and "promote economic growth" within the region. ***Id.*** TPRMC's proposed geography was defined after an analysis of the likely geographic reach of the EB-5 Project in terms of job creation and increases in output, personal income, and household earnings, with significant consideration of regional commuting patterns that affect service industry-based projects. ***Id.***; *See also* **Exhibit 5**, Economic Impact Report.

The 14 counties in the proposed TPMRC are spread across three states: Illinois, Indiana, and Wisconsin, and together encompass an area within which TPMRC is likely to undertake additional EB-5 projects. *See* **Exhibit 1**, RC Business Plan. This area fully covers the Chicago-Naperville-Joliet, IL-IN-WI MSA. ***Id.*** The actual list of counties includes the Illinois counties of Cook, DeKalb, DuPage, Grundy, Kane, Kendall, Lake,

[3] The OECD study is available at http://www.keepeek.com/Digital-Asset-Management/oecd/urban-rural-and-regional-development/oecd-territorial-reviews-the-chicago-tri-state-metropolitan-area-united-states-2012_9789264170315-en. Note, this is an in-depth study that focuses on the Chicago-tri state metro-region and assesses the region's capacity to effectively contribute to regional and national economic performance. As a result, it contains even more detailed information than would tradionally be required for EB-5 purposes.

McHenry, and Will; the Indiana counties of Jasper, Lake, Newton, and Porter; and the Wisconsin county of Kenosha. *Id.*

Target Industry – NAICS Code
The regional center will focus on the target industry economic cluster of NAICS 2362 (Nonresidential Building Construction). *Id.* This industry group comprises establishments primarily engaged in the construction of industrial, commercial and institutional buildings. *Id.*

Increased Domestic Investment Resulting from the Project
The Project proposed by TPMRC exemplifies the type of investment that will lead to increased employment and regional productivity within the boundaries of the proposed geographic scope of the regional center. As a result, TPMRC will promote economic growth in the Chicago-Naperville-Joliet, IL-IN-WI MSA and increased investment through the development of the Project. *Id.*; *See also* **Exhibit 4,** Project Business Plan.

(b)(4)

The Project will consist of the development and construction of a [redacted] SF mixed-use building located in the [redacted] of downtown Chicago, Cook County, Illinois.[4] The Project, which is expected to take 30 months to construct, will contain two hotels, [redacted] residential apartments, [redacted] SF of retail space, and [redacted] parking spaces. *See* **Exhibit 4**, Project Business Plan.

(b)(4)

The total projected investment in the Project consists of [redacted] the total Project investment by TPMRC in the Chicago-Naperville-Joliet MSA is [redacted] *Id.* The Developer will contribute equity in the form of the [redacted] in total valued contribution). The remaining [redacted] EB-5 loan from PLLP (the new commercial enterprise) and [redacted] *Id.*

(b)(4)

Increase in Indirect Employment
The economic report, enclosed herein and prepared by Impact Econometrics, LLC ("IE, LLC"), addresses the direct and indirect impact of construction within the TPMRC's geographic boundaries.

(b)(4)

4 [redacted]
5 [redacted] *See* **Exhibit 5**, Economic Impact Report.

IE, LLC further describes, in detail, the improved regional productivity resulting from the Project. The economic report estimates that, for the purposes of the EB-5 program, construction of the Project will result in [redacted] net new jobs within TPMRC's geographic boundaries. *See* **Exhibit 5**, Economic Impact Report.

(b)(4)

The jobs created as a result of the Project are more than sufficient to meet the requirements under 8 C.F.R. §204.6(m)(7) demonstrating that the investor's investment in the Project will result in the creation of ten or more jobs and result in improved regional productivity because a maximum of [redacted] EB-5 investors will be investing in this Project. *See* **Exhibit 4**, Project Business Plan.

(b)(4)

Positive Impact on the Regional Economy

As a result of the Project, there will a positive impact on the regional economy, including increased household earnings, demand for services, and new business relationships. For example, the jobs created by Project will subsequently create new sources of household income. The total increase in output from the Project (within the TPMRC) will be [redacted] and the increase in household earnings will be [redacted] *See* **Exhibit 5**, Economic Impact Report.

(b)(4)

II. Corporate Structure of the Regional Center

Regional Center Entity

TPMRC, LLC is a Delaware limited liability company. *See* **Exhibit 2,** Incorporation Documents for TPMRC, LLC. It was formed on October 14, 2013. ***Id.*** It has been assigned a federal employer ID number [redacted] ***Id.*** TPMRC will administer the regional center, evaluate potential 3rd party EB-5 projects, market and recruit for investors, screen investors, monitor immigrant investor filings with USCIS, monitor and allocate job creation for investors, and develop and maintain records for USCIS annual reporting requirements. *See* **Exhibit 1,** RC Business Plan.

(b)(3)

New Commercial Enterprise – Project Lender, L.P.

Project Lender, LP ("PLLP") is a hypothetical limited partnership[7] that will serve as the new commercial enterprise in which the EB-5 investors will make their equity capital investment for the Project. PLLP will make a [redacted] loan to [redacted] Project,

(b)(4)

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[6] These figures are a sum of the impacts resulting from construction, retail trade, health care, social assistance, manufacturing and a host of other local industry impacts. ***Id.***

[7] As indicated in FN 1 above, not all the relevant organizational and transactional documents have been formally drafted for this hypothetical filing.

LLC (the "Borrower" or the "Project Company") for the development and construction of (b)(4)
(b)(4) the [redacted] story [redacted] SF Building O mixed-use Project. *See* **Exhibit 4**, Project Business Plan. The new commercial enterprise will have up to [redacted] limited partners seeking classification as EB-5 immigrants. ***Id.*** PLLP will be managed by [redacted] LLC, an entity that is controlled by Tur Partners LLC (manager of TPMRC). ***Id.***

Job Creating Entity – Building O Project LLC (the "Borrower" or "Project Company

PLLP has been organized to provide financing to the Borrower, an Illinois limited liability company for the development and construction of the Project. The Borrower has
(b)(4) been formed[8] by [redacted] and [redacted] (together the "Developer"). The land on which the Project will be constructed is currently owned by a joint venture consisting of the Developer's affiliates and is appropriately zoned for the Project. ***Id.***

III. Regional Center Administration and Management

TPMRC has a detailed plan for regional center administration, marketing and due diligence on investors. *See* **Exhibit 1,** RC Business Plan.

Regional Center Purpose & Project Management

TPMRC is being formed as a commercial for-profit entity to pursue USCIS approval for the purposes of encouraging the creation of new business opportunities within the Chicago-Naperville-Elgin, IL-IN-WI MSA. Under the TPMRC's guidance, EB-5 funds will be invested in qualifying new commercial enterprises that will lend funds for development to TPMRC projects within the 14-county region. ***Id.*** More specifically, TPMRC will raise foreign investment capital through the EB-5 program to support the development and construction of the 53-story mixed-use building in downtown Chicago, Cook County, Illinois. ***Id.***

TPMRC will work with third party entities (similar to the Developer discussed in this petition) seeking to develop projects within the TPMRC region and ensure that all such projects are in line with USCIS policies and guidelines. ***Id.*** TPMRC will evaluate each project and conduct an assessment of the project's viability, timeline, projections, job creation potential, marketability and other related legal and business issues. ***Id.*** TPMRC will further maintain close contact with appropriate entities involved with such projects and provide assistance and guidance as needed for successful job creating enterprises. ***Id.***

[8] ***Id.***

Regional Center Management Duties

TPMRC's management team will operate on a day-to-day basis to promote economic growth and its attendant new business activity and job creation within the specified geography of the proposed regional center. TPMRC's management and staff will also oversee and assist its sponsored projects to ensure compliance with USCIS rules including the collection of information about participating investors and their investment of "at risk" capital into the job creating activity, the counting of jobs using reasonable methodologies, and the reporting of all required information on a regular periodic basis with USCIS (including annual reporting as prescribed by Form I-924A). ***Id.***

As indicated above, TPMRC expects that all the principals associated with its sponsored EB-5 projects will maintain close contact with regional center management to ensure that USCIS reporting requirements are met. TPMRC management will also continuously monitor all its projects to ensure that financial and job creation targets are met. TPMRC management and staff will further provide project assistance as required and hire qualified consultants as the need arises. ***Id.***

Principals and Regional Center Ownership

TPMRC is owned by Tur Partners LLC ("Tur"), an investment and advisory firm that partners with leaders and innovators to drive growth within global urban markets. ***Id.*** Along with maintaining dedicated practices in the US, China, and Russia, Tur has brought together a team of professionals with extensive private and public experience capable of delivering economic growth and sustainable solutions across a variety of industries and regions. ***Id.*** Tur's Executive Chairman is Richard M. Daley, the longest-serving mayor in Chicago's history and a lauded figure in urban development and government stewardship. ***Id.***

Tur's team of professionals will operate TPMRC and provide administrative oversight and guidance to the regional center support staff, will help them establish protocols and will supervise all reporting to the USCIS. ***Id.***

The Managing Principal of the TPMRC is:

Lori Healey
Principal
Tur Partners Metropolitan Regional Center, LLC
900 North Michigan Avenue
Suite 1720
Chicago, IL 60611
Telephone: (312) 506-6950
Fax: (312) 212-3001

(b)(6)

Email:[redacted]
**See Id.*, (for additional details on the Regional Center Management Structure and Operation)

Regional Center Professional Support

TPMRC is expected to employ one full-time Administrator/Finance professional prior to commencing its operations. As deal flow and administrative needs increase, additional staff will be recruited to ensure full compliance with regional center responsibilities. ***Id.*** TPMRC's staff, along with Tur's management team will attend to the management of the regional center's day-to-day activities and together will hire knowledgeable consultants for assistance. ***Id.*** Tur's management team is expected to further oversee TPMRC's marketing initiatives. ***Id.***

Initial Marketing Budget & Marketing Activities of the Regional Center (b)(4)

TPMRC anticipates the execution of a promotional program to market its geographical region and related projects. It further anticipates a marketing budget of [redacted] in
(b)(4) 2014, with [redacted] incremental increases thereafter. This includes items such as collateral materials, translations, web expense, etc. ***Id.*** This projection is intended to be supportive of TPMRC's role as a promoter of economic development and growth under 8 CFR 204.6(m)(3)(i). TPMRC also anticipates ancillary marketing expenses related to travel, professional services, etc. ***Id.***

TPMRC's projections were built around the initial EB-5 project offering for th[redacted]roject. For example, TPMRC anticipates that it will be formally designated as a regional center by September, 2014. It anticipates receipt of investor I-526 applications (b)(4) beginning in October 2014.[9] ***Id.*** Assuming it meets its projections of [redacted] investors
(b)(4) subscribing to the Project in Q4 2014, of the projected [redacted] in administrative fees[10] disbursed by each investor, [redacted] will be used to fund the on-going administrative and marketing functions of TPMRC (in relation to the Project).[11] ***Id.*** TPMRC anticipates that this marketing budget is considered conservative; rather when it couples the projections alongside its extensive connections in foreign investor markets, TPMRC projects an ability to execute sophisticated and effective marketing strategies. ***Id.***

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[9] These projections are made on the basis of TPMRC's extensive network and access to foreign investors. *See* **Exhibit 1**, RC Business Plan.

[10] Note, this fee is separate from the investor's capital contribution of $500,000. (b)(4)

[11] Note, TPMRC anticipates that the remaining [redacted] in administrative fees will be used to [redacted] *Id.*
(b)(4)

Ultimately, separate from TPMRC's access to such investor related administrative fees, its efforts will also be managerially and financially supported by Tur. *Id.* As an example, Tur has already expended over [redacted] in related regional center formation costs. *Id.*

(b)(4)

TPMRC plans to establish an extensive marketing program that will emphasize investor education, promotion of its geographic area, and the value and investment potential of its sponsored EB-5 projects. *Id.* The marketing approach will include a combination of [redacted]

(b)(4)

<u>Marketing in a Competitive Area</u>
In the selection of its projects, the TPMRC will strive to ensure that each project provides every EB-5 investor with various benefits that will distinguish the regional center's EB-5 projects from those of its competitors.

For example, the hypothetical [redacted] project sets TPMRC apart from surrounding competition by providing investors with: i) [redacted] accrual of interest); ii) partnership interest in an investment vehicle that will develop a unique mixed-use building that will house two hotels and [redacted] residences (ensuring an attractive level of diversification) an[redacted] experienced management teams; iii) [redacted] and iv) an experienced and leading immigration law firm to assist the investors with their immigration applications and concerns. *Id.*

(b)(4)

Due Diligence Screening of Investors
A key element in the acceptance of foreign investors into the EB-5 Program is the verification that the investors are in fact eligible for the program, and will pass the level of scrutiny their visa applications will require. Accordingly, TPMRC intends to work with appropriate legal counsel of each investment enterprise to ensure that investors are screened for investor qualifications and accreditations under U.S. securities law. ***Id.*** Further screening efforts will involve comparisons of biographical information concerning investors to terrorist watch lists to determine whether any additional authorization will be required to the deal with the investor (e.g. any OFAC licensing requirements). ***See Id.*** (for a detailed description of the investor screening process). Sources of investor funds will be verified, with a comprehensive review of all documentation. ***Id.***

Job Allocation for Investors
The professional staff at TPMRC will monitor job creation and allocate jobs among investors. ***Id.*** Under 8 CFR §204.6(g)(2), the Service shall recognize any reasonable agreement made among the alien entrepreneurs in regard to the identification and allocation of such qualifying positions. Given the hypothetical nature of the Project attached to this application, TPMRC has not yet designed a job allocation agreement. Following the regional center's approval, however, TPMRC will engage appropriate securities counsel to design such an agreement that will apply to the alien investor partners of PLLP. *See* **Exhibit 4**, Project Business Plan.

Funds Committed to Regional Center
(b)(4) Tur has already expended over [redacted] to the regional center for start up and ongoing operations. *See* **Exhibit 1**, RC Business Plan; *See also* **Exhibit 3**, TPMRC's Start-up Expenditures. Tur has committed to advancing additional monetary support to TPMRC as needed to ensure that it remains a well-capitalized entity that is able to efficiently and effectively execute its EB-5 program responsibilities. *See* **Exhibit 1**, RC Business Plan.

HYPOTHETICAL I-526 PETITION

IV. Hypothetical I-526 Project – [redacted] Project (the "Project")

Introduction to the Project
Although, the [redacted] Project (the "Project") is a real project currently in development, and TPMRC intends to adopt the Project as its first EB-5 offering to foreign investors, some project details are still in the process of being finalized. As such,

TPMRC wishes to treat it as a hypothetical project for the purposes of its regional center application.[12] *See* **Exhibit 4**, Project Business Plan.

The Project will involve the development and construction of a [redacted] story, mixed-use building located in the [redacted]d. The [redacted]F building will feature two hotels, [redacted]esidential apartments, [redacted]F of
(b)(4) retail space, and [redacted]parking spaces. *Id.* Below is a detailed breakdown by square feet and residential units/hotel keys.

	Gross SF	Net SF	Units, Keys, Spaces
Residential	[redacted]		
Hotel A			
Hotel B			
Parking			
Retail			
Total Building			

(b)(4)

Id.

Construction of the Project will take approximately 30 months. *Id.*; *See also* **Exhibit 7**, [redacted]Support Letter.

(b)(4)

Project Ownership & Operation

The Developer of the Project, [redacted] (the "Developer"), is affiliated with the Borrower, [redacted]roject LLC. *See* **Exhibit 4**, Project Business Plan. The Developer has an established reputation as a prolific and accomplished developer and has traditionally focused on high-rise residential and mixed-use projects.

(b)(4) [redacted]

The Borrower will have ownership in the job-creating enterprise, [redacted]project. (b)(4)
The Borrower will further be a single-purpose entity formed for the development and operations of the Project. *Id.* It is anticipated that the Managing Member of the Borrower will be affiliated with the Developer and/or its partners. *Id.* Given that the

[12] TPMRC acknowledges that the Project will not be identified in the designation letter upon approval of this application.

[13] For additional details on the Developer's other projects, please visit:
(b)(4) [redacted]

Project details are still being outlined, the terms and conditions of the Borrower's management are still in the drafting stages. Nevertheless, it is anticipated that the residential, retail, and parking components of the Project will be leased, managed and operated by the Managing Member's affiliates while the two hotels will be operated by hotel operators. ***Id.***

Market Location and Demand

The Project will be located in downtown Chicago, Cook County, which is part of the Chicago-Aurora-Joliet Metropolitan Division and which has a population of roughly 7.99 million. ***Id.*** The proposed market area for the Project (and from which it will attract its workforce) is contained within the 14-county Chicago-Naperville-Elgin MSA which together have a population of roughly 9.6 million. ***Id.*** This makes it the third most populous metropolitan area in the US, behind the New York and Los Angeles MSAs. ***Id.*** As with most US metropolitan areas, more people work in the central business area (in this case, Chicago) than live there. ***Id.*** As such, with workers commuting many miles from suburban homes to work in Chicago, the region has developed an extensive rail and highway system. ***Id.*** Yet, given that the region is situated on a "virtually featureless plain, with Lake Michigan to the east creating the only natural barrier to expansion and connectivity, ...businesses have increasingly located throughout [the region]." Such geographic expansions demonstrate the level of connectivity maintained within the 14-county region. *See* ***Id.*** (for an extensive description and relevant statistics of the region).

(b)(4)

Retail Market[14]

The Developer will not operate the retail space within [redacted] however, it will be the landlord and property manager.[15] ***Id.*** Accordingly, the market research contained within the Project Business Plan focuses on lessors of, specifically, retail space.

The average nationwide rental rate ended in 2012 at $15.28/PSF, essentially flat and slightly lower than Q4 2011. ***Id.***[16] Nevertheless, in the same year, approximately 10 million SF of shopping center space came online nationwide, with a dozen geographical markets contributing nearly one-half of this total. ***Id.*** It is expected that 2013 will maintain a similar pattern of delivery. ***Id.*** With regard to expanding retail categories in

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[14] *See* **Exhibit 4**, Project Business Plan (for a detailed discussion of the Retail Industry).

[15] Note, for the purposes of EB-5, no jobs were counted from the retail component of the Project.

[16] The Project Business Plan cites a study from Colliers International, an expert in the commercial real estate market, available at http://www.colliers.com/~/media/files/marketresearch/unitedstates/colliers_na_retail_2012q4_final.ashx?campaign=Retail-2013-Outlook.

2013, grocery, restaurants, fitness/health/spa concepts and a miscellaneous group of service stores are expected to dominate the trend.[17] ***Id.***

In the Chicago metropolitan market itself, it was projected that the retail market would "improve further in 2013 as healthy job creation supports another year of strong consumer spending."[18] ***Id.*** With the expected rebound of higher-paying professional and business service sector payrolls and the delivery of more than 3,300 luxury apartments, in-city centers stand to post the most improvement this year. ***Id.*** Furthermore, vacancy rates among neighborhood, community and strip centers in Chicago declined 30 basis points over the past 12 months to 8.6% in contrast to the same period in the previous year when vacancy rates soared by 160 basis points. ***Id.*** Ultimately, the outlook for the area is bright as owners will continue to regain pricing power as market conditions get better. *See* ***Id.*** (for additional summaries of other market studies).

The actual competition for the retail component of the Project will likely be other retail space within mixed-use or hotel properties [redacted]

(b)(4)

[redacted]

Suite	Tenant	Sq. Ft.	Rent/sf
[redacted]			

(b)(4)

Id.

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[17] *See also* a study from Cassidy Turley available at http://www.ctbt.com/Web/Download-Research-File.aspx?id=6772A9C9-09B2-4C0B-8135-BD2E09E29033.

[18] *See* specifically the Market Report from Marcus & Millichap, a leading market research firm available at https://www.marcusmillichap.com/services/research/webreports/Chicago/Retail.aspx.

Other potential competitors include:

Building/ Address	Distance	Bldg. Size (sf)	Total sf Available	Minimum Divisable	Maximum Contiguous	Asking Rates/sf
Streeterville Center	1.0 mi. N	100,001	1,700	250	1,700	$55.00
79 E Madison St.	0.5 mi. NW	1,084	1,084	1,084	1,084	$107.00
Chicago Firehouse	1.4 mi. NW	6,000	6,000	3,000	3,000	$45.00
415 S LaSalle	1.3 mi. SW	70,000	3,807	3,807	3,807	$40.00
33 S Wabash	0.7 mi. SW	7,300	7,300	1,200	7,300	$65.00
213 N Stetson Ave.	0.3 mi. NW	2,926	2,640	2,640	2,640	$35.00

Id. (b)(4)

Ultimately, the actual lease terms for the [redacted] are most indicative of the achievable rents for the retail component of the Project. ***Id.*** The secondary retail competitive retail outlets give an indication of market rents in the overall area. ***Id.*** It is expected that the Project's asking rates for the retail space will range
(b)(4) between [redacted] PSF.[19]

Lodging/Hotel Market[20]

The Project will contain two separate hotel brands that are currently being negotiated. ***Id.***
(b)(4) [redacted]

On the national level, in January 2013, Pricewaterhouse Coopers US ("PwC"), a highly respected accounting and consulting firm, indicated that lodging prices are "expected to remain on positive trajectories through 2013." ***Id.*** PwC followed with an updated forecast indicating even stronger revenue per available room ("RevPAR") recovery in 2013. ***Id.*** In total, PwC expects that lodging demand in 2013 would increase 1.8%, compared with its previous outlook, and boost occupancy levels to 62%, the highest since 2007. ***Id.*** These projections were further strengthened by later PwC reports which expect the growth in demand to continue and even slightly improve in 2014.[21] ***Id.***

In the Chicago metropolitan market, tourism has been a strong influence on the lodging market and according to Choose Chicago[22], domestic visitation for 2012 was 45 million, a 6.2% increase over 2011, and just under the record 45.14 million set in 2007. ***Id.***

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[19] *See* the Developer's projections for the retail space contained in a table below in the Residential Market Analysis.

[20] *See* **Exhibit 4**, Project Business Plan (for a detailed discussion of the Hotel Industry).

[21] Note, relevant links to each of the PwC reports are provided in **Exhibit 4** (Project Business Plan).

[22] Choose Chicago is the official destination marketing organization for Chicago, IL and these statistics, published as of May 31, 2013, are available at http://www.choosechicago.com/.

Choose Chicago further reported that hotel revenues for the city are expected to continue a 4-year rising trend; 2009 posted revenues were $61.51 million, $67.68 million in 2010, $74.71 million in 2011, and forecasted to reach $100.85 million in 2012. *Id.* Other market reports have supported similar lodging demand and growth rates for the Chicago market, with one noting that it was one of six US markets to achieve double-digit ADR growth in 2013. *Id.* Moody's Analytics considers Chicago to be the business and tourism center of the Midwest and expects that the existing pipeline of new hotels entering the market will fuel faster growth in the leisure/hospitality employment in 2014[23]. *Id.*

(b)(4) There are 40 hotels within one-half mile of the Project; however, [redacted] *Id.* These include:

Hotel	Distance	Class	Rooms	Opened	Rates
Hard Rock Hotel	[redacted]	Independent	381	Jan. 2004	$229 - $454
Fairmont Chicago		Luxury	687	Dec. 1987	$329 - $1,399
Sheraton Chicago		Upper Upscale	1,214	Mar. 1992	$189 - $649
Radisson Blu Aqua Hotel		Upper Upscale	334	Oct. 2011	$251 - $364
Hyatt Regency		Upper Upscale	2,019	June 1974	$219 - $294
Swissotel Chicago (b)(4)		Upper Upscale	661	Aug. 1988	$234 - $299
Comfort Suites		Upper Midscale	119	May 2009	$249 - $599

Id.[24]

With the daily rates ranging from $189 to $1,399, each of the competitive hotels provides (b)(4)
a range of amenities. It is expected that Hotel A of the Project will be a [redacted] room, limited-service hotel with no restaurant space on the premises. *Id.* Given its location and planned finishes, it is positioned to be an Upper-Priced hotel with the following projections drawn from a PKF report[25]:

[23] *See* Précis U.S. Metro / Midwest / February 2013, page 30.

[24] Note, the rates were checked for each of the seven nearest hotels using a search criterion of 2 guests/room for Friday, November 15, 2013. *Id.*

[25] Note, the projections were taken from the Hotel Horizons Econometric Forecasts of U.S. Lodging Markets for the Chicago Region, June – August 2013 Edition published by PKF Hospitality Research LLC. *Id.*

Hotel A	FYE	8/17	8/18	8/19	8/20	8/21
Number of Rooms		[redacted]				
Room Nights						
Averrage Daily Rate						
Occupancy		72.6%	71.4%	71.4%	71.4%	71.4%
	%	8/17	8/18	8/19	8/20	8/21
Room Revenue	[redacted]					
F&B Revenue						
Other Revenue						
Total Revenue						
Departmental Expense						
Total Dept.Income						
Undistributed Expenses						
Gross Operating Profit						
Other Expense						
NOI						

(b)(4)

Id.

Hotel B is expected to be a [redacted]-room, full-service hotel with a full-service restaurant on the premises. *Id.* Similar to Hotel A, Hotel B is positioned to be an Upper-Priced hotel and the following projections were similarly drawn using PKF data:

Hotel B	FYE	8/17	8/18	8/19	8/20	8/21
Number of Rooms		[redacted]				
Room Nights						
Averrage Daily Rate						
Occupancy		72.6%	71.4%	71.4%	71.4%	71.4%
	%	8/17	8/18	8/19	8/20	8/21
Room Revenue	[redacted]					
F&B Revenue						
Other Revenue						
Total Revenue						
Departmental Expense						
Total Dept.Income						
Undistributed Expenses						
Gross Operating Profit						
Other Expense						
NOI						

(b)(4)

Id.

Based on all of the Developer's market research and existing national and local data, the above projections for the Project's hotels are generally considered conservative.

Residential Multi-Unit Leasing Market[26]

(b)(4) [redacted] will contain [redacted] rental apartments spread over [redacted] SF and [redacted] parking spaces (which will also be available to the hotel guests). *Id.* While the Developer expects that it will be operating this component of the Project, for the purposes of EB-5, no operations jobs were counted in the analysis. *Id.*

At the national level, Marcus & Millichap[27] indicates that the US apartment market is expected to add 1.4 million people ages 20 to 34 (prime renter age cohorts) over the next five years. *Id.* Marcus & Millichap further reports that the national vacancy rate is expected to fall to 5% based on forecasted completion of 145,000 units, which lag behind expected demand of approximately 151,800 units. *Id.*

Within the Chicago metropolitan market, Marcus & Millichap, in a different report[28], indicated that economic growth in the area would support further improvement in apartments and vacancy in 2013. *Id.* While the report further noted that there would be temporary imbalances between supply and demand over the next two years, new demand sources would, however, emerge and stabilize the market. *Id.* Ultimately, the forecast for in-city rents is a 6.5% increase (slightly higher than the previous year) and a decrease in the vacancy rates this year. *Id.*

With reference to the Project's immediate competition, according to an Appraisal Research Counselors Report published in August 2013[29], the average Class A gross rent was shown to be $2.68/sf, the average Luxury gross rent was shown to be $2.90/sf, and the Class B properties showed an average gross rent of $2.32. *Id.* The residential component of the [redacted] project is considered a Luxury property. *Id.* It will be
(b)(4) competing at the top range of the market with other Luxury properties and primarily compete with the newest buildings delivered to the market. *Id.* [redacted]

[26] *See* **Exhibit 4**, Project Business Plan (for a detailed discussion of the Residential Multi-Unit Industry).

[27] *See* http://www.marcusmillichap.com/Services/Research/ (note, a free registration is required to access the reports).

[28] Ibid, Local Apartment Reports-Chicago.

[29] *See* http://www.appraisalresearch.com/.

(b)(4) [redacted] *Id.* Below is a table of relevant statistics:

Building	Units	Avg. SF	Quoted Rent Rents	Quoted Rent PSF	Net Effective Rent Rent	Net Effective Rent PSF
[redacted]						

(b)(4)

Id.

Based on such available data, the Developer projects apartment rental rates calculated at \$3.30/sf/month and a vacancy rate of 5% which is within range of the overall market in the surrounding areas. Below is a breakdown[30]:

(b)(4)

Mixed-Use Components					
FYE	8/17	8/19	8/20	8/21	8/22
Apartments	[redacted]				
Square foootage	325,483sf	325,483sf	325,483sf	325,483sf	325,483sf
Rent/sf/mo.	\$3.30	\$3.42	\$3.54	\$3.66	\$3.79
Vacancy	5%	5%	5%	5%	5%
Retail - Ground Level	10,274sf	10,274sf	10,274sf	10,274sf	10,274sf
Rent/sf	\$50.00	\$51.25	\$52.53	\$53.84	\$55.19
CAM/sf	\$16.00	\$16.40	\$16.81	\$17.23	\$17.66
Vacancy	5%	5%	5%	5%	5%
Retail - Lower Level	2,320sf	2,320sf	2,320sf	232sf	2,320sf
Rent/sf	\$35.00	\$35.88	\$36.77	\$37.69	\$38.63
CAM/sf	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Vacancy	5%	5%	5%	5%	5%
Parking spaces	525	525	525	525	525
Rent/space/mo.	\$350.00	\$350.00	\$350.00	\$350.00	\$350.00
Vacancy	5%	5%	5%	5%	5%

Id.

Given that the residential components will not come on the market for at least another two years, the above projections are generally considered reasonable.

[30] Note, the Developer did not separate out the parking and retail projections.

Investor Application and Job Creation Timeline

Each investor in PLLP will be required to make a $500,000 Capital Contribution and (b)(4) fund a [redacted] Cost Allocation. ***Id.*** The Loan will have an initial balance of up to [redacted] (b)(4) (depending upon the number of investors subscribing), will bear [redacted] interest rate, and will mature [redacted] ***Id.*** The specific terms and conditions will be appropriately defined when a Loan Agreement is drafted and the Project is no longer treated as hypothetical.

The actual timing on EB-5 investor activity will depend on several related issues. As indicated above, TPMRC is requesting Regional Center designation and intends to sponsor this Project as its first EB-5 offering. Given that the I-924 application is filed in November 2013, TPMRC optimistically expects approval by September 2014. ***Id.*** If it is successful in meeting this proposed schedule and is able to identify investors in the interim period, the earliest group of investors will not file I-526 applications before November 2014. ***Id.*** Based on these assumptions, below is TPMRC's projected investor timeline.

(b)(4)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
2013	[redacted]											
2014												
2015												
2016												

Id.[31]

Based on the above assumptions, the flow of I-526 & I-829 petitions (using a projected I-526 processing timeline of roughly 12 months and I-829 filing dates scheduled for 30 months later) as compared with the job creation timing is expected to be as follows:

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[31] Below is the menu for the numbers contained in the chart:
(1) RC designation request filed with USCIS
(2) Estimated designation of Regional Center
(3) First I-526 filed
(4) First I-526 approved
(5) Last I-526 filed
(6) Last I-526 approved

(b)(4)

	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	2014 Total	Cumulative
Applications Made														
I-526 Approvals														
30 Months Later														
Jobs Needed Current Month														
Cumulative Jobs Needed														
Jobs Created Current Month														
Construction														
Total New Jobs/Month														
Cumulative New Jobs														
Cumulative Jobs Needed														
Surplus Jobs (Cumulative)														

(b)(4)

	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	2015 Total	Cumulative
Application														
I-526 Approvals														
30 Months Later														
Number of Jobs Needed														
Cumulative Jobs Needed														
Jobs Created (Monthly):														
Construction														
Total New Jobs/Month														
Cumulative New Jobs														
Cumulative Jobs Needed														
Surplus Jobs (Cumulative)														

(b)(4)

	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	2016 Total	Cumulative
Application														
I-526 Approvals														
30 Months Later														
Number of Jobs Needed														
Cumulative Jobs Needed														
Jobs Created (Monthly):														
Construction														
Total New Jobs/Month														
Cumulative New Jobs														
Cumulative Jobs Needed														
Surplus Jobs (Cumulative)														

(b)(4)

	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	2017 Total	Cumulative
Application														
I-526 Approvals														
Number of Jobs Needed														
Jobs Needed														
Cumulative Jobs Needed														
Jobs Created (Monthly):														
Construction														
Total New Jobs/Month														
Cumulative New Jobs														
Cumulative Jobs Needed														
Surplus Jobs (Cumulative)														

(b)(4)

	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	2018 Total	Cumulative
Application														
I-526 Approvals														
30 Months Later														
Number of Jobs Needed														
Cumulative Jobs Needed														
Jobs Created (Monthly):														
Construction														
Total New Jobs/Month														
Cumulative New Jobs														
Cumulative Jobs Needed														
Surplus Jobs (Cumulative)														

Id.

The assumptions represented in the figure above are inherent in the two year and six month timeline requirement put forward in recent USCIS communications pertaining to program timelines. By the time EB-5 investors file their I-829 petitions (estimated as April 2018 – December 2018), the required number of jobs would have been created with a surplus of approximately [redacted] jobs. *Id.*

(b)(4)

(b)(4)

Project Budget and Capital Structure

The total project cost for the Project is approximately [redacted] *Id.* Below is a projected breakdown of the sources and uses of funds from the Project business plan:

Source of Funds	Use of Funds
[redacted]	

(b)(4)

Id.

(b)(4)

As noted in the table, [redacted][32] *Id.*

New Commercial Enterprise & Qualifying Investment

PLLP will be the new commercial enterprise in which the Eb-5 investors will make their capital investments. *Id.* Given that the Project is still in its preliminary stages, the PLLP has not been formed. Once formed, however, it will qualify as a new commercial enterprise under 8 CFR §204.6(e). The subscription price to become a Limited Partner will be $500,000 plus [redacted] in administrative costs which the investor will transfer to PLLP's escrow agent. *Id.*

(b)(4)

For the purposes of the hypothetical Business Plan, it is assumed that investor funds will be held by the Escrow Agent pursuant to an Escrow Agreement and such funds will only be released upon receipt of an investor's I-526 approval. *Id.*

(b)(4)

PLLP will use all of the $500,000 proceeds from the sales of partnership interests to lend such proceeds to [redacted] Project LLC (the "Borrower") to develop the Project. *Id.*

[32] Note, for the purposes of the hypothetical Business Plan, the Developer has assumed the Senior Debt is available and committed and that the Developer has liquid equity currently available for the Project. *Id.*

Therefore, all $500,000 partnership proceeds from each investor will go toward job creating activities listed in the above project budget.

Location of the Investment in a Targeted Employment Area ("TEA") – Reduced Investment

A targeted employment area has been defined as a rural area or an area of high unemployment of at least 150% of the national average. *See* 8 C.F.R. §204.6(j)(5)(iii). The Project will be located on a parcel of land within [redacted]
(b)(4) *Id.* On [redacted] the Illinois Department of Employment Security (b)(4)
("IDES") confirmed that, in the year 2012, the Project's primary location along with an assemblage of contiguous Census tracts had an average unemployment rate of [redacted] *See* **Exhibit 6**, TEA Designation Letter. This figure is over 150% of the national U.S. unemployment rate of 8.1% during the same period, indicating the substantial and positive impact this project will have in the region. *Id.* Due to the fact that the Project will be located in a TEA, the threshold investment amount for the foreign investors will be $500,000 instead of $1,000,000.

Capital at Risk of Loss

The capital invested by the alien entrepreneurs will be placed at risk and subject to total risk of loss if fortune reverses. At this hypothetical stage, the relevant offering documents have not been drafted. However, the Project Business Plan does contain a summary of some terms and conditions that will be further refined when the project is ready to market. *See* **Exhibit 4**, Project Business Plan.

Active Involvement of Investors

Members will hold L.P. partnership interests in PLLP. *Id.* Once the offering documents have been drafted, the alien investors will be shown to have active management of the new commercial enterprise. Such rights may include voting rights, power to remove the General Partner for cause and miscellaneous other rights and responsibilities as governed by the relevant state law.

Tenant Occupancy

In light of the recent policy pronouncement of USCIS regarding jobs resulting from tenant occupancy, we wish to emphasize that the jobs that will be created as a result of this Project do ***not*** stem from tenant occupancy. Rather, all the jobs were derived entirely from the Project's hard construction expenditures. Even though the Project will likely (b)(4)
create operations jobs associated with the Developer's management of th[redacted]esidential units, the Developer has chosen not to count those jobs. The Developer has also chosen not to count eligible soft construction costs. In fact, the jobs stemming from hard

construction will provide a 25% cushion.[33] As such, tenant occupancy is not an issue for the Project.

V. <u>The Application Contains Verifiable Detail On How Jobs Will Be Created and Is Supported by Economically or Statistically Valid Forecasting Tools</u>

TPMRC has hired Impact Econometrics LLC ("IE, LLC") to conduct an economic impact report to predict the job creation impacts of the Project. The economic impact report uses the RIMS II methodology, and TPMRC requests approval to use this economic methodology. *See* **<u>Exhibit 1</u>,** RC Business Plan.

The job creation from the expected EB-5 investor dollars will occur as a result of the development and construction of the EB-5 Project – and this new economic activity and new job creation will not occur at the EB-5 business enterprise into which EB-5 investors will be making an equity investment.

IE, LLC estimates that the Projects will have a substantial economic impact as to jobs, domestic capital, and increased demand for business services. *See* **<u>Exhibit 5</u>,** Economic Impact Report. IE, LLC, pursuant to the requirements of the USCIS EB-5 visa program, analyzes the impact of the Eb-5 project within the TPMRC geographic region.

(b)(4)

IE, LLC only analyzed the impact of the Project's hard construction expenditures and has determined that for purposes of the EB-5 program, construction of the Project is expected to create [redacted] jobs. While additional operational jobs and jobs related to guest expenditures are expected following completion of the Project, IE, LLC did **<u>not</u>** analyze such projected job impact. ***Id.***

(b)(4)

The Economic Impact Report demonstrates the economic impact of the EB-5 qualifying hard construction expenditures of [redacted][34] under NAICS code 2362 in the RIMS II model. ***Id.*** Construction will take approximately 30 months and is expected to correspond to calendar years 2014-2016. ***Id.*** As a result, in addition to indirect and induced jobs, direct jobs associated with the [redacted] hard construction costs are also counted. ***Id.*** Furthermore, given that RIMS II multipliers used in the calculation are

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[33] Note, the Developer has also not counted the operations jobs resulting from the hotel operations or retail components of the Project.

(b)(4)

[34] Note, the Project's pro forma anticipates expenditures totaling [redacted] in hard construction. However, consistent with USCIS guidelines, IE, LLC restricted the total inputs to qualifying hard construction expenditures. As a result, it excluded line items such as information technology expenditures, etc. *See* **<u>Exhibit 5</u>**, Economic Impact Report.

(b)(4)

[redacted]

based on 2010 data, IE, LLC deflated the value of the hard construction costs to [redacted] million.[35] See the table below for a summary of the construction job impact.

TABLE 9: RIMS II PROJECTIONS FOR EMPLOYMENT, OUTPUT, AND EARNINGS IN THE FOURTEEN-COUNTY AREA AS A RESULT OF THE PROJECT'S QUALIFYING HARD CONSTRUCTION EXPENDITURES

Industry Group	Employment	Output	Earnings
Agriculture, forestry, fishing, and hunting	[redacted]		
Mining			
Utilities			
Construction			
Manufacturing			
Wholesale trade			
Retail trade			
Transportation and warehousing			
Information			
Finance and insurance			
Real estate and rental and leasing			
Professional, scientific, and technical services			
Management of companies and enterprises			
Administrative and waste management services			
Educational services			
Health care and social assistance			
Arts, entertainment, and recreation			
Accommodation			
Food services and drinking places			
Other services			
Households			
Totals			

(b)(4)

Id.

As indicated in the table above, within TPMRC's 14-county area, the Project's qualifying hard construction expenditures will cause a total output increase of approximately [redacted] and total earnings increase of approximately [redacted]

(b)(4)

[35] Note, IE, LLC took a conservative approach by using a deflator value based on 2016, the year in which the Project's construction will be completed. This results in a lower, more conservative calculation of the projected job impact. *Id.*

(b)(4) Since the project is located in a TEA, up to [redacted] EB-5 immigrant investors can raise up to [redacted] in capital if examined from the perspective of the total job impact. The offering, however, is limited to a maximum capital raise of [redacted] with a maximum of [redacted] Eb-5 investors. Therefore, ***more than 10 indirect jobs*** will be created for each Eb-5 investor.

VI. CONCLUSION

As the enclosed documentation verifies, TPMRC has satisfied the criteria for Regional Center Designation, and the Project Lender, L.P. Project qualifies as a hypothetical project for EB-5 investment. In connection with this matter, enclosed are the following:

1. Form G-28, Notice of Entry of Appearance;
2. Form I-924, Application for Regional Center Under the Immigrant Investor Pilot Program, with filing fee in the amount of $6,230 (and one attached addendum);
3. **Table of Contents and Petition Exhibits.**

Should you need any further information regarding this matter, please contact me directly at 215-825-8600.

Very truly yours,

H. Ronald Klasko

HRK/RK/re
Enclosures

Table of Contents
Application for Regional Center Designation
Tur Partners Metropolitan Regional Center, LLC
Project Lender, L.P. (New Commercial Enterprise)

Regional Center Designation Application

(b)(4)

[36] Note, the TEA Designation Letter is also separately attached as **Exhibit 6**.

Exhibit 1

Tur Partners Metropolitan Regional Center LLC

Business and Operations Plan

Supporting Application for USCIS Regional Center Designation

November 6, 2013

Submitted by:
Tur Partners LLC
900 N Michigan Ave., Suite 1720
Chicago, IL 60611

Tur Partners Metropolitan Regional Center LLC

Contents

Tur Partners Metropolitan Regional Center LLC

I. Introduction

Tur Partners Metropolitan Regional Center LLC ("TPMRC") is submitting this Regional Center Business and Operations Plan in support of its application for designation as a USCIS approved Regional Center pursuant to 8 C.F.R. § 204.6(m)(3). TPMRC intends to focus its activities on the fourteen county region surrounding Chicago, Illinois. TPMRC will promote economic growth, improved regional productivity, job creation, and increased domestic capital investment within the proposed region by facilitating foreign investment through the EB-5 program, which will be used to fund qualifying job creating projects within TPMRC's proposed target industry clusters. TPMRC is submitting this application on the basis of a
(b)(4) hypothetical project, the [redacted] mixed-use project located in [redacted] Although this project is being submitted as a hypothetical project for the purposes of this application, the [redacted] mixed-use project is currently under development, and TPMRC hopes to offer the project as its first EB-5 investment opportunity once TPMRC is approved as a Regional Center.

II. Goals

Tur Partners Metropolitan Regional Center LLC, to be known as the Tur Partners Metropolitan Regional Center ("TPMRC"), as a USCIS designated Regional Center, will be a successful business enterprise with its primary goals being:

- Pursuant to 8 CFR 204.6 (j) (4), to increase the level of permanent, direct, indirect and induced jobs within the Regional Center district by attracting qualified EB-5 business ventures. A "qualified" business venture shall be one that specifically meets the requirements of the immigration code, specifically 8 C.F.R., Sec. 204.6;
- To attract foreign investment capital through the USCIS EB-5 Immigrant Investor Program. The foreign capital raised shall provide financial support for the creation of new, qualified business ventures. The minimum qualified investment shall be $1,000,000; for investments within a high employment area or for investments in rural areas or those designated as targeted employment areas ("TEA"), the minimum investment shall be $500,000;
- To source domestic capital to further enhance and attract new business ventures into the Regional Center district and to supplement EB-5 investments;
- To, initially, focus on the construction and development of mixed use projects that involve Nonresidential Building Construction (NAICS 2362)

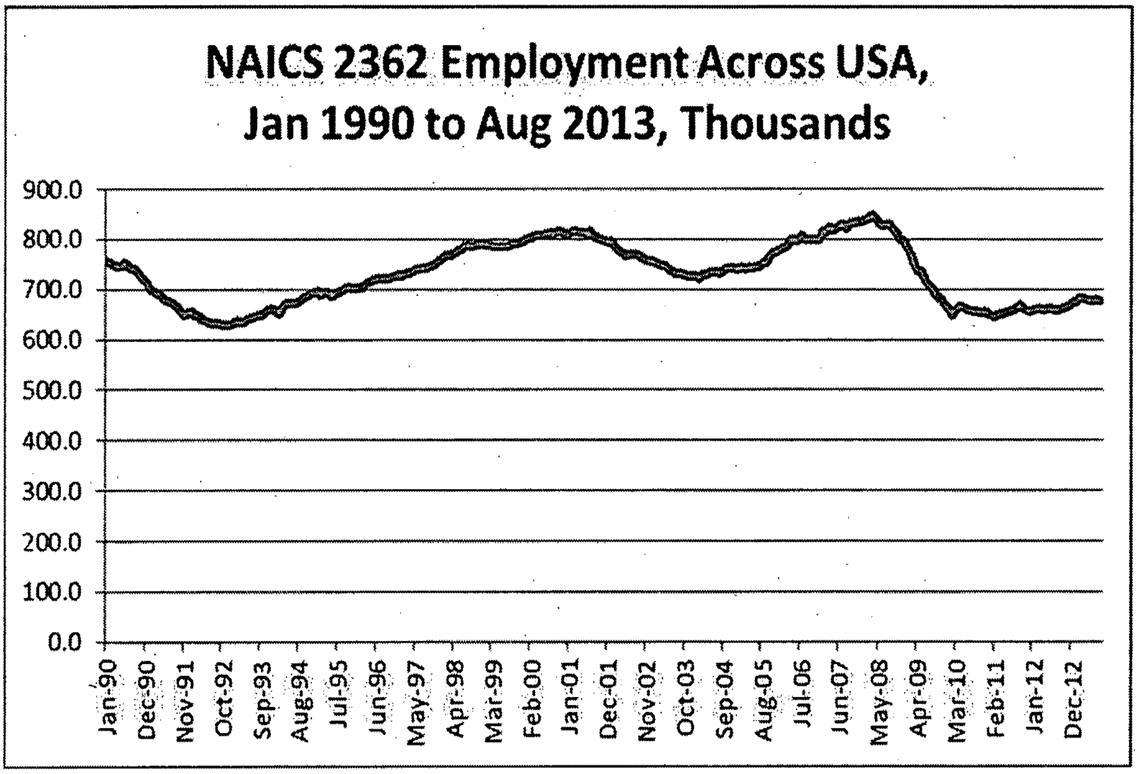
III. Industry Categories

(b)(4) TPMRC requests NAICS 2362 as an approved industry code due to the substantial impact this industry will have based on the [redacted] mixed-use project on the Regional Center geographic area. NAICS (North American Industry Classification System 2007) Industry Code 2362 covers Non-residential Building Construction.

- This industry group comprises establishments primarily engaged in the construction (including new work, additions and major alterations) of industrial, commercial and institutional buildings.

- This industry group includes non-residential general contractors, non-residential operative builders, non-residential design-build firms, and non-residential construction management firms.
- This industry group contains two major industry subgroups:
    - 23621 Industrial Building and Structure Construction
    - 23622 Commercial and Institutional Building Construction

Non-residential Building Construction saw major declines due to the Great Recession of 2007-2009, as can be seen in the following Figure.



Source: Bureau of Labor Statistics via Economagic.com

Employment in the industry group fell from a peak of 841,600 in February 2008 to a nadir of 644,000 in February 2011. In August 2013 (the most recent month for which data is available) employment remained severely depressed at just 677,500 employees.

IV. Regional District

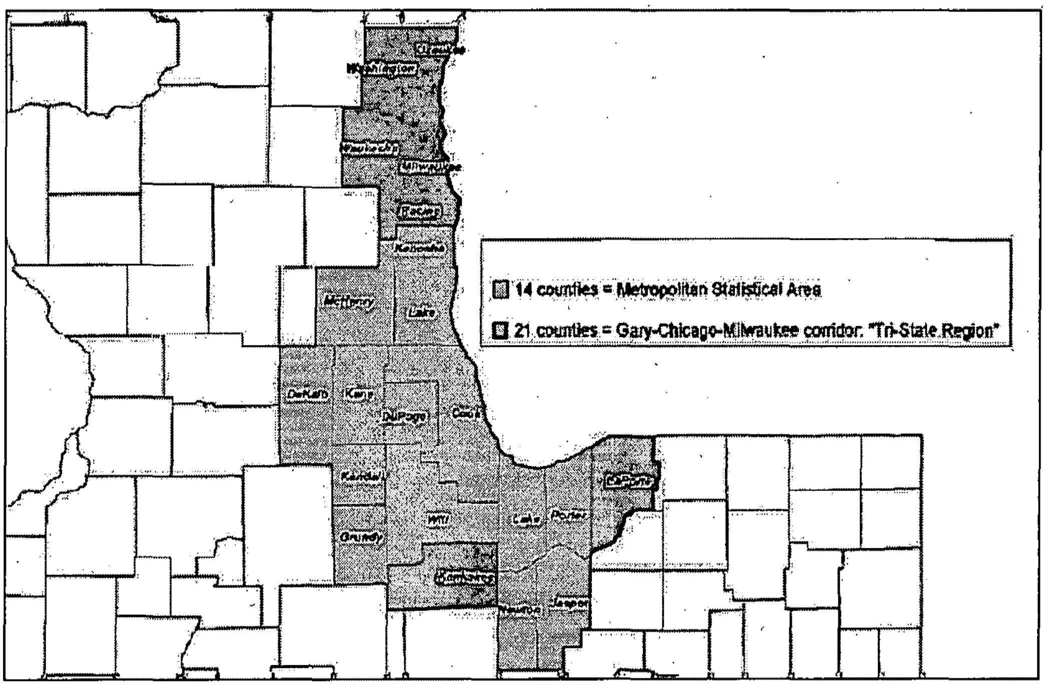
The proposed geographic area for TPMRC is the 14-county area commonly referred to as the Chicago Metropolitan Statistical Area (MSA). This is now more formally known as the Chicago-Naperville-Elgin, IL-IN-WI Metropolitan Statistical Area. It consists of the following counties in the following three groupings (in the following, the numbers in parentheses are the populations of the respective areas). It is the area from which the Project will attract its workforce.

- Chicago-Aurora-Joliet, IL Metropolitan Division (7,998,257)
    - Cook County, IL (5,287,037)
    - DeKalb County, IL (107,333)
    - DuPage County, IL (932,541)
    - Grundy County, IL (48,421)

- Kane County, IL (511,892)
- Kendall County, IL (104,821)
- McHenry County, IL (320,961)
- Will County, IL (685,251)

- Gary, IN Metropolitan Division (709,265)
    - Jasper County, IN (33,520)
    - Lake County, IN (496,478)
    - Newton County, IN (14,250)
    - Porter County, IN (165,017)
- Lake County-Kenosha County, IL-WI Metropolitan Division (877,949)
    - Lake County, IL (712,567)
    - Kenosha County, WI (165,382)

The areas in light blue on the below map indicate the 14-County geographic area represented by the above counties.



Proposed Geographic Area of TPMRC – shown in light blue above

The Organization for Economic Co-operation and Development ("OECD")[1] conducted a study entitled the *OECD Territorial Reviews: The Chicago Tri-State Metropolitan Area, United States 2012.* This study confirmed that the Chicago tri-state metro-region is an economically interdependent array of counties, cities, and towns:

"The Chicago Tri-State metro-region, as defined by the 14-county Chicago Naperville Joliet Metropolitan Statistical Area (MSA), is the third most populous metropolitan areas in the United States. Its 9.46 million

[1] For fifty years the OECD has provided a forum in which governments can work together to share experiences and seek solutions to common problems. The OECD studies what drives economic, social and environmental change within US regions. It measures productivity and global flow of trade and investment. The OECD analyses and compares data to predict future trends. It sets international standards on a wide range of things, from agriculture and tax to the safety of chemicals. http://www.keepeek.com/Digital-Asset-Management/oecd/urban-rural-and-regional-development/oecd-territorial-reviews-the-chicago-tri-state-metropolitan-area-united-states-2012_9789264170315-en (page 18)

inhabitants (in 2010) place it behind the New York and Los Angeles MSAs. The Chicago Tri-State metro-region comprises 0.2% of the total surface area of the United States, is home to 3.1% of the total US population, and contributes 3.4% to the US GDP. The region is characterized by numerous relatively small municipalities, more than 300 in number. Each has its own municipal government which provides public services, such as public safety, and in many instances is responsible for land use zoning and issuing building permits. In addition, there are several special-purpose governments, or regional authorities, that have responsibility for water treatment, sanitation, transportation and the like. An extended area relevant to the region is the Chicago-area 21-county region (also called the Gary Chicago-Milwaukee corridor). This 21-county region extends beyond the Chicago Tri-State metro-region to also include five counties in the Milwaukee metro-region, a county in Illinois to the south of the metro-region and a county in Indiana to the east of the metro-region.

Journey-to-work patterns in the Chicago Tri-State metro-region are strongly influenced by the dominance of Chicago's central business district in terms of employment. As with most US metropolitan areas, many more people work in the central business district than live there, and workers commute many miles from their suburban homes to work in the central business district. As a consequence, the region's extensive rail and highway system has developed along a hub-and-spoke pattern, highways and rail lines emanating from the center of the city to outlying areas. Commuting trips have become more and more varied, however. The Chicago Tri-State metro-region is situated on a virtually featureless plain, with Lake Michigan to the east creating the only natural barrier to expansion and connectivity, and thus businesses have increasingly located throughout the metro-region. Several employment sub-centers have developed, including Evanston, Aurora and Naperville, Illinois."[2]

A. Chicago-Aurora-Joliet, IL Metropolitan Division

The Chicago-Aurora-Joliet, IL Metropolitan Division consists of Cook, DeKalb, DuPage, Grundy, Kane, Kendall, McHenry, and Will counties in Illinois. Because the Project is located in Chicago, the city is described first, followed by the county in which it is located (Cook), and then the remaining counties in the Metropolitan Division.

Chicago, Illinois

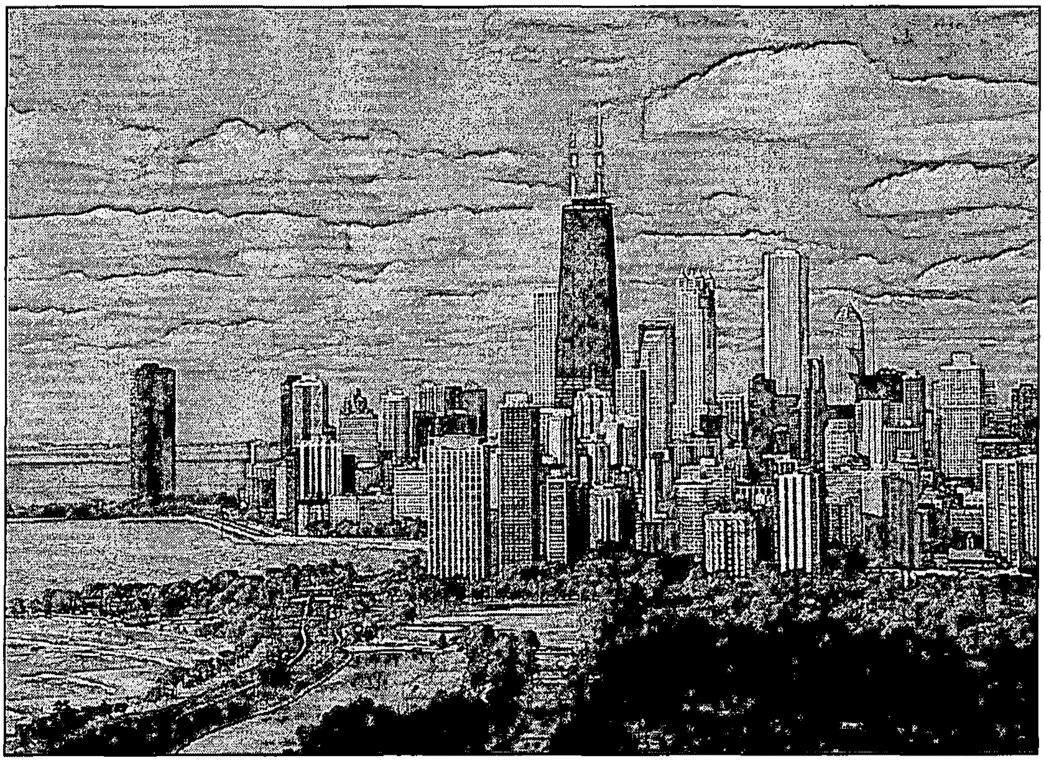
Chicago History:

Chicago's first permanent resident was a trader named Jean Baptiste Point du Sable, a free black man apparently from Haiti, who came to the area in the late 1770s. In 1795, the U.S. government built Fort Dearborn at what is now the corner of Michigan Avenue and Wacker Drive. Incorporated as a city in 1837, Chicago was ideally situated to take advantage of the trading possibilities created by the nation's westward expansion. The completion of the Illinois & Michigan Canal in 1848 created a water link between the Great Lakes and the Mississippi River, but the canal was soon rendered obsolete by railroads. Today, 50% of U.S. rail freight continues to pass through Chicago, even as the city has become the nation's busiest aviation center, thanks to O'Hare and Midway International airports. In the half-century following the Great Fire, waves of immigrants came to Chicago to take jobs in the factories and meatpacking plants.

[2] "OECD Territorial Reviews: The Chicago Tri-State Metropolitan Area, United States 2012", OECD, accessed July, 28, 2013, http://www.oecd.org/washington/49912798.pdf.

Throughout their city's history, Chicagoans have demonstrated their ingenuity in matters large and small:

- The nation's first skyscraper, the 10-story, steel-framed Home Insurance Building, was built in 1884 at LaSalle and Adams streets and demolished in 1931.
- In 1900, when residents were threatened by waterborne illnesses from sewage flowing into Lake Michigan, they reversed the Chicago River to make it flow toward the Mississippi.
- "Historic Route 66" begins at Grant Park on Adams Street.
- Chicago was the birthplace of the refrigerated rail car (Swift), mail-order retailing (Sears and Montgomery Ward), the car radio (Motorola), and the TV remote control (Zenith).
- The first self-sustaining nuclear chain reaction, ushering in the Atomic Age, took place at the University of Chicago in 1942. The spot is marked by a Henry Moore sculpture on Ellis Avenue between 56th and 57th streets.
- The 1,450-foot Sears Tower, completed in 1974, is the tallest building in North America and the third tallest in the world.[3]



Chicago, Illinois

Chicago Geography:

Chicago extends westward on a plain along the southwest shore of Lake Michigan. The climate is continental, with frequently changing weather bringing temperatures that range from relatively warm in the summer to relatively cold in the winter. Temperatures of 96 degrees or higher occur during summers; winters can register a minimum low of minus 15 degrees. Snowfall near the lakeshore is usually heavy because of cold air movement off Lake Michigan. Summer thunderstorms are frequently heavy but variable, as parts of the city may receive substantial

[3] "Chicago History", City of Chicago Official Site, accessed July, 28, 2013, http://www.cityofchicago.org/city/en/about/history.html.

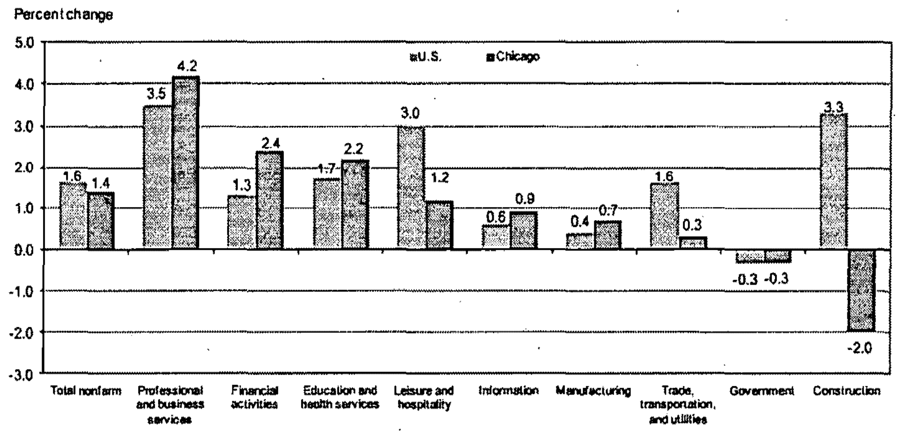
rainfall while other sectors will have none. Strong wind gusts in the central business district are caused by the channeling of winds between tall buildings; the nickname "windy city," often applied to Chicago, does not, however, refer to the average wind speed, which is no greater than in many other parts of the country. Chicago covers a land area of 227.63 square miles, consuming both Cook and DuPage counties.[4]

Chicago Industry:

According to the Bureau of Labor Statistics, total nonfarm employment in the Chicago-Joliet-Naperville Metropolitan Statistical Area stood at 4,443,300 in May 2013, up 62,500 or 1.4%, over the year. During the same period, the national job count increased 1.6 percent. Regional Commissioner Charlene Peiffer noted that the Chicago area has recorded over-the-year job growth of at least 47,000 for 24 consecutive months. The largest over-the-year employment increase in the Chicago metropolitan area in May 2013 was in professional and business services, up 30,500. The local area's 4.2% rate of job growth in this supersector[5] exceeded the 3.5% gain nationwide. Chicago's professional and business services supersector, the area's second-largest supersector, has recorded over-the-year employment gains of more than 13,000 each month since June 2010. Education and health services recorded the second-largest employment gain expanding by 14,700 or 2.2%, which was greater than the national growth rate of 1.7%. Locally, this supersector has experienced consecutive over-the-year employment gains of more than 7,700 since January 2003. Financial activities employment rose by 6,900, a 2.4% increase. Nationally, the rate of job growth for this supersector was 1.3%. Locally, this supersector has registered over-the-year employment gains of more than 2,000 since May 2012.

Leisure and hospitality added 5,100 jobs from May a year ago. The 1.2% rate of local job growth was less than the 3% increase nationwide. Over-the year employment gains in this Chicago area supersector have exceeded 3,400 since October 2010.[6]

Chart 2. Over-the-year percent change in employment by selected industry supersector, United States and the Chicago metropolitan area, May 2013



Source: U.S. Bureau of Labor Statistics.

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[4] "Geographic Information Systems", City of Chicago Official Site, accessed July, 28, 2012, http://www.cityofchicago.org/city/en/depts/doit/provdrs/gis.html.

[5] For purposes of analysis, the Bureau of Labor Statistics has further aggregated NAICS sectors into groupings called "Supersectors.".

[6] "Chicago Area Employment—May 2013", Bureau of Labor Statistics, accessed July, 28, 2013, http://www.bls.gov/ro5/ceschi.pdf.

Chicago Education:

The educational attainments of the City of Chicago are best reviewed in context with the tri-state region. In the tri-state region, the working-age population is comparatively well educated, though perhaps not to the levels that would be expected given its good higher education infrastructure. It ranks 4th among U.S. metropolitan areas in educational achievement, with nearly one third of the tri-state region's population holding a BA degree or higher, and one quarter holding some college or associate degree. Institutes of higher education abound in the region, with over 200 post-secondary education and training institutions, graduating 140 000 annually.

Northwestern University and the University of Chicago are ranked in the top 30 of the world's universities for science, and in the top 12 for business, economics and engineering. Chicago's Booth business school was recently ranked first in 18 in the world in the Economist's survey of 115 schools. These institutions attract students from all over the world. Yet skills acquired via the region's education system are useful only if businesses in the metropolitan economy need them; if not, then there is a skills mismatch. And the data suggests that there is indeed a serious mismatch between skills demand and supply in the tri-state region. While aggregated data for the region suggests that the average worker in the region has the formal education required to do the average job, the data conceals serious issues in certain key parts of the region's skill spectrum. At the high end, there is a large pool of high-skilled, highly educated workers, in principle more than sufficient to fill the jobs available at that level. At the low end, there are large numbers of high school drop-outs (13% in the City of Chicago which is among the highest in the US) and others with limited education opportunities. They far outweigh the number of jobs available for individuals with low skills, even though the tri-state region's manufacturing industry as a whole has not modernized to the same extent as its competitors elsewhere in the U.S. In the middle of the spectrum, where most jobs lie, there is a marked education gap. Even in the currently depressed labor market, there are not enough individuals qualifying for the jobs that demand some higher educational attainment beyond a high-school diploma.[7]

Chicago Demographics:

The 2012 U.S. Census population estimate for the City of Chicago placed the population at 2,714,856 people. The population increased by .7% over 2010 U.S. Census population stats. The city has a population density of 11,841.8 persons per square mile.

The City of Chicago has lower rates of high school graduation when compared against averages for the state of Illinois, but a higher percentage of post-secondary degree attainment. Homeownership rates are lower in the City of Chicago when compared against averages for the state of Illinois; however, this is due in large part to high

U.S. Census 2007-2011	Chicago	Illinois
High school graduate	80.2%	86.6%
Bachelor's degree or higher	32.9%	30.7%
Homeownership rate	47.0%	68.7%
Per capita income	$27,940	$29,376
Median household income	$47,371	$56,576
Persons below poverty level	21.4%	13.1%

[7] OECD Territorial Reviews: The Chicago Tri-State Metropolitan Area. Pages 18-20

population density in the urban areas. Per capita and Median household income are both lower for Chicago than averages for the state of Illinois. Chicago also has a greater percentage of its population living below the poverty level when compared against averages for the state.[8]

Cook County

Chicago is the county seat of Cook County. The county has over 130 incorporated municipalities including Chicago. The county is the fifth largest county in Illinois by land area. It shares the state's Lake Michigan shoreline with Lake County. The county is mainly urban and densely populated. The five counties surrounding Cook County are DuPage, Kane, Lake, McHenry, and Will counties which together are referred to as the "collar counties". The county was formed from portions of Putnam on January, 15, 1831, making it the 54th county established in Illinois. The county was named for Daniel Cook, a statesmen tin early Illinois history.

Cook County had a 2012 U.S. Census population estimate of 5,231,351 people. The population increased by 0.7% over the 2010 Census numbers. The county covers a land area of 945.33 square miles with a population density of 5,395.1 square mile. Private nonfarm employment in Cook County (2011) was at 2,193,827 people, a 1.1% increase over the 2010 numbers.

U.S. Census 2007-2011	Cook County	Illinois
High school graduate	83.7%	86.6%
Bachelor's degree or higher	33.7%	30.7%
Homeownership rate	59.8%	68.7%
Per capita income	$29,920	$29,376
Median household income	$54,598	$56,576
Persons below poverty level	15.8%	13.1%

Cook County has lower rates of high school graduation when compared against state averages, but has higher rates of post-secondary educational attainment when compared against the state. Homeownership rates and median household income are lower in Cook County than for the state of Illinois. Per capita income is higher at the county level than at the state level. A greater percentage of people live below the poverty level in the county than averages for the state.[9]

DeKalb County, IL

DeKalb County is part of the Chicago Metropolitan Statistical Area. It was formed on March 4, 1837, out of Kane County, IL. DeKalb County is located 63 miles west of Chicago. There are 19 townships in the county with the county seat at Sycamore.

The 2012 population estimate for DeKalb County was 104,704 according to the U.S. Census Bureau. The county is 631.31 square miles and has a population density of 166.6 persons per square mile.

U.S. Census 2007-2011	DeKalb County	Illinois
High school graduate	91.2%	86.6%
Bachelor's degree or higher	28.2%	30.7%
Homeownership rate	62.8%	68.7%
Per capita income	$24,547	$29,376
Median household income	$54,436	$56,576
Persons below poverty level	15.9%	13.1%

DeKalb County has more high school graduates,

[8] "State & County QuickFacts Chicago", United Sates Census Bureau, accessed July, 28, 2013, http://quickfacts.census.gov/qfd/states/17/1714000.html.
[9] "State & County QuickFacts Cook County, Illinois", United States Census Bureau, accessed July 28, 2013, http://quickfacts.census.gov/qfd/states/17/17031.html.

but a lower number of persons with Bachelor's degrees than statewide. Homeownership rates, per capita income, and median household income are all lower than the state. The poverty level is higher in DeKalb County with nearly 16% of persons living below the poverty level as compared to 13.1% statewide.[10]

DuPage County, IL

DuPage County is part of the Chicago Metropolitan Statistical Area. The county is composed of nine townships: Addison, Bloomingdale, Downers Grove, Lisle, Milton, Naperville, Wayne, Winfield and York. The city of Wheaton serves as the county seat. DuPage County contains portions of the City of Chicago and the city of Aurora. The county was formed on February 9th, 1839 from a portion of Cook County and takes its name from the DuPage River (which took its name from a French fur trapper of the same name). The county is bordered by Cook County to the north and east, Will County to the south, Kendall County to the southwest, and Kane County to the west.[11]

DuPage County had a 2012 U.S. Census population estimate of 927,987 people. The population increased 1.2% over the 2010 Census count numbers. Total private nonfarm employment stood at 567,052 in 2011 after increasing 2.3% over the 2010 count. The county has a land area of 327.50 square miles with a population density of 2,799.8 persons per square mile.

U.S. Census 2007-2011	DuPage County	Illinois
High school graduate	91.9%	86.6%
Bachelor's degree or higher	45.6%	30.7%
Homeownership rate	75.9%	68.7%
Per capita income	$38,405	$29,376
Median household income	$77,598	$56,576
Persons below poverty level	6.2%	13.1%

DuPage County has higher rates of educational attainment, higher homeownership rates, higher per capita income, and higher median household income when compared against averages for the state. DuPage County has a lower percentage of persons living below the poverty level when compared against averages for the State of Illinois.[12]

Grundy County, IL

Grundy County covers 418.04 square miles of land area. The county is one of Illinois' most important, commercial and agricultural counties despite its relatively small size. Grundy County has approximately 45 miles of waterways including the Illinois River and numerous The Illinois River along with other streams gives Grundy County about 45 miles of waterways. The Illinois and Michigan canal flows through the county seat of Morris, adjacent to the Illinois River. Large employers in the area include R.R. Donnelley & Sons, Morris Hospital, Exelon-Dresden Station, Lyondell, and Wal-Mart.[13]

Grundy County had a 2012 U.S. Census estimated population 50,281 people. The population increased 0.4% over the official 2010 Census numbers. Grundy County's private nonfarm

[10] http://quickfacts.census.gov/qfd/states/17/17037.html, assessed September 30, 2013
[11] "The County of DuPage Wheaton, Illinois", The County of DuPage, accessed August 1, 2013, http://www.dupageco.org.
[12] "State & County Quickfacts Dupage County, Illinois", United State Census, accessed July 28, 2013, http://quickfacts.census.gov/qfd/states/17/17043.html.
[13] "Facts About Industries", Grundy County, accessed August 1, 2013, http://www.grundyco.org/about/industries.

employment stood at 14,721 in 2011, down 1.7% from 2010. The county had a population density of 418.04 persons per square mile.

The county has higher rates of high school graduation when compared against state levels; however, post-secondary educational attainment rates are lower for the county than for the state of Illinois. Homeownership rates are higher for Grundy County than for the state of Illinois along with median household income. The percentage of persons living below poverty level is lower in the county than for the state as are per capita income rates.[14]

U.S. Census 2007-2011	Grundy County	Illinois
High school graduate	91.3%	86.6%
Bachelor's degree or higher	18.1%	30.7%
Homeownership rate	75.6%	68.7%
Per capita income	$28,169	$29,376
Median household income	$64,592	$56,576
Persons below poverty level	7.4%	13.1%

Kane County, IL

On January 16, 1836, the Illinois legislature created Kane County. The county was named after Elias Kent Kane, the attorney who helped draft the Illinois constitution and was the first Secretary of State. Kane was later elected to Congress. He represented Illinois in the U.S. Senate until his death in 1835. Then Kane County included what is now DeKalb County and part of the northern portions of Kendall. DeKalb separated from Kane County in 1837 and Kendall separated from the county in 1841.

The railroad was instrumental in establishing Kane County as a prominent dairy region in the 19th century. The Chicago hotels were a major consumer for the milk, butter and cheese from the northern Kane County area and the railroads provided rapid transportation for the fresh dairy products which were shipped daily into the city. In 1967, the United States government built Fermilab, a center for energy research and development, on a 6,800 acre site outside Batavia. This research center provides educational and cultural opportunities for residents of Kane and surrounding counties.[15]

According to the 2012 U.S. Census population estimate, Kane County's population is 522,487 people and is steadily increasing due largely to expansion from the Chicagoland area. The population grew 1.4% since the 2010 Census count. More Kane County farm lands are being rezoned to fit the demand of housing construction. The county has a land area of 520.06 square mile with a population density of 990.8 per square mile.

U.S. Census 2007-2011	Kane County	Illinois
High school graduate	83.1%	86.6%
Bachelor's degree or higher	31.8%	30.7%
Homeownership rate	76.6%	68.7%
Per capita income	$29,864	$29,376
Median household income	$69,496	$56,576
Persons below poverty level	10.1%	13.1%

Kane County has lower rates of high school graduation when compared against state averages, but has higher rates of post-secondary educational attainment when compared against the state. Homeownership rates and median household income, and per

[14] "State & County QuickFacts Grundy County, Illinois", United States Census Bureau, accessed August 1, 2013, http://quickfacts.census.gov/qfd/states/17/17063.html.
[15] "County History", Kane County, Illinois, accessed August 1, 2012, http://www.countyofkane.org/documents/County%20Board/Kane%20County%20History.pdf.

capita income are higher at the county level than at the state level. A lower percentage of people live below the poverty level in the county than averages for the state of Illinois.[16]

Kendall County, IL

Kendall County, located in northeastern Illinois, occupies 320.34 square miles and is considered part of the Chicago metropolitan area. Kendall County has a population density of 358.2 persons per square mile. The County seat is located in Yorkville. Kendall County holds the record as the #1 fastest growing county in the United States with a 10 year percentage growth of 110.4%.

The 2010 Census reports a population of 114,736. In the 2000 Census, the population was 54,544. According to Census Bureau statistics released in March 2011, Kendall County's 2010 population of 114,736 made it the number one fastest growing county in the United States between the years 2000 and 2010. The U.S. Census estimated the population of Kendall County at 118,105 people in 2012, a 2.9% increase in two years. The 2.9S% population increase in Kendall County outstrips the 0.3% population growth average for the state of Illinois.[17]

U.S. Census 2007-2011	Kendall County	Illinois
High school graduate	92.1%	86.6%
Bachelor's degree or higher	33.7%	30.7%
Homeownership rate	86.2%	68.7%
Per capita income	$31,325	$29,376
Median household income	$82,649	$56,576
Persons below poverty level	3.8%	13.1%

Kendall County has higher rates of educational attainment, higher homeownership rates, higher per capita income, and higher median household income when compared against averages for the state of Illinois. Kendall County has a lower percentage of the population living below the poverty level when compared against state averages.[18]

McHenry County, IL

McHenry County is located in the Northeastern part of Illinois and was formed in 1836 from a portion of Cook County. The County was named in honor of Major William McHenry, an officer in the Blackhawk war. The county seat is Woodstock. The county's first private institutions included Lawrence Academy, Nunda College, Marengo Collegiate Institute and Todd Seminary. Orson Welles was educated at the Todd Seminary for Boys.

McHenry County is strategically located in the heart of the business triangle between Chicago, Milwaukee and Rockford. It has a diversified, modern $6 billion economy with one of the fastest-growing manufacturing sectors in the region. The county also has surging health care, medical devices, medical supplies and services sectors. McHenry County is part of the Chicago, Rockford and Milwaukee economies. McHenry County's business make-up is very balanced. While manufacturing sales are growing much faster in McHenry County than almost anywhere else in

[16] "State & County QuickFacts Kane County, Illinois", United States Census Bureau, accessed August, 1, 2013, http://quickfacts.census.gov/qfd/states/17/17089.html.
[17] "Kendal County, Illinois", Kendall County, accessed August 1, 2013, http://www.co.kendall.il.us/.
[18] "State & County QuickFacts Kendal County, Illinois", United States Census Bureau, accessed August 1, 2013, http://quickfacts.census.gov/qfd/states/17/17093.html

the region, the distribution of corporate earnings within the county shows an increasing diversification of the economy.[19]

McHenry County had a 2012, U.S. Census population estimate of 308,145 people. It covers 603.17 square mile of land area and has a population density of 511.19 persons per square mile. McHenry County has higher rates of educational attainment, higher homeownership rates, higher per capita income rates, and higher median household income rates when compared against the state of Illinois. The county has a lower percentage of persons living below the poverty level when compared against the state.[20]

U.S. Census 2007-2011	McHenry County	Illinois
High school graduate	91.1%	86.6%
Bachelor's degree or higher	31.9%	30.7%
Homeownership rate	83.8%	68.7%
Per capita income	$32,318	$29,376
Median household income	$79,909	$56,576
Persons below poverty level	6.9%	13.1%

Will County, IL

According to the Will County's official website, Will County is first in population growth of all Illinois Counties, and the first in new home construction for the state. Joliet is the 14th fastest growing city of 100,000 or more in the US. Bolingbrook is the 24th wealthiest zip code in the "Chicago land" area. Will County is the 10th fastest growing county in the U.S., 36th Nationally in New Job Creation, and Will County is now 88th of the 100 Most Populous Counties in the U.S. Will County has the 4th largest population in Illinois (after Cook, DuPage, and Lake Counties).[21]

Will County covers a land area of 836.91 square miles and has a 2012 estimated U.S. Census population of 682,518 people for a population density of 809.6 persons per square mile. Private nonfarm employment stood at 187,180 in 2011 (a 1.7% increase over 2010).

Will County has higher rates of educational attainment, higher homeownership rates, higher per capita income, and higher median household income when compared against the state of Illinois as a whole. The county has a lower percentage of persons living below the poverty level when compared against the state.[22]

U.S. Census 2007-2011	Will County	Illinois
High school graduate	90.2%	86.6%
Bachelor's degree or higher	31.3%	30.7%
Homeownership rate	84.5%	68.7%
Per capita income	$30,199	$29,376
Median household income	$76,453	$56,576
Persons below poverty level	7.1%	13.1%

B. Gary, IN Metropolitan Division

The Gary, IN Metropolitan Division consists of Jasper, Lake, Newton, and Porter counties in Indiana and is of the 11 Metropolitan Statistical Areas deemed large enough to be subdivided into metropolitan divisions by the Bureau of Labor and Statistics. This area is heavily impacted by

[19] "Facts To Remember", McHenry County", accessed August 1, 2013, http://www.co.mchenry.il.us/yearbook/Pages/FactsToRemember.aspx.
[20] "State & County QuickFacts McHenry County, Illinois", United States Census Bureau, accessed August 1, http://quickfacts.census.gov/qfd/states/17/17111.html.
[21] "Facts and Figures", Will County Official Website, accessed August 1, 2013, http://www.willcountyillinois.com/FactsFigures/tabid/245/Default.aspx
[22] "State & County QuickFacts Will County, Illinois", United States Census Bureau, accessed August 1, http://quickfacts.census.gov/qfd/states/17/17197.html.

the economic and social conditions affecting the metropolitan division's primary city, Gary, Indiana. According to the 2013 Economic News Release issued by the Bureau of Labor Statistics the Gary, IN metropolitan division had the largest unemployment rate increase from a year earlier (+0.9 percentage point).

As with Section VVII-B-2, the largest city in the Division, Gary, followed by Lake County in which Gary is located, then the remaining counties in the Metropolitan Division are described.

Gary, Indiana

History

Gary has a long history of being both an industrial city and the economic hub of the Northwest Indiana region which includes the surrounding communities of Merrillville, Hammond, and Hobart. In 2006, the city celebrated its Centennial. Many notable people call Gary their original home, including well-known entertainers such as Michael Jackson and the Jackson family. Gary was founded in 1906 by Elbert H. Gary a, former Chairman of the United States Steel Corporation. The city originated as the chosen site for the location of what was intended to be the world's largest steel plant. The three year project resulted in the birth of a huge industry and lead to an increase in population as thousands of steel workers and their families came to Gary to seek economic prosperity.[23]

Gary Geography

Gary, Indiana is located on the shores of Lake Michigan in northwestern Indiana. It is the largest city in Indiana's Lake County. Gary is situated only 30 miles southeast of Chicago, Illinois, and encompasses the southeastern portion of the Chicago metropolitan area. Gary is "T" shaped, with its northern border on Lake Michigan. At the Northwestern most section Gary borders Hammond and East Chicago. Miller Beach, its easternmost neighborhood, borders Lake Station and Portage. Gary's southernmost section borders Griffith, Hobart, Merrillville, and unincorporated Ross. Gary is about 40 miles (64 km) from the Chicago Loop. Interstate I-90 runs through Gary, which is also serviced by Interstates I-80, I-94, I-65; U.S. Routes 12 and 20; and Indiana State Highways 312 and 912.[24]

Gary Industry

Gary's fortunes have mirrored the ups and downs of its primary industry. Plant layoffs in the 1960s led to a decline in the city's economic and cultural profile, mimicking the fortunes of similar urban centers in the nation. Today, the city continues to be a major steel producer but still faces many tough economic challenges. Gary's economic down spiral is similar to that of other Rust Belt cities.

NBC News recently (June 19, 2013) profiled the depressed city near Chicago for its Poverty in America series, reporting that about 6,500 of the 7,000 properties the city owns are abandoned. Gary officials are considering auctioning the buildings off for $1 because the city lacks sufficient funds to demolish them. Gary officials are also considering cutting off city services to about 40% of the city's land and moving residents to more viable parts of Gary, NBC reports. This is a drastic

[23] "City of the Century", City of Gary, Indiana Official website, accessed August 1, 2013, http://www.gary.in.us/
[24] City of Gary Official Website

move, but it may be necessary as the thousands of abandoned properties are attracting criminals and discouraging industrial growth.

Gary's deterioration is not a new story. The city's economy was decimated when the steel industry collapsed. Gary has lost 55% of its population since the city's peak in 1960. Back then, 178,320 lived in Gary. By 2010, the population had dropped to just 80,294. Gary has lost even more people since then. The U.S. Census estimates put the 2012 population at 79,170.

U.S. Steel used to be a big employer in Gary, providing jobs to 25,000 people. Now, just 5,000 work for the company, according to NBC. Competition overseas led to massive layoffs in the steel industry. Gary, like many other Rust Belt cities is in desperate need of employment. Lack of employment has proved devastating to Gary residents and has left city services severely crippled.[25]

Gary Education

Gary, Indiana residents have several choices in higher education. Calumet College of Saint Joseph is a 4 year private, not-for-profit school offering one and two year certificates, associate degrees, bachelor's degrees, and master's degrees. Calumet College is located in Whiting, Indiana, 14 miles from Gary. Indiana University Northwest is located in Gary and is a four year public university offering one and two year certificates, associate degrees, bachelor's degrees, and master's degrees. Ivy Tech Community College Northwest, located in Gary, Indiana, is a two year public university offering one year and two year certificates and associate's degrees. Purdue University's Calumet Campus is located 9 miles from the city of Gary. The university is a four year public university offering one and two year certificates, associate degrees, bachelor's degrees, master's degrees, and post-master's certificates.[26]

Gary Demographics

The city of Gary lost 1.4% of its population between 2010 and 2012, according to the U.S. Census. Gary covers a land area of 49.87 square mile with a population density of 1,610.2 persons per square mile. The city of Gary has lower rates of educational attainment, lower homeownership rates, lower per capita income, and lower median household income when compared against averages for the state of Indiana. The city has a higher percentage of persons living below poverty level, more than twice the state average.[27]

U.S. Census 2007-2011	City of Gary	Indiana
High school graduate	82.7%	86.6%
Bachelor's degree or higher	12.6%	22.7%
Homeownership rate	54.8%	71.1%
Per capita income	$16,300	$24,497
Median household income	$27,701	$48,393
Persons below poverty level	35.9%	14.1%

[25] "In Plain Sight: Poverty in America, Battered city of Gary, Ind., Considers shrink 40 percent to save itself" NBC News, accessed August 8, 2012, http://inplainsight.nbcnews.com/_news/2013/06/19/18956862-battered-city-of-gary-ind-considers-shrinking-40-percent-to-save-itself?lite.

[26] "Gary, Indiana (IN) Colleges and Universities", Education Portal, accessed August 1, 2013, http://education-portal.com/gary,_indiana_(in)_colleges.html.

[27] "State & County QuickFacts Gary, Indiana", United States Census Bureau, accessed August 1, 2013 http://quickfacts.census.gov/qfd/states/18/1827000.html.

Lake County, IN

Lake County is located in Northwest Indiana. The county is bordered on the south by Newton and Jasper Counties. The County is adjacent to Porter County on the east, Lake Michigan is to the north, and The State of Illinois to the west. Lake County was formed from portions of La Porte and Porter Counties in Indiana in 1837. The county takes its name after Lake Michigan. The city of Crown Point serves as the county seat.

The county has 11 townships and 20 cities and towns. The county has fourteen separate school corporations.[28] Lake County had a 2012 U.S. Population estimate of 493,618 people. The population decreased 0.5% since the 2010 Census count. The county's unemployment rate was based on an estimated average residential labor force of 223,334. Of that labor force, 201,250 were employed and 22,084 were unemployed. Lake County's unemployment rate reached a decade low of 3.6 percent in 2000. The rate rose to 11.0 percent by 2010. Lake County's estimated average unemployment rate for 2011 was 9.9%, above Indiana's annual average of 9.0%.

In 2010 persons living in but commuting to work out of Lake County was 51,323 or 17.5 percent of the labor force. In 2010 person commuting to work into the county from outside areas was 38,680 or 13.8 percent of the work force. The area sending the most number of persons into the county to work was Porter County. Lake County covers a land area of 498.96 square mile with a population density of 994.1 persons per square mile.

U.S. Census 2007-2011	Lake County	Indiana
High school graduate	86.5%	86.6%
Bachelor's degree or higher	19.5%	22.7%
Homeownership rate	70.7%	71.1%
Per capita income	$23,726	$24,497
Median household income	$49,443	$48,393
Persons below poverty level	16.6%	14.1%

Lake County has lower educational attainment rates, lower homeownership rates, and lower per capita income when compared against levels for the state of Indiana. Median household income is higher in Lake County than averages for the state, as is the percentage of persons living below poverty level.[29] [30]

Jasper County, IN

Jasper County is located in northwest Indiana. The county is bordered on the south by Benton and White Counties. The County is adjacent to Starke and Pulaski Counties on the east, Lake and Porter Counties are to the north, and Newton County to the west. Jasper County was formally organized on March 15, 1838. Originally, the territory of Jasper included all of the present county of Newton and most of Benton. The first County Seat was located at Parish Grove, thirty miles south of the present seat of justice and five miles southwest of Fowler. This was chosen because it was near the center of population and for the additional reason that it is one of the few high and dry spots in the county. Rensselaer (originally called Newton) became the County Seat when the State Commissioners met in June 1839, and decided upon a consolidation. The original plat of

[28] "Lake County" IN.Gov Indiana's official website, accessed August 1, 2013, http://www.in.gov/mylocal/lake_county.html.
[29] State & County QuickFacts Lake County, Indiana", United States Census Bureau, accessed August 1, 2013, http://quickfacts.census.gov/qfd/states/18/18089.html.
[30] "Lake County Labor Market Profile", Northern Indiana Data Plus, accessed August 1, 2013, http://nidataplus.com/2lake.htm.

the newly chosen County Seat was filed June 12, 1839; by 1849 it had three stores, two physicians, one lawyer and 15 dwelling houses. [31]

Jasper County's estimated average unemployment rate for 2011 was 8.8%, below Indiana's annual average of 9.0%. The county's unemployment rate was based on an estimated average residential labor force of 15,652. Of that labor force, 14,271 were employed and 1,381 were unemployed. Jasper County's unemployment rate reached a two decade low of 3.3% in 2000, and then rose to a high of 10.3% by 2010.

Jasper County has lower rates of post-secondary educational attainment (but higher rates of high school graduation), lower per capita income, and a lower percentage of persons living below the poverty level when compared against averages for the state of Indiana. It also has a higher homeownership rate and higher median household income than the state overall.[32 33]

U.S. Census 2007-2011	Jasper County	Indiana
High school graduate	87.5%	86.6%
Bachelor's degree or higher	14.3%	22.7%
Homeownership rate	77.8%	71.1%
Per capita income	$23,546	$24,497
Median household income	$55,509	$48,393
Persons below poverty level	7.7%	14.1%

Newton County, IN

Newton County was formed by an act of law on February 7, 1835. The county was named for Sgt. John Newton, who served under Frances "Swamp Fox" Marion during the American Revolutionary war. Newton County was the last county formed in the state of Indiana.

Newton County had a 2012 U.S. Census estimated population of 14,044 people. The county covers a land area of 401.76 square mile and has a population density of 35.5 persons per square mile. The population decreased by 1.4% between 2010 and 2011. Private nonfarm employment stood at 2,265 in 2011, dropping 6.0% from 2010 numbers.

Newton County's high school graduation rates are slightly higher than for the state. Newton County has lower rates of postsecondary educational attainment, lower per capita income, lower median household income, and fewer persons living below the poverty level when compared against averages for the State of Indiana. Homeownership rates are higher in Newton County than similar rates for the state.[34]

U.S. Census 2007-2011	Newton County	Indiana
High school graduate	86.8%	86.6%
Bachelor's degree or higher	8.1%	22.7%
Homeownership rate	79.8%	71.1%
Per capita income	$23,416	$24,497
Median household income	$48,108	$48,393
Persons below poverty level	11.3%	14.1%

[31] "Jasper County Indiana Established 1838", Jasper County Official Website, accessed August 1, 2013, http://jaspercountyin.gov.

[32] "State & County QuickFacts Jasper County, Indiana", United States Census Bureau, accessed August 1,2013 http://quickfacts.census.gov/qfd/states/18/18073.html.

[33] "Jasper County Labor Market Profile", Northern Indiana Data Plus, accessed August 1, 2013. http://nidataplus.com/2jasper.htm.

[34] "State & County Quickfacts", U.S. Census Bureau, accessed August 13, 2013, http://quickfacts.census.gov/qfd/states/18/18111.html.

Porter County, IN

Porter County is located in Northwest Indiana. The county is bordered on the south by Jasper County. The County is adjacent to LaPorte County on the east, Lake Michigan is to the north, and Lake County to the west.

Porter County's estimated average unemployment rate for 2011 was 7.9%, below Indiana's annual average of 9%. The county's unemployment rate was based on an estimated average residential labor force of 82,653. Of that labor force, 76,141 were employed and 6,512 were unemployed. Porter County's unemployment rate reached a decade low of 2.7% in 2000. The rate rose to 9.2% by 2009. Private nonfarm employment increased 1.4% from 2010 to 2011.

Porter County had a 2012 Census estimated population of 165,682. The population increased .8% over the 2011 count. The county covers a land area of 418.15 square mile and has a population density of 418.15 persons per square mile.

Porter County has higher rates of educational attainment, higher homeownership rates, higher per capita income, and higher median household income when compared against averages for the state. The percentage of persons living below the poverty level is lower in Porter County than for the state of Indiana as a whole.[35 36]

U.S. Census 2007-2011	Porter County	Indiana
High school graduate	91.6%	86.6%
Bachelor's degree or higher	25.5%	22.7%
Homeownership rate	77.3%	71.1%
Per capita income	$28,452	$24,497
Median household income	$62,394	$48,393
Persons below poverty level	9.6%	14.1%

C. Lake County-Kenosha County, IL-WI Metropolitan Division

The Lake County-Kenosha County, IL-WI Metropolitan Division is a metropolitan statistical area that includes parts of Illinois and Wisconsin. Waukegen (population 89,078) is the largest city in Lake County. Kenosha (population 99,218) is the largest city in Kenosha County, WI.

Lake County, IL

Lake County was created in 1839 from portions of McHenry County. The city of Waukegan serves as the county seat. The county is 443.67 square miles and has a population density of 1,585.6 persons per square mile. According to the Lake County Chamber of Commerce, Lake County, Illinois has 52 incorporated villages and cities, three state parks, over 50 business and industrial parks, 24 miles of Lake Michigan shoreline, and a diverse and generally high-quality housing stock.

The county has 30 public elementary school districts, 10 public high school districts, six public unit school districts, one charter school and two special education districts. The county is home to the Great Lakes Navel Training Station, the Chicago Bulls' Berto Center and Halas Hall practice facilities, a Six Flags theme park, the Rosalind Franklin University of Medicine and Science, the

[35] "Porter County Labor Market Profile", Northern Indiana Data Plus, accessed August 1, 2013. http://nidataplus.com/2porter.htm

[36] State & County QuickFacts Porter County, Indiana", United States Census Bureau, accessed August 1, 2013, http://quickfacts.census.gov/qfd/states/18/18127.html.

Chain O'Lakes State Park, and the Illinois Beach State Park. In 2000, the county's top employers were the Department of the Navy, Great Lakes, Abbott Laboratories, Hewitt Associates, Motorola, Kemper Insurance, Baxter Healthcare Corp., Six Flags, Allegiance Corp, Lake County government and service, and Manpower.[37]

Lake County had a 2012 U.S. Census estimated population of 702,120 people. The population decreased by 0.2% since the 2010 Census count. Private nonfarm employment numbers stood at 307,559 people in 2011. There was no change between the 2010 and 2011 private nonfarm employment numbers.

Lake County has higher educational attainment rates, higher homeownership rates, higher per capita income, and higher median household income when compared against averages for the state of Illinois. The county has a lower percentage of its population living below the poverty level when compared against averages for the state.[38]

U.S. Census 2007-2011	Lake County	Illinois
High school graduate	88.6%	86.6%
Bachelor's degree or higher	41.5%	30.7%
Homeownership rate	77.6%	68.7%
Per capita income	$38,513	$29,378
Median household income	$79,666	$56,576
Persons below poverty level	8.2%	13.1%

Kenosha County, WI

Kenosha County, created in 1850 from Racine County, is named for an Indian word for "place of the pike." Kenosha County, WI is located in the southeast corner of the state. Kenosha County is bordered to the east by Lake Michigan and to the north by Racine County and to the south by Lake and McHenry counties in Illinois.

Kenosha County had a 2012 population estimate of 167,936 people. The population increased 0.9% since the 2010 Census count. Kenosha County is 271.99 square miles and has a population density of 611.9 persons per square mile. Private nonfarm employment in Kenosha County stood at 46,682 people in 2011. Private nonfarm employment increased 1.5% between 2010 and 2011.

Kenosha County has lower rates of educational attainment, homeownership rates, per capita income, and a lower percentage of persons living below the poverty level when compared against state of Wisconsin averages. Median household income averages in Kenosha County are higher than those of the state.[39] [40]

U.S. Census 2007-2011	Kenosha County	Wisconsin
High school graduate	88.3%	89.8%
Bachelor's degree or higher	23.7%	26.0%
Homeownership rate	68.5%	69.1%
Per capita income	$26,936	$27,192
Median household income	$54,846	$52,372
Persons below poverty level	11.6%	12.0%

[37] "Lake County Illinois", Lake County Chamber of Commerce, accessed August, 4, 2013, http://www.lakecountychamber.com/lake-county-info.asp.
[38] State & County QuickFacts Lake County, Illinois", United States Census Bureau, accessed August 4, 2013, http://quickfacts.census.gov/qfd/states/17/17097.html.
[39] "Kenosha County", Kenosha County Official Website, accessed August 4, 2013, http://www.co.kenosha.wi.us.
[40] "State & County QuickFacts Kenosha County, Wisconsin", United States Census Bureau, accessed August 4, 2013, http://quickfacts.census.gov/qfd/states/55/55059.html.

D. Observations on the Regional Center Proposed Geographic Area

The Chicago Tri-State Metro-Region – the 14-county Chicago-Naperville Joliet Metropolitan Statistical Area (MSA) – is home to approximately 9.5 million people, of whom over 90% live in Illinois, less than 2% in Wisconsin and the remainder in Indiana. It is the third most populous metropolitan area in the country, and the tenth largest among the OECD Metro-Regions.[41]

The OECD sites the key elements of success of the Tri-State Metro-Region are that the economy is responsive to changing demands and broadly based. It will continue to be a major and growing transportation hub for both passenger and freight domestic and international traffic, but for 2013, both the number of passengers and the number of pounds of freight were down, as compared to 2012. Chicago is ranked 2nd amount 822 U.S. airports in the U.S. for passenger traffic for the 12 months ending June 2013, and 11th for freight traffic. [42]

According to OECD, The Tri-State Region's growth rate has been slipping; for most of this century, its GDP growth has lagged behind that of the US average. This is partly the result of the convergence process: "it is easier for less advanced regions to grow faster than leading ones, because the former can borrow and imitate production and distribution methods that have been developed by the latter. Once a metropolitan area converges on the technological frontier, its continued growth depends increasingly on policy advances and innovation that push that frontier further out – a more difficult, costly and riskier process."[43]

The Federal Reserve System Beige Book for September 3, 2013 showed that the pace of economic activity in the Seventh District (Chicago) improved in July and August, and that moderate growth is expected for the rest of the year.[44] Increasing interest rates have spurred some hesitant home buyers to venture into the marketplace before rates climb higher, causing some price increases due to the limited supply of homes on the market for sale.

In Banking and Finance, credit conditions have tightened somewhat, with concerns on the impact of monetary policy on long-term Treasury yields in equity markets cited as the impetus. The September Beige Book also reported: "Banking contacts cited a modest reduction in overall business loan demand, but noted continued steady growth for commercial and industrial loans in the middle market. Contacts involved with commercial real estate finance indicated that the recent rise in interest rates was likely depressing some commercial investment. In contrast, consumer loan demand continued to increase, particularly for auto lending. Mortgage lending also rose, with new originations beginning to outpace refinancing activity for some banks."

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[41] http://www.keepeek.com/Digital-Asset-Management/oecd/urban-rural-and-regional-development/oecd-territorial-reviews-the-chicago-tri-state-metropolitan-area-united-states-2012_9789264170315-en#page19

[42] Passenger arrivals (12-months ending in June): 2012- 27,151k, 2013-26,756k, passenger departures: 2012-27,131k, 2013-26,724k, Freight in pounds: 2012-766m, 2013-722m. http://www.transtats.bts.gov/airports.asp?pn=1&Airport=ORD assessed September 28, 2013.

[43] http://www.keepeek.com/Digital-Asset-Management/oecd/urban-rural-and-regional-development/oecd-territorial-reviews-the-chicago-tri-state-metropolitan-area-united-states-2012_9789264170315-en#page20

[44] http://www.federalreserve.gov/monetarypolicy/beigebook/beigebook201309.htm, assessed September 28, 2013

According to AXIOMetrics, Inc.[45], The Chicago-Naperville-Joliet, IL MSA was ranked fourth in absolute job growth based on the preliminary June 2013 data. The top five annual job producers, not seasonally adjusted (NSA), during June 2013 were Houston (+97,700), New York (+96,200), Dallas (+62,900), Chicago (+60,700), and Boston (+57,900). Some of the weakest markets for job growth were Savannah (+1,100), Birmingham (+100), New Haven (-1,200), Cleveland (-5,700), and Detroit (-6,700).

Not seasonally adjusted job growth		Multifamily Permitting					Annual Job Growth (000)								
		Trailing 12 Months Ending				Change	Annual Absolute Change				Annual Relative Change				
No.	MSAName	May 10	May 11	May 12	May 13	05/12 vs. 05/13	Jun 10	Jun 11	Jun 12	Jun 13	Jun 10	Jun 11	Jun 12	Jun 13	No.
1	Houston-Baytown-Sugar Land, TX	4,157	5,195	9,889	16,642	68.3%	-1.5	62.0	101.7	97.7	-0.1%	2.4%	3.9%	3.6%	1
2	New York-Wayne-White Plains, NY-NJ	5,461	8,737	11,012	16,310	48.1%	42.1	76.0	106.6	96.2	0.8%	1.5%	2.0%	1.8%	2
3	Dallas-Plano-Irving, TX	1,745	6,046	9,922	12,165	22.6%	10.4	41.6	60.0	62.9	0.5%	2.1%	2.9%	3.0%	3
4	Chicago-Naperville-Joliet, IL	1,922	1,715	3,253	3,693	13.5%	-26.8	43.1	55.6	60.7	-0.7%	1.2%	1.5%	1.6%	4

Also reported by AXIOMetrics in June was the increase in Multifamily permitting in major market areas. For the Chicago-Naperville-Joliet, IL MSA, permitting activity was up 13.5% between May 2012 and May 2013. In light of higher home buyer demand above mentioned, coupled with rising home mortgage interest rates, this increase in permitting activity appears to be tied to unmet demand for housing.

The unemployment rate for the Chicago-Joliet-Naperville, IL-IN-WI Metropolitan Statistical Area for July 2013 was shown as 9.6% for July 2013, ranked 315th in a field of 372 MSAs that ranged from a low of 2.5% (Bismarck, ND MSA -1st) to a high of 34.5% (Yuma, AZ MSA -372nd).[46]

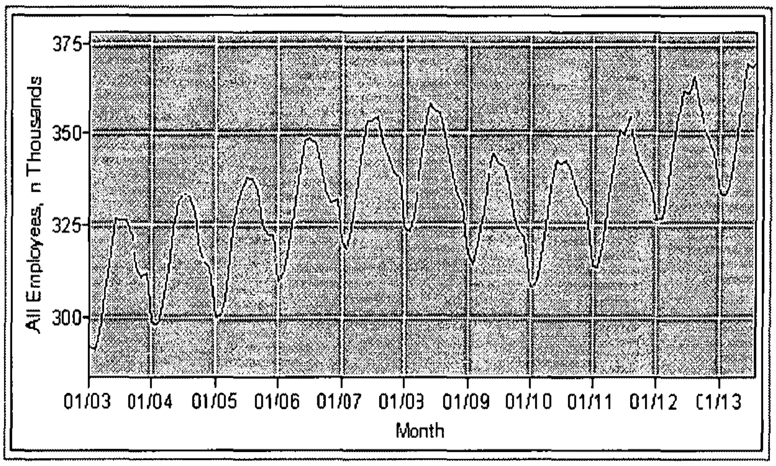
According to the July 12, 2013 news release from the Bureau of Labor Statistics: "The Chicago metropolitan area is made up of three metropolitan divisions—separately identifiable employment centers within the larger metropolitan area. The Chicago-Joliet-Naperville Metropolitan Division, which accounted for 85 percent of the area's workforce, added 60,400 jobs from May a year ago. Employment in the Lake County-Kenosha County, Ill.-Wis. Metropolitan Division rose by 1,600 over the year while the Gary, Ind. Metropolitan Division gained fewer than 1,000 jobs during this same period."[47]

Some industries in this part of the country are doing well, such as hospitality, which since the bottom employment-wise in early 2010, has shown overall improvement annually thereafter, exceeding record industry employment numbers previously set.

[45] AXIOMetrics is a leading provided or apartment data and apartment market research. http://axiometrics.com/index.html assessed September 28, 2013

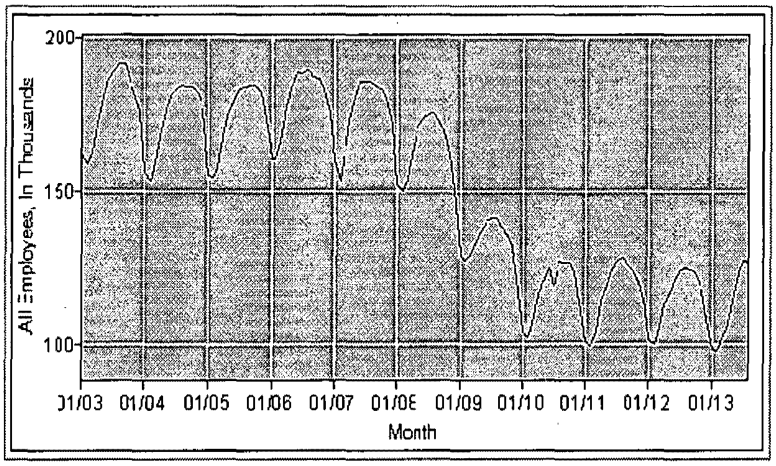
[46] http://www.bls.gov/web/metro/laummtrk.htm assessed September 28, 2013

[47] http://www.bls.gov/ro5/ceschi.pdf assessed September 28, 2013



Chicago-Joliet-Naperville, IL Metropolitan Division
Leisure and Hospitality Employees in Thousands[48]

The construction industry, however, is still struggling to recover from the recession, with July 2013 industry employment of 127.2K being tens of thousands less than in years of 2003 through 2007 when high season employment for the industry exceeded 180,000 workers.



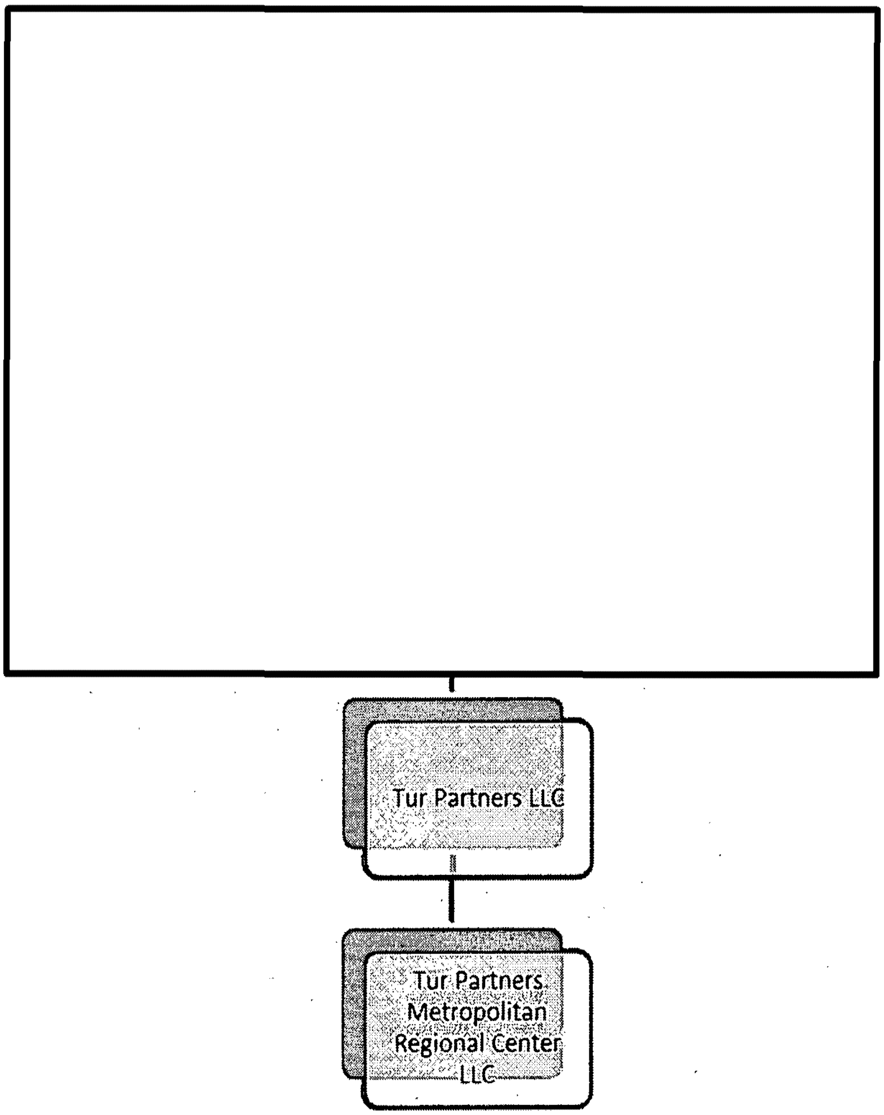
Chicago-Joliet-Naperville, IL Metropolitan Division
Construction Employees in Thousands[49]

The first project to be sponsored by this Regional Center will benefit from the market conditions for multiunit housing and hospitality, while at the same time help an industry that is still suffering, namely construction, by putting thousands of people to work.

[48] http://data.bls.gov/timeseries/SMU17169747000000001?data_tool=XGtable accessed September 28, 2013
[49] http://data.bls.gov/timeseries/SMU17169742000000001?data_tool=XGtable accessed September 28, 2013

V. Ownership Structure

(b)(4)



Tur Partners Metropolitan Regional Center LLC was formed in Delaware on October 14, 2013 and is owned and operated by Tur Partners LLC ("Tur"). Tur is an investment and advisory firm that partners with leaders and innovators to drive growth within global urban markets. Tur, led by its Executive Chairman, Richard M. Daley, former Mayor of Chicago for 22 years, is built upon a strong belief in the importance of cities in the global economy. Tur has brought together a team of professionals with extensive private and public experience capable of delivering economic growth and sustainable solutions across a variety of industries and regions. Although capable of working globally, Tur has established dedicated practices for the United States, China and Russia.

Tur is able to identify, facilitate and structure strategic partnerships across its network to accomplish a variety of objectives, including: entry into new geographic or lateral markets, securing project or corporate financing, obtaining global professional services, and implementing new technologies in particular around clean technology and urban sustainability.

Tur acts both as a principal investor and a strategic advisor in order to create equity value for its partners within the United States and international private equity and real estate markets.

Richard M. Daley, Executive Chairman

The longest-serving mayor in Chicago's history, Richard M. Daley has earned an international reputation as a leading innovator in urban development, fiscal policy and government stewardship. As mayor, Mr. Daley enhanced Chicago's quality of life, improved the public school system and infrastructure, strengthened the economy, reduced crime, improved transportation and made Chicago one of the most environmentally friendly cities in the world.

Mr. Daley transformed the Chicago economy by bringing cutting-edge businesses to the city. During his 22-year tenure as mayor, Chicago became a prominent player in the 21st century global economy, now ranking among the top economic centers and most influential cities worldwide. Mr. Daley pioneered a model of successful public-private partnerships that established Chicago as the benchmark for long-term sustainable urban growth and development. These partnerships, such as the city's privatization of its Chicago Skyway, allowed Chicago to improve the state of its infrastructure and preserve much-needed social programs while other cities were forced to make concessions.

Throughout his career, Mr. Daley has maintained a commitment to unifying mayors across the United States and the world to tackle the challenges confronting cities. He served as the 54th president of the U.S. Conference of Mayors, organized the Great Lakes and St. Lawrence Cities Initiative in 2003 for the restoration of the Great Lakes and founded and chaired the Metropolitan Mayors Caucus for the Chicagoland region. Mr. Daley also made Chicago a hub for mayors globally by hosting the Sino-U.S. Mayors Summit in 2007 for municipal leaders of the United States and China, the Mayor's Hemispheric Forum in 2007 for municipal leaders across the Americas, and the U.S.-Arab Cities Forum in 2008 for municipal leaders throughout the United States, Canada and the Arab world. Mr. Daley continues to speak internationally on the issue of sustainable urban development and work with global leaders on building the cities of tomorrow.

A former state senator and county prosecutor, Mr. Daley was elected mayor in 1989 and re-elected five times before deciding to retire from government in May of 2011. In addition to his role at Tur, he also serves as Of Counsel to Katten Muchin Rosenman LLP, an international law firm based in Chicago; a Distinguished Senior Fellow at the University of Chicago's Harris School of Public Policy; a Director on the boards of The Coca-Cola Company and Diamond Resorts International; a member of the International Advisory Board for the Russian Direct Investment Fund; and a senior advisor to JP Morgan Chase, where he chairs the new "Global Cities Initiative," a joint project of JP Morgan Chase and the Brookings Institution to help cities identify and leverage their greatest economic development resources.

Lori Healey, Chief Executive Officer - Ms. Healey joined Tur from The John Buck Company, where she served as Principal in Charge of the Development Group from 2009. At the John Buck Company, Ms. Healey oversaw the firm's business development efforts and, in particular, focused on growing the firm's private real estate and infrastructure related public-private partnership transactions. Ms. Healey also recently coordinated the organizational and planning activities for the NATO summit in Chicago, acting as Director of the NATO Host Committee as an executive "on loan."

Prior to joining The John Buck Company, Ms. Healey built a strong public sector career during which she earned a reputation for bringing together private and public leaders. In 2009, Ms. Healey was appointed as President of Chicago 2016, where she was responsible for leading Chicago's bid for the 2016 Summer Olympics. Ms. Healey also held several senior leadership positions for the City of Chicago under the administration of Richard M. Daley, most recently acting as Mr. Daley's Chief of Staff. She earlier served as Commissioner of the City's Department of Planning and Development, overseeing more than $1 billion of combined investment into the City's economic development programs and projects. Ms. Healey is widely credited with the successful implementation of over 110 tax financing districts and a myriad of projects, including improvements for the Chicago Transit Authority, infrastructure investment, a new schools program and significant private sector development.

Ms. Healey's previous experiences also include time as a principal at Perkins + Will, a leading corporate, commercial and civic architecture firm. Ms. Healey has a BA in Economics and Political Science and a Masters of Public Administration from Kansas State University in Manhattan, Kansas.

Patrick R. Daley, Principal

Mr. Daley has led and completed growth capital, management buyout and distressed investments across multiple sectors, including telecommunications, consumer products, logistics and financial services throughout the United States as well as in Russia and the CIS Region. Mr. Daley also worked in the Investment Banking group of Bear Stearns in New York specializing in Real Estate, Gaming and Lodging. Mr. Daley served in the United States Army and is a veteran of Operation Enduring Freedom. He received a B.A. from the University of Illinois in Champaign–Urbana, an MBA from the University of Chicago and is a CFA charterholder.

Sourna Daneshvar, Principal

Mr. Daneshvar was born in Iran and immigrated to the United States as a teenager. He is a graduate of the University of Chicago where he completed a BA in Political Science, a MA in International Relations and a MBA. In between degrees, he was awarded the Raoul Wallenberg Scholarship at the Hebrew University in Jerusalem. He subsequently joined the United States Marine Corps as an Infantry Officer and left the Corps as an Infantry Captain. Post his MBA from the University of Chicago, Mr. Daneshvar spent 10 years in senior Sales and Financing Roles at Credit Suisse and Goldman Sachs in London covering Hedge Fund and Alternative Asset Managers. Prior to his appointment with Tur, Mr. Daneshvar led an effort to establish a Veteran Owned bank in the Southeast US. As COO Asset Management, he is responsible for the financing and implementation of the firm's principal investments and marketing efforts in Western Europe, the Middle East and Japan.

A Joshua Strickland, Vice President

Mr. Strickland joined Tur from Kirkland & Ellis LLP, where he was a corporate attorney in the Private Equity group. At K&E, he advised clients in a variety of complex transactions, with a focus on mergers and acquisitions, leveraged finance and capital markets. Mr. Strickland's transactional experience reaches across industry and size, with successful deals in infrastructure, technology, financial services and real estate, ranging from the tens of millions to billions of dollars in enterprise value. Mr. Strickland received an A.B. with high honors in Economics and Psychology from Harvard University and a J.D. from Yale Law School. His research in Economics has been published in the American Economic Review.

Projects sponsored by TPMRC will enter into a contract with the TPMRC, and will not be owned in whole or in part by the Regional Center.

VI. Management

A full-time Administrator/Finance person will be identified prior to commencing operations and then additional hires will be made as required. The remaining management team with be shared with Tur Partners LLC. Tur will provide management for the Regional Center on an allocated basis.

A Management Team

1. Manager: Tur Partners LLC

a. Responsibilities

1) Provide the necessary leadership to assure that the Regional Center successfully performs the company's objectives as overseer of the performance of Regional Center projects, especially assuring compliance with USCIS EB-5 policies, regulations and objectives.
2) Be responsible for monitoring all EB-5 capital investment activity.
3) Lead in the development and attraction of quality projects into the Regional Center. These will be businesses that conform to USCIS standards, objectives and policies. In particular, to assure that all the Regional Center projects, both present and in the future, create the proper number of jobs and that the projects are well managed to assure that immigrant investors receive their permanent Green Cards within the required timeframe.
4) Be responsible for developing a method by which capital investment opportunities will be offered to the investors and how they will subscribe or commit their funds to the project.
5) Develop and maintain company policies, procedures and processes to assure the Regional Center operates smoothly and affectively;
6) To hire and maintain competent and productive staff that are well trained in USCIS policies and procedures;

b. Background Information: See Section IV- Ownership Structure. Members of the Tur management team will manage the Regional Center.

2. Administrator/Finance: To be determined

a. Responsibilities:

1) Work together with Manager to assure that the Regional Center successfully preforms its company objectives.
2) Oversee all paralegal and supporting functions.
3) Oversee all financial matters of TPMRC (accounting, budgeting, finance, and banking).
4) Manage EB-5 Immigrant tracking system to assure that such information is readily available to meet the requirements of USCIS.
5) Work with outside CPA to develop accounting policies.
6) Preparation of financial reports.

b. Background Information: The person to be hired for this position will have the skills and experience necessary to fulfill the requirements of the job.

3. Marketing: Tur Partners LLC

a. Responsibilities:

1) Oversee all marketing initiatives of TPMRC, which includes, but are not limited to, how investors will be recruited.
2) Develop and manage all marketing strategies necessary to attract qualified business enterprises into the Regional Center district.
3) Coordinate events and trade shows.
4) Interview and engage 3rd party overseas agents, as appropriate.

b. **Background Information:** See Section IV- Ownership Structure. Members of the Tur management team will manage the Regional Center.

B Consultants

1. Regional Center Counsel: H. Ron Klasko, Klasko, Rulon, Stock & Seltzer, LLP

H. Ron Klasko heads the firm of Klasko, Rulon, Stock & Seltzer, LLP. Ron has been practicing immigration law since 1978. Ron is a former national President and three-term General Counsel of the American Immigration Lawyers Association (AILA). He is listed in Best Lawyers in America, Chambers Global: The World's Leading Lawyers for Business and the International Who's Who of Business Lawyers. He is a frequent lecturer and prolific author on immigration law topics, and is one of only three immigration lawyers ever honored with the Founders Award, bestowed on the individual or group who has the most important impact on immigration law.

A former National President of the American Immigration Lawyers Association (AILA), Ron served as General Counsel of that organization for three Presidents and has been a member of its Board of Governors since 1980. He has served as National Chair of AILA's U.S. Department of Labor Liaison Committee and Business Immigration Committee, and he served as National Chair of that organization's INS General Counsel Liaison Committee, Department of Labor Liaison Committee, and the National Task Forces on Labor Certifications, H-1 visas, L-1 visas and Employer Sanctions. He presently serves as Chair of the EB-5 Committee.

At the request of members of Congress and their staffs, Ron has testified before the U.S. House of Representatives Committee on the Judiciary and the U.S. Commission on Immigration Reform. He has been invited to lecture and provide training to staff members and lawyers of the U.S. Department of Labor, U.S. Department of State, INS General Counsel Management Conference, Immigration Judges Association and U.S. Department of Justice. In addition, he has been an Adjunct Professor of Immigration Law at Villanova University Law School and is a frequent lecturer on immigration law subjects.

2. SEC Counsel: Jor Law, Homeier & Law, P.C.

Jor Law practices corporate and business transactional law in Los Angeles and is a founding shareholder of Homeier & Law, P.C. Jor has represented a broad variety of clients, both domestically and internationally, from Fortune 100 companies to startup businesses and entrepreneurs in a wide range of industries, including financial services, cleantech, entertainment, aviation, food and beverage, hospitality, manufacturing, retail, real estate, and technology. In addition to counseling companies with structuring, formation, and ongoing corporate issues, Jor's practice includes finance, secured and unsecured lending, mergers and acquisitions, licensing, securities, angel and venture capital financing, internet and new media, technology, e-commerce, and other corporate transactions.

Preceding his co-founding of Homeier & Law, P.C., Jor was an associate in the corporate practice of Paul, Hastings, Janofsky, & Walker LLP's Los Angeles office where he ran a division within the corporate department. His practice at Paul Hastings primarily consisted of general corporate matters with an emphasis on representing banks and non-bank , hedge funds, other financial institutions around the world in secured transactions (including secured credit facilities, subordinated debt and other mezzanine financings, asset-based working capital facilities, acquisition financings, aircraft and equipment financings, loan sales and participations, letters of credit, and other credit and liquidity support devices), as well as workouts, enforcement and collection actions, and bankruptcy matters.

Prior to Paul Hastings, Jor was an associate at Richards Spears Kibbe & Orbe, LLP, in New York, where his practice consisted of representing large broker-dealers and hedge funds in debt trading and general corporate matters. Before Richards Spears, he was at Shearman & Sterling, LLP's New York office where his practice consisted of general corporate matters including bank and acquisition finance matters, restructurings and work-outs, structured finance, and securitization transactions.

Jor received his J.D. from Columbia University's School of Law and his B.A. in Rhetoric from The University of California, Berkeley. Jor is a member of the State Bar of California and the State Bar of New York. He is a regular presenter and guest lecturer at universities, bar association, and industry events. In December 2008, Jor was named a "Best Lawyer" by LegalForce. For three consecutive years, in 2009, 2010, and 2011, Jor was selected for inclusion as one of "Southern California's Super Lawyers – Rising Stars," placing him among the top 2.5 percent of the best up-and-coming attorneys in Southern California who are 40 years old or younger, or who have been practicing for 10 years or less.

VII. Financial Information

A. Capitalization

TPMRC is wholly-owned by Tur Partners LLC. Tur has funded all of the start-up expenses pertaining to the formation of the TPMRC and has the financial capacity to continue to fund Regional Center operations, as needed.

As of October 31, 2013, Tur Partners LLC, as manager of TPMRC, has incurred the following I-924 application expenses on behalf of activities associated with the EB-5 Immigrant Investor Program:

(b)(4)

Legal and Other Professional Services [redacted]

In addition, Tur Partners LLC has made capital contributions to TPMRC in the amount of [redacted] for the following purposes:

(b)(4) [redacted]

Upon approval of the I-924 application, Tur Partners LLC anticipates that it will incur additional fees related to staffing and project associated expenses. [redacted]

(b)(4) [redacted]

B. Evidence of Funds

(b)(4) [redacted]

C. Operating Budget and Cash Flow

(b)(4) [redacted]

[50] This Administrative Fee is a portion of the Offering Subscription Fee paid by each EB-5 investor. The Subscription Fee in for the hypothetica[redacted] mixed-use project (Project Lender LP) is [redacted]
(b)(4)

Operating Budget and Cash Flow Projection					
Dates	2014	2015	2016	2017*	2018
Time Period	[redacted]				
# of Investors					
Cumulative Investors					
Revenues					
Project Review Fees					
Management Fees					
Administrative Fees					
Total Revenues					
Expenses					
Salaries					
Allocated Overhead					
Marketing					
Allocated Expenses					
Accounting/EB-5 Tracking					
Professional Services					
Travel & Entertainment					
Total Expenses					
Surplus (Deficit)					
Capital Accounts					
Beginning Capital**					
Capital Contributed					
Current Period Surplus (Deficit)					
Ending Capital					

(b)(4)

* New projects are expected to begin development on or before 2017; hence, the stream of cash flow to support the Regional Center is expected to continue. The projection assumes a new project involving [redacted] investors will be capitalized during mid-2017 that will bring in [redacted] investors in 2017 and [redacted] investors in 2018.

(b)(4)

** In 2014 beginning capital represents costs incurred by Tur in the formation of the Regional Center that were capitalized. Tur also expensed [redacted] in Regional Center related formation expenses that were not capitalized. Ending capital includes the retention of profits in all years.

(b)(4)

Assumptions:

- [redacted]

(b)(4)

(b)(4)

- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]

In conclusion, TPMRC will be a **"well-capitalized"** entity based upon the retention of projected profits. The aforementioned budget is considered by management to be conservative in regards to revenues. Tur Partners Metropolitan Regional Center LLC will identify future regional projects and these will continue to fund TPMRC into the future.

D. Use of Bridge Financing

(b)(4)

[redacted]

VIII. Initial Job-Creating Project

(b)(4)

The initial job-creating project identified by TPMRC is the development, construction, and operation of the [redacted]-story mixed-use project to be known in Chicago as [redacted] and to be located at [redacted] The completed project will contain containing two hotels, [redacted]esidential apartments [redacted] parking spaces and [redacted] f retail space for a total of [redacted] gross square feet in improvements.

Total project cost is approximately [redacted]

(b)(4)

The Project is located within Census tract [redacted] of Cook County, IL. This Census tract, along with an assemblage of contiguous Census tracts has a combined 2012 average unemployment rate of [redacted] above the threshold of 12.2% needed to qualify as an area of high unemployment.

The Development Team adds experience and ability to the Project, and provides an ongoing system for the Project.

(b)(4)

The economic impact from the [redacted] mixed-use project is measurable and supported by an economic impact study prepared by Dr. Sean Masaki Flynn, Ph. D. of Impact Econometrics LLC entitled "The Economic And Jobs-Creation Impacts Of The Hypothetical [redacted] Hotel And Apartment Complex In The Applicant Tur Partners Metropolitan Regional Center LLC". This study indicates that a total of [redacted] permanent new-jobs will be created by the Project, and that the total increase in output would be about [redacted] and the increase in household earnings would be about [redacted] (b)(4)

(b)(4) Note: In the event EB-5 funds are not available to develop the project, the developer plans to proceed with the project with additional [redacted] Whether or not t[redacted] mixed-use project goes forward, Tur will continue to support the Regional Center.

IX. Future Projects & Project Pipeline

Prior to the filing of this application, Tur held conversations with a number of key developers across the geographic area, many of which have expressed in working with Tur on future EB-5 financing at such time as Tur receives approval for its regional center. Tur selected the [redacted] mixed-use project as the hypothetical project for its regional center application and expects to seek approval for Building O mixed-use project as its first project following regional center approval based on its ideal characteristics for EB-5 financing. Tur, however, has vetted numerous other potential EB-5 investment opportunities, some of

(b)(4) which it may pursue following the [redacted] mixed-use project. Tur continues its discussions with investors and developers throughout the geographic area and will look to identify its second project by the fourth quarter of 2014. Tur Partners Metropolitan Regional Center should be able to maintain its strong access of deals in connection with operation of the regional center and with cooperation with the larger operation of its parent, Tur.

X. Marketing Plan

TPMRC has created an extensive marketing program to attract USCIS qualified regional projects as well as investors. TPMRC will take appropriate measures to ensure that all marketing activities are in compliance with applicable SEC regulations.

A. Projects

The TPMRC management team is comprised of key members of the management team of Tur Partners LLC. As described above, Tur is a global investment and advisory firm that partners with leaders and innovators to drive growth within global markets. As part of Tur's North American investment practice, Tur is active in developing its pipeline of proprietary investment opportunities, among which real estate investments comprise a key component. The Tur team includes a diverse group of leaders with deep experience in both the private and public sectors, who have developed strong relationships throughout the investment community contained within the geographic area. Tur's CEO Lori Healey, as one example, served as Principal in charge of the Development Group for The John Buck Company, a leading real estate services firm, prior to joining Tur. During Ms. Healey's time at Tur she developed strong relationships throughout the real estate development community which should prove a key resource in identifying subsequent projects.

TPMRC will operate to oversee, administer, monitor, and consult with existing and proposed EB-5 Regional Center projects to ensure overall success and economic prosperity in keeping with USCIS policies and guidelines.

TPMRC will do its best to identify and affiliate with projects/businesses that present the best possibility for success by ensuring they meet established criteria for job creation, economic impact, cash flow, capitalization, marketability, EB-5 compliance, and achievable exit strategy. Background information about the developers will be reviewed to ascertain that they can act responsibly, though the regional center cannot "endorse" the developers or the projects, and each investor should conduct his own due diligence about the projects. Projects that cannot credibly be projected to create sufficient permanent jobs in proportion to EB-5 investors will not be accepted as clients.

TPMRC will generate investment projects that will create within the regional center area (and within a TEA, if $500,000 investments are involved), directly and indirectly, at least 10 new full-time jobs per individual alien investor and will create both within and without the Regional Center positive economic impacts including increases in household earnings, greater demand for business services, utilities, maintenance and repair, and construction.

B. Investors

An extensive marketing program will be established by TPMRC to assure that any and all TPMRC projects receive the maximum worldwide exposure that will be necessary to attract foreign immigrant investors.

The lead role of marketing to EB-5 Investors will be played by an experienced third-party agent (to be identified). This agent will be experienced in raising funds for Regional Centers. They will be well known in the Chinese market and will have conducted marketing and recruitment tours. TPMRC will launch its marketing efforts under the leadership of this third party agent and set out a global marketing outreach strategy that will include outreach through:

1. [redacted]
2. [redacted]
3. [redacted]
4. [redacted]
5. [redacted]
6. [redacted]

(b)(4)

(b)(4) [redacted]

Tur plans to attract investors in one of four ways:

(b)(4)

1. [redacted]

2. [redacted]

3. [redacted]

4. [redacted]

Other Sources

(b)(4) [redacted]

XI. Economic Impact and Job Creation Methodology

Tur Partners Metropolitan Regional Center LLC will have a very positive economic impact on its proposed territory. The types of businesses initially included in this regional center will be mixed-use projects resulting from nonresidential building construction. (b)(4)

Methodologies for predicting job creation that TPMRC will utilize include RIMS II for the first hypothetical project.[51] Jobs will be allocated to investors on a project-by-project basis, with the jobs for the [redacted] mixed-use project being allocated to investors based upon the order in which they invested in the NCE.

As mentioned, it is the objective of the center to attract domestic and foreign capital to the region. This capital will then be invested into quality businesses and projects that will lead to the creation of permanent jobs and hence stimulate overall economic activity.something

[51] Based on the May 30, 2013 memo, other approved economic methodologies may be used in the future including: IMPLAN, REDYN, REMI, etc.

Since TPMRC is in the approval stages to become a USCIS Regional Center, there is no historical economic data available to factually describe its current economic impact within its district. However, as mentioned previously, TPMRC is fortunate to have, through Project Lender, LP, already identified a quality EB-5 project, the [redacted] mixed-use project. Funding for the project will come from the sale of partnership (b)(4) units by Project Lender, LP. The proceeds of the purchase of partnership units will then be advanced in the form of a loan to [redacted] for use in developing, constructing and operating the Project. Project Lender, LP has concurrently filed and is waiting USCIS adjudication.

Sean Masaki Flynn, Ph. D. of Impact Econometrics LLC conducted an economic and job-creation impact assessment regarding the [redacted] Hotel and Apartment project to be developed in Chicago, Illinois. (b)(4) His September 16, 2013 report, "The Economic and Jobs-Creation Impacts of the Hypothetical [redacted] Hotel and Apartment Complex in the Applicant Tur Partners Metropolitan Regional Center LLC" is attached as an Exhibit to this filing.

Dr. Flynn utilized the RIMS II input/output model for the fourteen contiguous counties of the Chicago-Joliet-Naperville, IL-IN-WI Metropolitan Statistical Area (the "Chicago MSA") for his analysis.

The Regional Input-Output Modeling System (RIMS II) is a regional economic model used by investors, planners, and elected officials to assess the potential economic impacts of various projects, such as the construction of a football stadium or the expansion of a public-transportation network.

The RIMS II model produces multipliers that are used in economic impact studies to estimate the total economic impact of a project on a region.

RIMS II multipliers are based upon the idea that any initial change in economic activity in a given region will most likely result in at least a few additional rounds of spending within that region.

The multipliers calculated by RIMS II are simply the ratio of the total economic impact accruing in a region over all rounds of spending divided by the value of the initial impact that took place within that region.

As an example, suppose that a $10 million road-building project is the initial impact in a particular region. Also suppose that the total economic impact within that particular region over all rounds of spending (including the initial $10 million spent on the road) sums to $27.3 million. The multiplier would be 2.73 (= the $27.3 million of total economic impact in the region divided by the initial $10 million impact that took place within the region).

In calculating multipliers, RIMS II accounts for leakages in spending. For example, whenever a firm or an individual saves income rather than spends it, subsequent rounds of spending are reduced. In a similar fashion, any money spent on goods or services that are produced outside the region of analysis also reduces the size of subsequent rounds of spending within the region.

By properly accounting for the leakages that result from local residents purchasing items that are produced outside the region, RIMS II avoids producing falsely high multipliers. Its ability to account for savings also helps to generate multipliers that isolate the local effects of any given initial change in economic activity.

The RIMS II modeling system has been approved by the USCIS for use in estimating the economic and employment impacts of the investments made by immigrant investors. Its credibility lies in the fact that it was developed by the Bureau of Economic Analysis, United States Department of Commerce and that all RIMS II multipliers are obtained directly from the Bureau of Economic Analysis.

The fourteen counties lie within three states, Illinois, Indiana, and Wisconsin:

- The nine Illinois counties are Cook County, DeKalb County, DuPage County, Grundy County, Kane County, Kendall County, Lake County, McHenry County, and Will County.
- The four Indiana counties are Jasper County, Lake County, Newton County, and Porter County.
- The one Wisconsin county is Kenosha County.

(b)(4)

The assessment was based on the Project hard cost [redacted] but the amount was reduced by Dr. Flynn to include only qualifying hard costs and excluded line items such as architectural and engineering (A&E) fees, information technology (IT) expenditures and expenditures on furniture, fixtures, and equipment (FF&E). Accordingly, a figure of [redacted] in construction expenditures was used to calculate the net new demand that those expenditures would create in the local economy. All dollar figures were properly adjusted for inflation to the 2010 values utilized by the most current RIMS II multiplier tables.

A. Job Creation

(b)(4)

The September 16, 2013 economic impact report indicated that the hypothetical project that will be built in downtown Chicago, Illinois will generate a total of [redacted] jobs under conservative assumptions. The [redacted] total jobs derive entirely from hard construction expenditures.

According to the report the actual number of jobs created by the Project will be higher than [redacted] however, because the analysis ignored the net new demand that will be created in the local economy once the Project is completed. In particular, net new employment can be expected as the result of three factors: the spending of hotel guests in the local economy, the net new demand created by the Project's two hotels selling accommodations, and the net new demand created by the two hotels' restaurants. To the extent that the operation of the Project's two hotels and their restaurants creates net new demand by increasing tourism, accommodation, and food-service spending in Chicago, additional employment creation will result above and beyond that detailed here as a result of construction spending.

Accordingly, the jobs impacts reported in the analysis should be considered minimum numbers. Actual jobs impacts are likely to be substantially higher.

B. Household Earnings and Output

The jobs created by the project subsequently create new sources of household income. The household income created within the regional center by the construction of the Project is about [redacted]

(b)(4)

The Regional Center would also see a [redacted] increase in the dollar value of economic output as a result of construction expenditures and their multiple impacts on the regional economy.

(b)(4)

RIMS II Projections for Employment, Output, and Earnings inside the Tur Partners Metropolitan Regional Center Resulting from the Construction of the [redacted] and Residential Complex			
Industry Group	Employment	Output	Earnings
Agriculture, forestry, fishing, and hunting	[redacted]		
Mining			
Utilities			
Construction (b)(4)			
Manufacturing			
Wholesale trade			
Retail trade			
Transportation and warehousing			
Information			
Finance and insurance			
Real estate and rental and leasing			
Professional, scientific, and technical services			
Management of companies and enterprises			
Administrative and waste management services			
Educational services			
Health care and social assistance			
Arts, entertainment, and recreation			
Accommodation			
Food services and drinking places			
Other services			
Households			
Totals			

XII. Operations and Administration

A. Operations

TPMRC will operate to oversee, administer, monitor, and consult with existing and proposed EB-5 Regional Center projects to ensure overall success and economic prosperity in keeping with USCIS policies and guidelines.

For EB-5 immigrant purposes, the Regional Center shall, initially, focus on investments into new commercial enterprises in the target industry groupings of projects that contain Non-Residential Building Construction (NAICS 2362). Later, TPMRC shall seek to expand by attracting other industries that would benefit the community and create new jobs.

B. Project Evaluation and Management

TPMRC will evaluate potential investment projects to ensure consistency with the USCIS regional center designation and the objectives of TPMRC. TPMRC will conduct an assessment of such projects collectively with in-house professionals as well as certain third parties to confirm consistency with TPMRC's regional center designation, project viability, timetables, capital investment requirements, pro-forma income projections, preliminary job creation potential, investor marketability, and other elements that will bear on the success of TPMRC and the projects it sponsors.

TPMRC will maintain close contact with the management of entities that may be involved in projects underway within the regional center to ensure that financial and job creation targets are met. TPMRC will provide assistance and guidance as appropriate to eliminate any variance between actual and target objectives and milestones.

C. Due Diligence in Vetting Investors; Monitoring EB-5 Investor Funds

TPMRC shall administer, oversee and manage the Regional Center so as to monitor all investment activities under the sponsorship of the Regional Center. This includes the following established procedures for 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.

The USCIS requires that investors prove: (1) that the source of the invested capital is "lawful," and, (2) that the investor has a "level of income" or has accumulated sufficient wealth that would enable the investor to invest the requisite amount of capital.

An investor's "self-serving" declarations are not enough to satisfy USCIS requirements for proof of either lawful source of funds or sufficient funds to invest.

<u>Source of Funds Due Diligence Procedure</u>

The investor must demonstrate that their $500,000 or $1,000,000 EB-5 Visa investment capital is from a legal source. The regulations prohibit the use of assets acquired, directly or indirectly, by unlawful means (such as criminal activities). To comply with 8 CFR.6 and to assure that the Escrow bank has adequate information to comply with 31 U.S.C. § 5318(i) "Due Diligence for United States Private Banking and Correspondent Bank Accounts Involving Foreign Persons", standardized procedures will be followed for documenting the investor's legal source of funds.

For the Regional Center, each investor will be required to complete a Questionnaire and attach the appropriate supporting documentation for investments, businesses owned or sold, real estate owned or sold, other sources of income, employment, court proceedings, and financial condition. See Addendum for a draft of such Questionnaire.

The EB-5 investor will also be required to submit similar documentation to their immigration attorney for use in preparing the I-526 petitions.

In addition to review by the Regional Center's immigration counsel and the EB-5 investors' immigration counsel, it is anticipated that the financial source of funds documentation will be reviewed by two additional parties; the Regional Center's Bank and the Escrow or Funds Transfer

Agent. Each of the above mentioned four parties will review this information and supporting documentation. Incomplete or suspicious information will prompt additional questions for the investor, who will be provided time to gather additional information as needed to clear any issues. If questions remain after this step, then the potential investor's funds will be returned and they shall not be acceptable as an investor into a Regional Center sponsored project.

In summary, TPMRC is confident that its investor funds will be lawfully obtained based on:

- TPMRC's due diligence investor questionnaires and document requests;
- The escrow bank's obligation to comply with 31 U.S.C. § 5318(i) "Due Diligence for United States Private Banking and Correspondent Bank Accounts Involving Foreign Persons";
- The immigration attorney's source and path of funds analysis submitted with individual I-526 petitions; and
- USCIS's own background check conducted on all 1-526 petitioners.

"Accredited Investor" Verification

TPMRC 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. Two applicable definitions, either of which must be met by potential EB-5 investors, are as follows:

- A natural person who has individual net worth, or joint net worth with the person's spouse, that exceeds $1 million at the time of the purchase; or
- A natural person with income exceeding $200,000 in each of the two most recent years or joint income with a spouse exceeding $300,000 for those years and a reasonable expectation of the same income level in the current year.

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.

Monitoring of EB-5 Investment Funds

Each approved EB-5 Regional Center project will be responsible for managing and administering the funds received from all of its project investors. TPMRC, however, will set investment guidelines and monitor compliance with those guidelines. To receive approval from TPMRC of a business enterprise application seeking EB-5 approval, the enterprise must include in its application an acceptable Investment Policy that lists:

- Name of escrow agent (must be considered financially solid and have an investment rating of "BB" or better).
- Funds must be in cash or cash equivalents and/or invested in financial institutions that are considered "Risk Free" such as US Government securities and/or equivalents.

D. Processing Immigrant Investor Applications

All EB-5 immigrant investor petitions shall be processed according to USCIS policy. EB-5 petitions will be prepared by the TPMRC approved attorneys that have experience with Form I-526 petitions.

E. Regional Center Reporting Requirements

The regulations at 8 CFR 204.6(m)(6) require that an approved regional center, in order to maintain its designation, must demonstrate annually that it continues to meet the statutory requirements of the EB-5 Immigrant Investor Pilot Program by serving the purpose of promoting economic growth, including increased export sales where appropriate, improved regional productivity, net new job creation, and increased domestic capital investment in a designated region. This is done primarily by submitting annually, during the first 90 days of a federal fiscal year, a properly completed Form I-924A reciting statistics for the preceding fiscal year concerning the expenditures and job creation by commercial enterprise, by project, and by industry.

Maintaining a compliant regional center will require a reasonable level of day-to-day activity to: promote economic growth and its attendant consequences; insist on and assist with participating investment enterprises' compliance with USCIS rules; collect information about participating investors, their infusion of capital into job creating activity, counting of created jobs through reasonable methodologies; and sharing all of that information with USCIS on a regular periodic basis with EB-5 investors at the time for their I-829 filings.

Records and Reporting

The Regional Center shall also maintain the records, data, and information as necessary to report to USCIS, for each Federal Fiscal Year, commencing with the initial year, as follows:

1. A thorough and complete review of all proposals from business enterprises seeking USCIS-EB-5 approved status. Proposals must contain:

   a. A thorough and complete narrative proposal and business plan;

   b. A satisfactory economic analysis for a proposed project which reflects an investment by an immigrant that will create not fewer than ten (10) full-time jobs per investor, including direct, indirect and induced job creation. The analysis must utilize an accepted job creation methodology.

   c. A satisfactory copy of :
   (i) Confidential Private Placement Memorandum
   (ii) Subscription Agreement
   (iii) Escrow Agreement

2. Require from EB-5 project managers the following immigrant investor data:

   a. TPMRC will use an automated case management system that will track, monitor, and store the name, date of birth, petition receipt number and alien registration number (if one has been assigned by USCIS), contact information including the U.S. address, copies of approval notices and conditional residence date of each principal alien investor who has made an investment and has filed an EB-5/I-526 Petition with USCIS, specifying whether:
      (i) The petition was filed,
      (ii) Was approved,
      (iii) Denied, or
      (iv) Withdrawn by petitioner, together with the date(s) of such event

3. Maintain a list of each of the target industry categories of business activity within the geographic boundaries of the Regional Center that have:

    a. received alien investors' capital, and indicate what aggregate amounts;

    b. received non-EB-5 domestic capital that has been combined and invested together, specifying the separate aggregate amounts of the domestic investment capital;

    c. based on the total investor capital (alien and domestic) identified above, create a list of the following:
        (i) The name and address of each "direct" job creating commercial enterprise.
        (ii) The industry category for each indirect job creating investment activity.

4. Maintain information that provides:

    a. The total aggregate number of approved EB-5 alien investor I-526 petitions per each Federal Fiscal Year to date made through the Regional Center.

    b. The total aggregate number of approved EB-5 alien investor I-829 petitions, per each Federal Fiscal Year and to date, made through the Regional Center.

5. Maintain a report that shows the total aggregate of "new" direct and/or indirect jobs created by EB-5 investors through the Regional Center for each Federal Fiscal Year to date since its approval and designation.

6. In regards to marketing, the Regional Center will maintain a hard copy which represents fully what the Regional Center has posted on its website, as well as providing its web address. Also, the Center will provide and maintain a packet containing all the Regional Center's hard copy promotional materials such as brochures, flyers, press articles, advertisements, etc.

7. Each investor will be required to use a qualified immigration attorney to assist them in the perpetration of their I-526 petition. The RC may recommend qualified counsel, or may require an investor to have their petition reviewed by a designated attorney prior to the RC authorizing the filing of the investor's petition.

8. Finally, TPMRC shall notify the USCIS within 15 business days at USCIS.ImmigrantInvestorProgram@dhs.gov of any change of address or occurrence of any material change in:

    a. The name and contact information of the responsible official and/or Point of Contact (POC) for the RC,
    b. The management and administration of the RC,
    c. The RC structure
    d. The RC mailing address, website address, email address, phone and fax number,
    e. The scope of the RC operations and focus,
    f. Any new, reduced or expanded delegation of authority, MOU, agreement, contract, etc. with another party to represent or act on behalf of the RC.

XIII. Conclusion

The Tur Partners Metropolitan Regional Center geographic area will initially be the 14-county area commonly referred to as the Chicago Metropolitan Statistical Area (MSA). It consists of the following counties in three states: Cook, DeKalb, DuPage, Grundy, Kane, Kendall, McHenry, Will, and Lake Counties in Illinois; Jasper, Lake, Newton, and Porter counties in Indiana; and Kenosha County in Wisconsin.

Market data clearly demonstrates that this is an area of the county that is in need of economic stimulus. The unemployment rate for the Chicago-Joliet-Naperville, IL-IN-WI Metropolitan Statistical Area for July 2013 was shown as 9.6% for July 2013, ranked 315th in a field of 372 MSAs and tens of thousands of construction workers have been displaced for years.

TPMRC will make a substantial positive economic impact within its region as follows:

(b)(4)

- TPMRC's initial project, the [redacted] mixed-use project, stands to creat [redacted] ermanent new jobs
- When all of the business components in the [redacted] mixed-use project are completely finished and staffed, anticipated to occur within the next three years, the economic impact, as measured by household earnings, would be nearly [redacted]
- Construction of the hypothetical project will create approximately [redacted] n additional economic output across the region:
- The TPMRC's application to become an USCIS approved regional center is in full compliance with USCIS Guidelines and in accordance with 8 C.F.R., Sec. 204.6.
- TPMRC is a well-capitalized entity.
- TPMRC will have a significant economic impact in its community, and thus is expected to be a major catalyst in attracting these successful job creating enterprise projects.

Promotional efforts by TPMRC are clearly defined and are sure to attract USCIS qualified regional projects and investors. As with the [redacted] mixed-use project, all projects will be well underwritten using economically or statistically valid forecasting tools including, but not limited to, feasibility studies, analyses of foreign or domestic markets for the goods or services to be marketed, job creation analysis and forecasts and economic impact studies.

(b)(4) TPMRC is well capitalized in the amount of [redacted] Tur Partners LLC has committed to advance additional funds as needed, to support the Regional Center in future years. Going forward, there will be an ongoing source of revenue; (initially from the [redacted] mixed-use project), and later from potential future projects.

Based on all of the above information and facts and its full compliance with 8CFR 204.6, approval of Tur Partners Metropolitan Regional Center LLC, as a USCIS Designated Regional Center, is recommended.

XIV. Contact Information

Regional Center:
Lori Healey
A Joshua Strickland
Tur Partners LLC
Tur Partners Metropolitan Regional Center LLC
900 N Michigan Ave., Suite 1720
Chicago, IL 60611

Regional Center Counsel:
H. Ronald Klasko, Esq.
Klasko, Rulon, Stock & Seltzer, LLP
1800 John F. Kennedy Boulevard, Suite 1700
Philadelphia, PA 19103

Immigration Counsel:
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1800 John F. Kennedy Boulevard, Suite 1700
Philadelphia, PA 19103

Securities Counsel:
Jor Law, Esq.
Homeier & Law, P.C.
15233 Ventura Blvd., Suite 605
Sherman Oaks, CA 91403
Phone: (818) 450 - 1550 x552

Economist:
Sean Masaki Flynn, Ph. D.
Impact Econometrics LLC
205L College Park Drive, L34
Upland, CA 91786

Marketing:
Lori Healey
A Joshua Strickland
Tur Partners LLC
Tur Partners Metropolitan Regional Center LLC
900 N Michigan Ave., Suite 1720
Chicago, IL 60611

XV. Addendum

Investor Source of Funds Questionnaire (Draft)

All claims to the source of funds must be properly and thoroughly supported with documentary evidence of how the money was earned.

An investor should submit all of the following types of documentary evidence (copies are sufficient) for both the investor and the investor's spouse, unless a particular category of documents is not relevant to the investor:

1. Financial Documents
   a. Complete tax returns (both individual and, if applicable, corporate or partnership tax returns) filed in any jurisdiction for each of the last five years. If earlier years tax returns show higher income, also submit tax returns reflecting the three years of highest income levels;
   b. Financial Statements – submit any financial statements that have been prepared for the investor personally or for the investor's business(es). Professionally prepared financial statements are preferred, if available.

2. Investments
   a. Copies of all investment or securities account statements for the last three years (if significant gains on investments or securities transactions occurred before the last three years, please include documentation of such transactions);
   b. Stock certificates;
   c. Bank Statements – Please include one bank statement for each of the last three years for any bank accounts in which a substantial balance was maintained.

For all bank or brokerage account investments, please provide a listing including the following information:

Bank or Brokerage Name	Type of Account or Investment	Name(s) on the Account	Account Number	Balance in the Account	Date Account Opened

1

3. Business Documents
    a. Business registration records for all businesses in the U.S. or outside the U.S.
    b. Documentation proving ownership, directorship or corporate/partnership title in each company, including stock records, corporate minutes or other official documents;
    c. Documentation relating to sale of any business (documents should indicate the amount of proceeds received from the sale);
    d. Accountant's evaluation or appraisal of business for all businesses in which a controlling or substantial interest is owned.

For each business, please indicate:

Name of Business	Country Incorporated	Nature of the Business	% of Your Ownership	Salary/ Income Earned	Your Share of Profit or Earnings	Amount of your Investment

4. Real Estate
    a. Deeds and mortgage documents for all properties in which an ownership interest is held;
    b. Documentation of all real estate purchases and sales;
    c. Appraisals for all real estate owned;
    d. Lease documents for all real estate from which rental income is earned;

For all real estate holdings, please provide the following information:

Complete Address of Property:	
Listed Owner(s) of Property:	
Type of Property:	
Mortgage Balance Due (if any):	Rental Income (if any):

$	$
Purchase Price: $	Date of Purchase:
Appraised Value: $	Date of Appraisal
Amount of Sale Proceeds: $	Date of Sale

Complete Address of Property:	
Listed Owner(s) of Property:	
Type of Property:	
Mortgage Balance Due (if any): $	Rental Income (if any): $
Purchase Price: $	Date of Purchase:
Appraised Value: $	Date of Appraisal
Amount of Sale Proceeds: $	Date of Sale

Complete Address of Property:	
Listed Owner(s) of Property:	
Type of Property:	
Mortgage Balance Due (if any): $	Rental Income (if any): $
Purchase Price: $	Date of Purchase:
Appraised Value: $	Date of Appraisal
Amount of Sale Proceeds: $	Date of Sale

5. Employment Documents
    a. Current resume;
    b. Educational documents;
    c. Any employment confirmation or reference letters available
    d. Employment contracts (if any);
    e. Professional licenses (if any).

6. Other Sources of Income
    a. Inheritance – all documents relating to inheritances received, including estate settlement of deceased;
    b. Divorce – all documents relating to income received from divorce, including alimony, property settlements, etc.;
    c. Loans – all loan documents, including promissory notes or other documents;
    d. Lawsuits – all documents relating to dollars recovered in a civil lawsuit, including official judgment or decree of the court;
    e. Gifts – all documents relating to gifts, including registration of gift with tax authorities or other documents;

Please provide details of each gift, including:

Date of Gift:	Name of Person Giving Gift:
Amount of Gift: $	Reason for Gift:
Information Regarding the Source of Income of the Person Giving Gift;	

Date of Gift:	Date of Gift:
Amount of Gift: $	Amount of Gift: $
Information Regarding the Source of Income of the Person Giving Gift;	

7. Court Proceedings
    a. All documents relating to involvement in any court proceedings, whether civil or criminal, and whether as a plaintiff or defendant (include all official court records and legal judgments).

In addition to proof of the lawful source of the investor's funds, documentation that links the invested funds to the investor will need to be provided. Copies of every document necessary to trace the invested funds from their source overseas to the investment in the U.S. should be provided.

The following documents may be used to meet this requirement:

1. Wire transfer receipts;
2. Deposit receipts;
3. Bank statements showing withdrawal of the funds from one account and deposit of the funds in another account;
4. Letter from the bank confirming the funds transfer.

Exhibit 2A

Delaware

PAGE 1

The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF FORMATION OF "TUR PARTNERS METROPOLITAN REGIONAL CENTER LLC", FILED IN THIS OFFICE ON THE FOURTEENTH DAY OF OCTOBER, A.D. 2013, AT 6:50 O'CLOCK P.M.

SECRETARY OF STATE
1776 DELAWARE 1976

Jeffrey W. Bullock, Secretary of State

5414948 8100

131195215

AUTHENTICATION: 0814036

DATE: 10-15-13

You may verify this certificate online
at corp.delaware.gov/authver.shtml

State of Delaware
Secretary of State
Division of Corporations
Delivered 06:53 PM 10/14/2013
FILED 06:50 PM 10/14/2013
SRV 131195215 - 5414948 FILE

CERTIFICATE OF FORMATION

OF

TUR PARTNERS METROPOLITAN REGIONAL CENTER LLC

FIRST: The name of the limited liability company is **Tur Partners Metropolitan Regional Center LLC** (the "Company").

SECOND: The address of the Company's registered office in the State of Delaware is Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware 19801, County of New Castle. The name of the Company's registered agent for service of process in the State of Delaware at such address is The Corporation Trust Company.

THIRD: The debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Company; and no member or manager of the Company shall be obligated personally for any such debt, obligation or liability of the Company solely by reason of being a member or acting as a manager of the Company.

FOURTH: This Certificate of Formation is effective upon filing.

FIFTH: The Company shall have perpetual existence.

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Formation of **Tur Partners Metropolitan Regional Center LLC** this 14th day of October, 2013.

By: /s/ Suzanne M. Hoffman
Suzanne M. Hoffman, Authorized Person

US_100066933_1

Exhibit 2B

X

IRS DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
OGDEN UT 84201-0023

Date of this notice: 11-05-2013

Employer Identification Number: (b)(3) [redacted]

Form: SS-4

Number of this notice: CP 575 H

For assistance you may call us at:
1-800-829-4933

IF YOU WRITE, ATTACH THE
STUB OF THIS NOTICE.

003481.383910.0011.001 1 MB 0.405 530

TUR PARTNERS METROPOLITAN REGIONAL
% TUR PARTNERS LLC SOLE MBR
900 N MICHIGAN AVE STE1720
CHICAGO IL 60611

003481

WE ASSIGNED YOU AN EMPLOYER IDENTIFICATION NUMBER

(b)(3)

Thank you for applying for an Employer Identification Number (EIN). We assigned you EIN [redacted] This EIN will identify you, your business accounts, tax returns, and documents, even if you have no employees. Please keep this notice in your permanent records.

When filing tax documents, payments, and related correspondence, it is very important that you use your EIN and complete name and address exactly as shown above. Any variation may cause a delay in processing, result in incorrect information in your account, or even cause you to be assigned more than one EIN. If the information is not correct as shown above, please make the correction using the attached tear-off stub and return it to us.

A limited liability company (LLC) may file Form 8832, Entity Classification Election, and elect to be classified as an association taxable as a corporation. If the LLC is eligible to be treated as a corporation that meets certain tests and it will be electing S corporation status, it must timely file Form 2553, Election by a Small Business Corporation. The LLC will be treated as a corporation as of the effective date of the S corporation election and does not need to file Form 8832.

To obtain tax forms and publications, including those referenced in this notice, visit our Web site at www.irs.gov. If you do not have access to the Internet, call 1-800-829-3676 (TTY/TDD 1-800-829-4059) or visit your local IRS office.

IMPORTANT REMINDERS:

* Keep a copy of this notice in your permanent records. This notice is issued only one time and IRS will not be able to generate a duplicate copy for you. You may give a copy of this document to anyone asking for proof of your EIN.

* Use this EIN and your name exactly as they appear at the top of this notice on all your federal tax forms.

* Refer to this EIN on your tax-related correspondence and documents.

* Provide future officers of your organization with a copy of this notice.

Your name control associated with this EIN is TURP. You will need to provide this information, along with your EIN, if you file your returns electronically.

If you have questions about your EIN, you can call us at the phone number or write to us at the address shown at the top of this notice. If you write, please tear off the stub at the bottom of this notice and send it along with your letter. If you do not need to write us, do not complete and return this stub. Thank you for your cooperation.

(IRS USE ONLY) 575H 11-05-2013 TURP 0 0457948773 SS-4

003481

Keep this part for your records. CP 575 H (Rev. 1-2013)

Return this part with any correspondence
so we may identify your account. Please
correct any errors in your name or address.

CP 575 H

0457948773

(b)(3)

Your Telephone Number	Best Time to Call	DATE OF THIS NOTICE: 11-05-2013
( ) -		EMPLOYER IDENTIFICATION NUMBER: [redacted]
		FORM: SS-4 NOBOD

INTERNAL REVENUE SERVICE
OGDEN UT 84201-0023

TUR PARTNERS METROPOLITAN REGIONAL
CENTER LLC
% TUR PARTNERS LLC SOLE MBR
900 N MICHIGAN AVE STE1720
CHICAGO IL 60611

Exhibit 3

TÚR PARTNERS

November 14, 2013

Ms. Lori Healey
Managing Principal
Tur Partners Metropolitan Regional Center LLC
900 N. Michigan Avenue, Suite 1720
Chicago, IL 60611

Please be advised that as of November 18, 2013, Tur Partners LLC ("Tur") as sole member of the Tur Partners Metropolitan Regional Center LLC (the "Company") has incurred the following I-924 application expenses on behalf of activities associated with the Company's activities related to the EB-5 Immigrant Investor Program:

Legal and Other Professional Services [redacted] (b)(4)

In addition, Tur has made capital contributions to the Company in the amount of [redacted] for the following purposes:

Form I-924 Filing Fee
Cash for Working Capital [redacted] (b)(4)

Upon approval of the I-924 application, Tur anticipates that it may incur additional expenses related to the Company's EB-5 Regional Center operations.

Sincerely,

Patrick Daley
Tur Partners LLC
Principal

Tur Partners LLC
900 North Michigan Avenue, Suite 1720
Chicago, Illinois 60611
Phone 312.506.6950 Fax 312.212.3001

Exhibit 4

Project Lender, LP

Business Plan

In support of an Application for EB-5 Designation
under the USCIS Immigrant Investor Program (b)(4)
For [redacted] n EB-5 investor funding

[redacted]

Submitted by:

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November 4, 2013

Project Lender LP

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Project Lender LP

I. Introduction

This is a hypothetical business plan. It is being submitted with the application for Regional Center designation for Tur Partners Metropolitan Regional Center LLC ("TPMRC" or the "Regional Center"). The purpose of this business plan is to demonstrate that the construction and successful operation of a mixed-use project containing hotels, residential apartments, retail space, and parking space would be feasible under current market and economic conditions if developed within TPMRC's geographic area. Application for designation of the Tur Partners Metropolitan Regional Center LLC as a USCIS approved Regional Center is being filed concurrently with this hypothetical business plan.

For the purpose of this example, only the creation of new construction jobs will be counted. No jobs from property operations have been included for EB-5 investor job creation requirements.

Project Lender LP is the name used to identify the new commercial enterprise. It is not the name of an actual entity. For this hypothetical example, EB-5 investors will make an "at risk" capital investment in
(b)(4) Project Lender LP. Those funds will then be used, in the form of a loan, b[redacted]o build the [redacted]ixed-Use Project. [redacted]Project LLC is the name used to identify the borrower. It, too, is not the name of an actual entity.

Chicago, from the Chicago River

II. Executive Summary

THE PARTNERSHIP	Project Lender LP ("the Partnership") is a limited partnership formed pursuant to the laws of the State of Delaware in connection with investments (each a "Qualifying Investment") to be made by the Partnership, as specified pursuant to the Pilot Immigrant Investor Program ("the Program") which permits the filing of an application for lawful permanent resident status in the United States to those who make qualifying investments under the provisions of the relevant immigration law, being 8 U.S.C.§1153 (b)(5) (the "Immigration Act" or the "Act"). Investors will make an equity investment in the Partnership, which will then use the proceeds of the investment to loan money to [redacted] the "Project Company") for subsequent use in building a mixed-use project in Chicago, Illinois through a proposed new USCIS approved regional center, Tur Partners Metropolitan Regional Center LLC.
THE PROJECT	The Project Company will use the EB-5 capital, in the form of proceeds of the loans, to fund the development of a [redacted] square foot mixed-use project containing two hotels, [redacted] residential apartments, [redacted] square foot of retail space, and [redacted] parking spaces (collectively the "Project") [redacted]
THE REGIONAL CENTER	The Project will be sponsored by a new regional center, the application for which is being submitted to USCIS concurrently by Tur Partners Metropolitan Regional Center LLC (TPMRC").
EB-5 INVESTMENT OFFERING	The Partnership will accept [redacted] EB-5 investors as limited partners with all the rights and responsibilities accorded under the Uniform Partnership Act, as adopted by the State of Illinois in satisfaction of the "policy formulation" requirement of 8 C.F.R. 204.6(j)(5)(iii).
ORGANIZATION AND STRUCTURE	The General Partner of the Partnership is [redacted] The Limited Partners of the Partnership will be the EB-5 Investors. See Section IV-D, EB-5 Investment- Ownership.
PROJECT COSTS AND CAPITALIZATION	Total project cost is estimated at approximately [redacted] million. The Partnership will raise up to [redacted] in EB-5 capital. Additional funding for the project is [redacted] A complete description of the capitalization and the sources & uses of funds is available in Section V-B: Financial Information – Sources and Uses of Funds.
PROJECT DEVELOPMENT SCHEDULE	This project is already underway using Developer's equity to cover costs to date. The site is fully entitled for the Project and other

(b)(4)

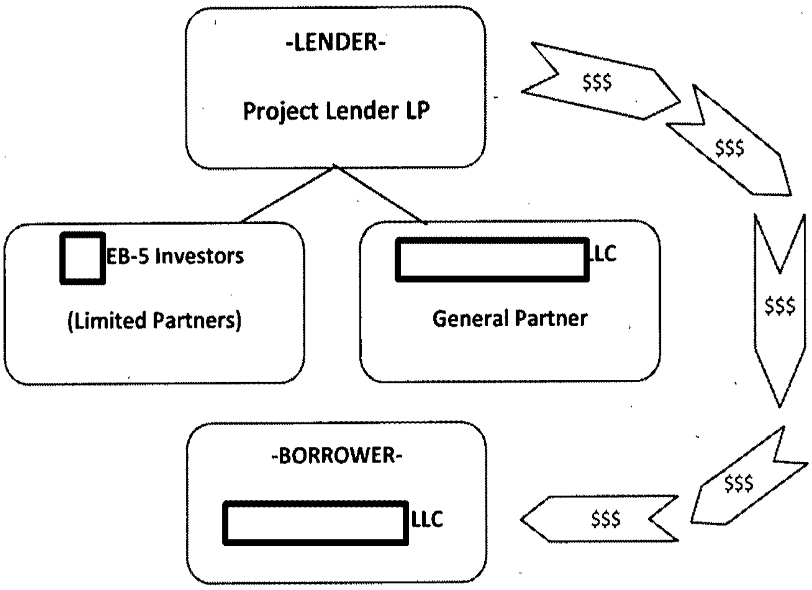
(b)(4)

(b)(4)

	components of the project have been completed (see Section V-C, Financial Information - Development Timeline.) Soft opening (initial occupancy) of the facility is estimated for 1Q-2016, with substantial completion slated for 3Q-2016. The expenditure of Project pre-development costs (have already started) with disbursements for hard costs commencing in February 2014. The construction period for the Project is expected to run from Q1-2014 to Q3-2016 for a total of approximately 30 months.
PROJECT JOB CREATION	It is expected that the full requisite employment need for the EB-5 investors [redacted] jobs) will be achieved well before the I-829 petitions will be submitted.
TEA DESIGNATION	The Project will be located at [redacted] The Project site is located within Census Trac[redacted] which along with contiguous Census Tracts qualifies as a Targeted Employment Area due to the 2012 average unemployment rate of [redacted] above the threshold of 12.2%. See Section VII – Targeted Employment Area for TEA Status information.
FINANCIAL PROJECTION & MARKET OUTLOOK	Operating projections reflect strong profitability based on market rates. (Refer to Section V –E Financial Information – Operating Projections.)
EXECUTIVE EXPERIENCE	Strong management skills, as indicated in the complete description of the management team and their experience for both the Partnership and the job-creating Project. Previous successful completion of similar projects within the neighborhood. Details are available in Sections VIII-A, Project Feasibility-Development Team.

(b)(4)

The following diagram illustrates the flow of EB-5 investor funds from the capital investment entity to the job-creating project.



Project Lender LP, by loaning development funds to [redacted] LLC, will help **serve to promote economic growth, improve regional productivity, create jobs and overall, it will increase capital investment into the region.**

III. The Project

A. Project Description

(b)(4) A single-purpose entity [redacted] the "Project Company"), formed by [redacted] will develop, construct, and operate a mixed-use project known a [redacted] in downtown Chicago, IL.

(b)(4)

[redacted]

(b)(4)

(b)(4)

(b)(4)

The breakdown by square foot, number of residential units, number of hotel rooms (keys), and parking spaces is shown in the table below.

	Gross SF	Net SF	Units, Keys, Spaces
Residential	[redacted]		
Hotel A			
Hotel B			
Parking			
Retail			
Total Building			

(b)(4)

[redacted] will be located on [redacted]

(b)(4)

Aerial View of Site Location - identified in red

(b)(4)

[redacted]

Rendering [redacted]

B. Ownership

Managing Member

(b)(4)

[redacted] Project LLC

The "Project Company" will have ownership in the job-creating project, [redacted] The Project Company will be a single-purpose entity formed for the development and operations of the Project. It is anticipated that the Managing Member of the Project Company will be a company with some ownership in common with [redacted]

(b)(4)

C. Management

The terms and conditions of the Project Company management will be governed by an Operating Agreement that will be drawn by competent legal counsel at the time the project is ready to go forward. It is anticipated that the residential, retail, and parking components of the Project will be leased, managed and operated by affiliated companies of the Managing Member. The hotels will be operated by hotel operators.

Planning and construction of [redacted] will be completed by licensed professionals of good
(b)(4) reputation. Once [redacted] is complete and ready for occupancy a competent management team employed by [redacted] with the skills and experience necessary to successfully operate businesses of this nature will be in place, overseen by principals of [redacted]

IV. The EB-5 Investment

A. Description

As previously described, the Partnership is a limited partnership formed pursuant to the laws of
(b)(4) the State of Delaware, for the purposes of providing financing to [redacted] an Illinois limited liability company. The Project Company will use the proceeds of that financing in the construction of a [redacted] tory mixed-use project known as [redacted]

The financing will be funded directly to the Project Company (defined in Section III-B, Projects-Ownership) and which in turn shall be used for building and operating the [redacted] in accordance with the USCIS EB-5 Immigrant Investor Pilot Program. This program grants lawful permanent resident status in the United States to those who make qualifying investments under the provisions of the U.S. Immigration and Nationality Act (see 8 U.S.C. §1153(b) (5)(A)(i)-(iii) and (C)). The loan to be made by the Partnership will be to a USCIS qualified business, which, through the use of its proceeds is projected to create the required number of jobs in a targeted
(b)(4) employment area ("TEA"). The Partnership shall be operated and partly-owned by its General Partner [redacted]

B. Regional Center Affiliation

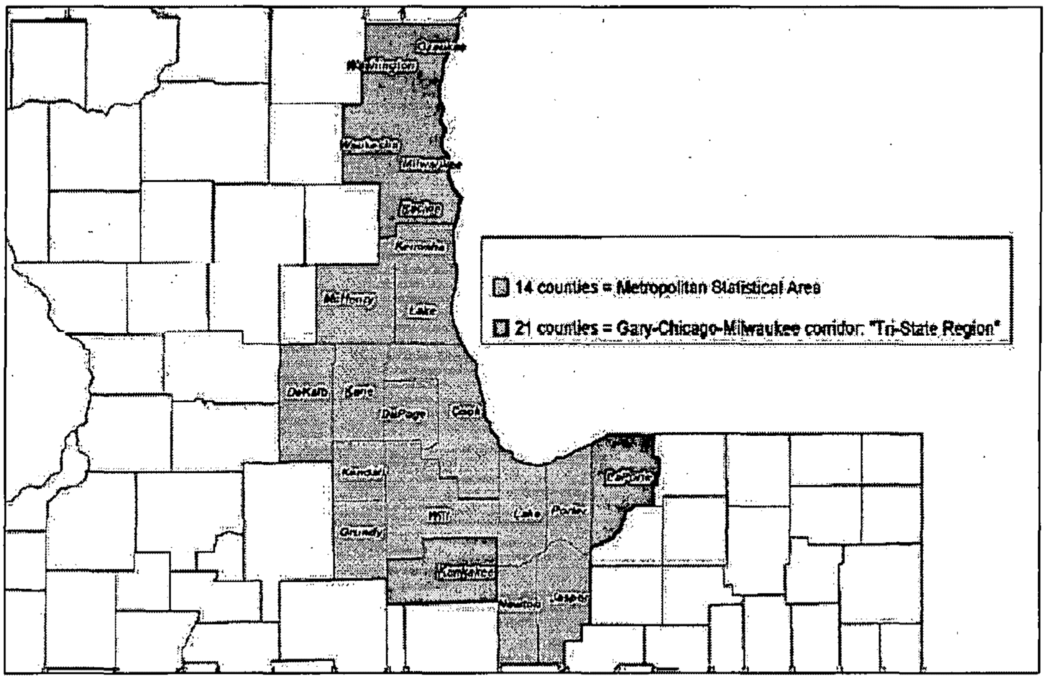
This project will be sponsored by a new regional center, Tur Partners Metropolitan Regional Center LLC ("TPMRC"), the application for which is being submitted concurrently with this business plan.

The requested target industries of the proposed regional center coincide with the industry clusters of the subject Project; specifically, the construction and development of hotels that involve Nonresidential Building Construction (NAICS 2362).

(b)(4) The requested Geographic Scope of the Regional Center includes the 14-county area commonly referred to as the Chicago Metropolitan Statistical Area MSA based on the commuting patterns for TPMRC's first identified project, the development and operations of [redacted]his area is now more formally known as the Chicago-Naperville-Elgin, IL-IN-WI Metropolitan Statistical Area. It consists of the following counties in the following three groupings:

- Chicago-Aurora-Joliet, IL Metropolitan Division
  - Cook County, IL
  - DeKalb County, IL
  - DuPage County, IL
  - Grundy County, IL
  - Kane County, IL
  - Kendall County, IL
  - McHenry County, IL
  - Will County, IL
- Gary, IN Metropolitan Division
  - Jasper County, IN
  - Lake County, IN
  - Newton County, IN
  - Porter County, IN
- Lake County-Kenosha County, IL-WI Metropolitan Division
  - Lake County, IL
  - Kenosha County, WI

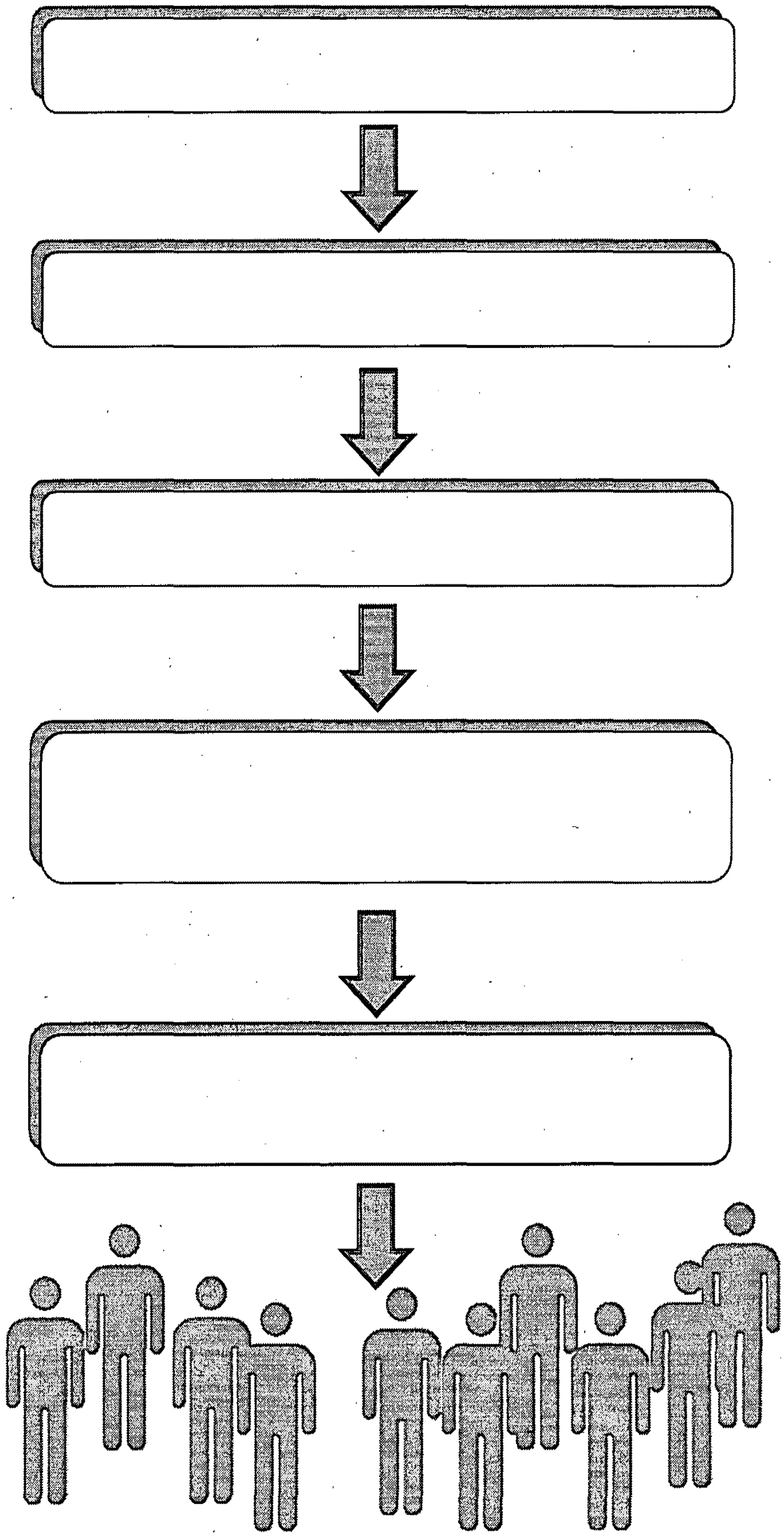
The areas in light blue on the below map indicate the 14-County geographic area represented by the above counties.



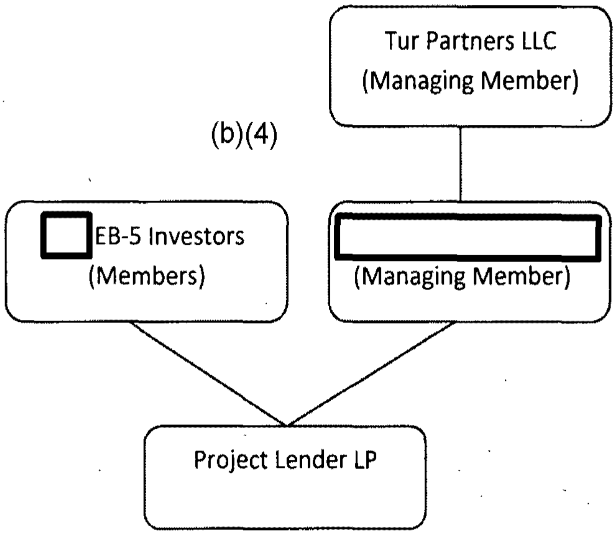
Proposed Geographic Area of Tur Partners Metropolitan Regional Center LLC – shown in light blue above

Source for map: OECD elaboration with data from Census 2000 County and County Equivalent Areas Cartographic Boundary Files, U.S. Census Bureau

C. How the EB-5 Funds Flow to Job Creation



D. Ownership Structure



Project Lender LP (the "Partnership") is the New Commercial Enterprise[1] into which the EB-5 investors will make their "at risk" capital investment. It is will be owned by up to [redacted] qualified EB-5 investors (Limited Partners)) and by [redacted] the Managing Member). (b)(4)

(b)(4) [redacted] is an entity wholly-owned or majority-owned by Tur Partners LLC (controlled by Tur Partners LLC).

E. Management

(b)(4)

Management of the Partnership is provided by its General Partner, [redacted] or through a contractual agreement with TPMRC.

Management will:

1. Oversee the marketing of the investment to qualified domestic and foreign EB-5 investors.
2. Liaison with escrow agent to assure that all investor funds are safe until such time as those funds are needed to be advanced for actual construction of the hotel project.
3. Review all construction draw requests issued by the project to assure that project is being constructed on time and within budget.
4. Liaison on a regular basis with all investors to keep them informed as to the status of their investment and the project.

[1] The EB-5 program has presented a broad definition of what constitutes a "new" commercial enterprise into which the immigrant investor can invest the required amount of capital and help create jobs.

The EB-5 program defines "new" as "established after November 29, 1990." See 8 C.F.R. § 204.6(e). The immigrant investor can invest the required amount of capital in a commercial enterprise that was established after November 29, 1990 to qualify for the EB-5 Program, provided the other eligibility criteria are met.

In addition, under the EB-5 Program, a "new" commercial enterprise also means a commercial enterprise that was established before November 29, 1990 and that will be restructured or expanded through the immigrant investor's investment of capital.

Taken directly from USCIS EB-5 Immigrant Investor Program Quarterly Stakeholder Engagement on May 1, 2012.

5. Assist, when necessary, in providing the required information for use in preparation of EB-5 Investor I-526 Petitions and I-829 Petitions and any other USCIS required documentation necessary for the investor to obtain a conditional and ultimately, a permanent Green Card.
6. Oversee the maintenance of current information for all investors in compliance with USCIS regulations and guidelines.
7. Assure the establishment of the proper tracking systems to monitor investor funds, I-526 and I-829 applications.

F. Investment Terms and Conditions

A summary of the terms and conditions of the investment includes, but may not be limited to the following:

- The new commercial enterprise into which the EB-5 investors will be admitted as Limited Partners will be Project Lender LP.
- All EB-5 immigrant investors who file I-526 petitions in a commercial enterprise located in a Regional Center district must meet the requirements of 8CFR 204.6.
- (b)(4) The minimum investment amount is [redacted] for one (1) Unit (the "Subscription Amount"). Of the Subscription Amount, $500,000 thereof shall constitute a capital contribution to the Partnership and represents the minimum capital investment required by the USCIS EB-5 Pilot Program to fund a project designated as being in a TEA
(b)(4) and the remaining [redacted] shall be payable t[redacted]he General Partner, to defray Offering-related expenses, including legal, migration costs, marketing (b)(4)
and promotional fees (the "Subscription Fee"). The Subscription Fee o[redacted]per Unit shall not constitute or be deemed a capital contribution.
- The investment is subject to the approval of Tur Partners Metropolitan Regional Center LLC as a USCIS designated regional center. The application has been filed with USCIS and is awaiting approval.
- All investors must be accredited investors, defined as set forth by Securities Exchange Commission Rule 501(a).
- The Partnership may, at its discretion, accept subscription proceeds prior to USCIS approval of TPMRC as a USCIS designated Regional Center. All proceeds shall be safely held in an escrow account until advanced into the project, but shall be fully refunded in the event the required approval is not received.
- The General Partner shall have the rights given it under state law and as set out in the Operating Agreement.
- Each investor is responsible for retaining his or her own legal counsel if they require guidance or assistance in fulfilling the necessary requirements to become a qualified investor in the Partnership.
- All investors shall be deemed "Limited Partners" in the Partnership and shall have the rights given to them as such by state Law, and by the underlying Operating Agreement.
- (b)(4) The offering is limited to [redacted] and [redacted] investors [redacted]n capital and [redacted]h Subscription Fees). This amount has been determined based on the Economic Impact analysis prepared by Sean Flynn, Ph. D. of Impact Econometrics LLC.
- Investor funds are considered non-refundable and "fully at risk" once the investor has successfully filed their Form I-526 petition with USCIS.

- Return of investor capital is not guaranteed, however, the Partnership will follow identified exit strategies to return the capital based on prevailing market conditions.

G. Escrow Information

1. Escrow Agent

The escrow agent for this transaction has not yet been determined. One company under consideration is Citibank. Information for Citibank follows:

Citibank represents the consumer banking operations of financial services giant Citigroup. The unit has more than 1,000 branches in about a dozen US states; California and Texas are its largest markets, but the bank also has a significant presence in the Northeast, as well as Chicago and Miami. Through affiliates, it operates about 3,000 additional offices in some 40 countries, with a focus on emerging markets in Asia, Latin America, and central and eastern Europe. Citibank provides standard banking fare such as deposit accounts, credit cards, and loans to consumers and small businesses, and utilizes its parent's breadth of financial services by also offering investment and financial planning services. Citibank is headquartered in New York.

Name: Citibank, N.A.
Address: Agency & Trust
388 Greenwich Street, 14th Floor
New York, NY 10013
(b)(4) Attention: [redacted]
Phone #: [redacted]

Duties and responsibilities:

- Accept, hold, invest and disburse funds deposited with it and the earnings thereon in accordance with the terms of the Escrow Agreement.
- The Escrow Agent shall invest all Escrow Funds in a Citibank, N.A. Money Market Fund account.

2. Escrow Provisions

For the purpose of this hypothetical business plan, it is assumed that investor funds will be released upon receipt of their I-526 applications by USCIS.

H. Loan Structure

The Partnership will market units only to qualified investors. As stated, proceeds from the sale of Limited Partnership units will be loaned to the Project Company. The loan will be evidenced by a properly executed loan agreement. The complete terms and conditions of the loan are yet to be determined, but the basic terms are as follows:

Borrower: (b)(4) [redacted]

Lender: Project Lender LP

Amount: Assuming that the Partnership raises the Maximum Offering Amount and that the Escrow Condition is satisfied as to each Subscriber, the amount available under the loan shall be [redacted] (b)(4)

Collateral: The loan shall not be secured by any collateral.

Terms of Loan: The Loan principal and its interest shall be repaid in one lump sum within 120 days of the sixth anniversary of the last immigrant investor receiving their I-829 approval. The loan principal and interest shall be payable from available cash from operations and/or the sale or refinancing of the Project. No EB-5 investor shall receive any distributions from the Partnership until their I-829 is approved.

(b)(4)

Interest Rate: [redacted]

Sources of Repayment:

1. Primary- Refinancing the development
2. Secondary- Sale of development

Disbursement Requirements: To assure funds are invested into the project pursuant to the projected budgets contained in this business plan, the Project Company must submit to the Partnership the following documentation:

a. Draw requests stating the amount of funds necessary to pay contractors for construction work that has been satisfactorily completed in accordance with the construction budget
b. Authorization for payment of requested construction draws stating that the required construction work has been satisfactorily completed.

Other Terms & Conditions: All other terms and conditions will be defined in a Loan Agreement

(b)(4)

Note: [redacted]

I. Exit Strategy

According to the guidelines of USCIS relating to investments within an approved EB-5 Pilot Program, an "investment within such a Pilot Program must be considered by the investor to be fully at risk". There is no guarantee that the investment will be repaid by the Project Company

It is anticipated that there will be no distribution of capital to the Limited Partners sooner than six (6) years from their investment date. The investors will receive a rate of return on their investment for the time their monies are invested, and that return will be paid from operating revenue of the project, refinance of the Project, or sale of the Project, not investor capital.

The expected sources for repayment of investor capital will come from the following:

1. **Primary – Repayment of the loan made by the Partnership to [redacted] following the refinance of the Project with an institutional lender (i.e.: insurance company)**

At some time after the property has reached stabilization, conventional financing could be sought. The market value of the real estate, the market value of the operating business and other factors, such as the lender's requirement for a maximum loan-to-value ratio[2] and minimum debt service coverage ratio[3] would determine the amount of financing available.

By September 2017 the Project is expected to be completed and in operation. By August 2020, it is assumed that the Project will be considered a "stabilized" property with predictable cash flow.

The apartment, retail, and parking portions of the project are expected to produce a net operating income before taxes, depreciation and amortization ("NOI")[4] of [redacted] (b)(4)
as of August, 2020. Assuming a [redacted] Cap Rate[5], using the Income Approach[6] to valuation, the fair market value of the property would be approximately [redacted]
(b)(4) At a [redacted] Loan-to-Value, the Project could qualify for a loan of approximately [redacted] Most banks traditionally have limited refinance transactions to 90% Loan-to-Cost[7]. At an [redacted] LTC, a loan o[redacted] would meet that requirement.

Rounded down to [redacted] annual debt service using a 25-year amortization at a
(b)(4) rate of [redacted] would be approximately [redacted] The projected cash flow of [redacted] would provide strong debt service coverage of 1.25x.

A new loan in the amount of [redacted] would generate funds to repay the
(b)(4) [redacted] oan provided by the Partnership, the [redacted] loan made by the senior lender, and leave a surplus of [redacted] Therefore, refinancing of the property is a viable exit strategy.

Project Component	8/20 NOI	Cap Rate	Estimated Value
Hotel A	[redacted]		
Hotel B			
Apartments, Retail, Parking			
Total			

(b)(4)

[2] The loan-to value ratio is the value of the debt to the estimated fair market value of the property. The loan-to-value ratio is more commonly called LTV. It is calculated by dividing the amount of the loan by the estimated market value.
[3] The debt service coverage ratio calculates the amount of cash available to meet debt obligations. For real estate loans, the debt service ratio is calculated by dividing the projected net operating income (i.e. rents less operating expenses) by the projected annual debt (principal and interest).
[4] NOI is the acronym for Net Operating Income. It is defined as a company's operating income after operating expenses are deducted, but before income taxes and interest are deducted.
[5] Cap Rate: Short for Capitalization rate. The Cap Rate defines the percentage number used to determine the current value of a property based on estimated future operating income. In other words, taking the net operating income from an income-producing property and dividing it by the capitalization rate would yield the approximate current value of the property.
[6] A real estate appraisal method that allows investors to estimate the value of the property based on the income produced. The income approach is computed by taking the net operating income of the rent collected and dividing it by the capitalization rate (the investor's rate of return). It is most typically used for income producing properties.
[7] The loan-to-cost ratio, more commonly called LTC, is calculated by dividing the loan amount by the total cost of construction.

2. Secondary –Sale of the project

Factors in determining the market value of a retail property include the value of the real estate, and in the case of this example, the value the operating businesses located therein for the owner-operated portion of the property. Other factors such as the competency of management, occupancy, licensing issues, etc. also play a part in valuation.

(b)(4)

For the purpose of this hypothetical business plan, it is assumed that [redacted] building and operating entities) could be sold for sufficient funds to retire the EB-5 investor's capital investment of [redacted] repay senior debt on the Project of [redacted] to provide a return of capital to the Developer, and to provide a margin of profit, as well.

(b)(4)

3. Hybrid Scenario – Partial sale of the project / refinancing

A third scenario contemplates a sale of the hotels once they take occupancy in January 2016. Proceeds from the sale would be used to retire the [redacted] loan made by the senior lender. Once the apartment, retail, and parking portions of the project begin to reach stabilization, a refinancing or sale would be contemplated of the remaining asset.

In conclusion, the refinancing of the property, its sale to a private or institutional investor, or a hybrid scenario would offer three viable exit strategies for the return of investor capital.

V. Financial Information

A. Project Cost/Development Budget

Project costs were estimated by [redacted]

(b)(4)

[redacted]

(b)(4)

B. Sources and Uses of Funds

Source of Funds	Use of Funds

(b)(4)

For the purpose of this hypothetical business plan it is assumed that the Senior Debt is available and committed and that the Developer's Equity has been documented with evidence showing the liquidity necessary to complete this transaction.

(b)(4)

(b)(4)

C. Development Timeline

The Development Timeline was compiled by [redacted]

	Start Date	Duration	End Date	Comments
Pre-Construction Phase				
Site Selection				Completed
Due Diligence				Completed
Site Negotiation				Completed
Administrative Phase				
Site Acquisition				Completed
Finalization of Contracts/Sub-Contracts	1Q 2014	3 Months	2Q 2014	
Permits	4Q 2013	6 Months	2Q 2014	
Major Construction and Equipment Phase				
Demolition/Site Work	2Q 2014	5 Months	3Q 2014	
Vertical Construction	3Q 2014	25 Months	3Q 2016	
Elevators/Equipment	1Q 2015	10 Months	3Q 2015	
Interior/Finishes	1Q 2015	17 Months	2Q 2016	
Furniture Installation	4Q 2015	3 Months	1Q 2016	
Partial Certificate of Occupancy	1Q 2016			
Completion Phase				
Landscaping	2Q 2016	3 Months	3Q 2016	
Construction Punchlist	3Q 2016	6 Months	1Q 2017	
Substantial Completion	3Q 2016			
Operations Phase				
Staffing, Training	4Q 2015	3 Months	1Q 2016	
Soft Opening For Residential	1Q 2016			

D. Cost Disbursement Timeline

An estimated cost disbursement timeline showing anticipated funding on a monthly basis is included in Addendum B for hard costs, contingency, and consultants. Addendum C includes an estimate disbursement timeline for soft costs and interest expense.

E. Operating Projections

1. Hotel A

(b)(4)

Hotel A is assumed to be a limited-services hotel with no restaurant on the premises. The hotel will have [redacted] rooms and is scheduled to open for business in the third quarter of 2016. Hotel Horizons Econometric Forecasts of U.S. Lodging Markets for the Chicago Region, June – August 2013 Edition published by PKF Hospitality Research LLC[8] was used in determining ADR, occupancy, other income, and expenses for this component of the Project. PKF Hospitality Research owns the database for Trends® in the Hotel Industry, the statistical review of U.S. hotel operations which first appeared in 1935 and has been published every year since then. The

[8] PKF Consulting USA (PKFC) is an international firm of management consultants, industry specialists, and appraisers who provide a full range of services to the hospitality, real estate, and tourism industries. http://www.pkfc.com/en/pkf-hr/ **PKF Hospitality Research** specializes in hotel forecasting, the gathering and analysis of hotel data, and customized analyses.

Trends® database is the oldest and most comprehensive source of hotel financial information in the United States.

Due to the location and planned finishes the Hotel A will be positioned as an Upper-Priced hotel. According to the above mentioned publication, Upper-Priced hotels in the Chicago market area are forecast to have steadily increasing ADR from year to year as shown on the following table. The occupancy levels forecast fluctuate slightly, and overall show the continuation of an improving trend from 2009 forward. Occupancy for all years forecast by PKF is above 70%.

Year	Type	Occupancy	ADR
2008	Actual	67.1%	$166.77
2009	Actual	60.7%	$139.70
2010	Actual	65.6%	$141.38
2011	Actual	68.2%	$147.34
2012	Actual	71.2%	$155.22
2013	Forecast	70.8%	$164.76
2014	Forecast	71.9%	$175.98
2015	Forecast	73.1%	$188.45
2016	Forecast	72.6%	$198.99
2017	Forecast	71.4%	$206.04

In the same PKF publication Financial Benchmarks for the Chicago region are published for Limited-Service Hotels. The benchmarks list financial line items and display the results as a percentage of total revenue. For Limited-Service Hotels, these benchmarks indicate 98.1% of revenue is generated from rooms, no revenue is generated from food and beverage and that the remaining 1.9% of total revenue is generated from other income. Other line items shown in these benchmarks includes total department expenses (27.0% of total revenue), total department income (73.0%), total undistributed expenses (28.8%), gross operating profit (44.3%), management fees, property taxes, and insurance (8.9%) and net operating income (35.4%). For Hotel A, this mix of revenue and expense was used for all years of the operating projections.

Increases from year to year are driven by the projected increases in ADR. For 2017 and 2018, the ADR is as forecast by PKF. For 2018 through 2020, an increase of 2.6% was used. This is the same as the Long Run Average (1988 to 2012) increase in ADR for the Chicago market according to the report.

Hotel A	FYE 8/17	8/18	8/19	8/20	8/21
Number of Rooms	[redacted]				
Room Nights					
Averrage Daily Rate					
Occupancy					
Room Revenue					
F&B Revenue					
Other Revenue					
Total Revenue					
Departmental Expense					
Total Dept.Income					
Undistributed Expenses					
Gross Operating Profit					
Other Expense					
NOI					

(b)(4)

2. Hotel B

Hotel B is assumed to be a full-service hotel with a full-service restaurant on the premises. The hotel will have [redacted] rooms and is scheduled to open for business in the third quarter of 2016. Hotel Horizons Econometric Forecasts of U.S. Lodging Markets for the Chicago Region, June – August 2013 Edition published by PKF Hospitality Research LLC was used in determining ADR, occupancy, other income, and expenses for this component of the Project also.

Due to the location and planned finishes the Hotel B will be positioned as an Upper-Priced hotel. According to the above mentioned publication, Upper-Priced hotels in the Chicago market area are forecast to have steadily increasing ADR from year to year as shown on the following table. The occupancy levels forecast fluctuate slightly, and overall show the continuation of an improving trend from 2009 forward. Occupancy for all years forecast by PKF is above 70%.

Year	Type	Occupancy	ADR
2008	Actual	67.1%	$166.77
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2013	Forecast	70.8%	$164.76
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2016	Forecast	72.6%	$198.99
2017	Forecast	71.4%	$206.04

In the same PKF publication Financial Benchmarks for the Chicago region are published for Full-Service Hotels. The benchmarks list financial line items and display the results as a percentage of total revenue. For Full-Service Hotels, these benchmarks indicate 69.5% of revenue is generated from rooms, 26.0% of revenue is generated from food and beverage and that the remaining 4.5% of total revenue is generated from other income. Other line items shown in these benchmarks includes total department expenses (38.6% of total revenue), total department income (61.4%), total undistributed expenses (27.6%), gross operating profit (33.8%), management fees, property taxes, and insurance (7.7%) and net operating income (26.1%). For Hotel B, this mix of revenue and expense was used for all years of the operating projections.

Increases from year to year are driven by the projected increases in ADR. For 2017 and 2018, the ADR is as forecast by PKF. For 2018 through 2020, an increase of 2.6% was used. This is the same as the Long Run Average (1988 to 2012) increase in ADR for the Chicago market according to the report. (b)(4)

Hotel B	FYE	8/17	8/18	8/19	8/20	8/21
Number of Rooms		[redacted]				
Room Nights						
Averrage Daily Rate						
Occupancy						
	%					
Room Revenue	69.5%					
F&B Revenue	26.0%					
Other Revenue	4.5%					
Total Revenue	100.0%					
Departmental Expense	38.6%					
Total Dept.Income	61.4%					
Undistributed Expenses	27.6%					
Gross Operating Profit	33.8%					
Other Expense	7.7%					
NOI	26.1%					

3. Rental Apartments, Retail and Parking

(b)(4) The remaining operation of [redacted] consists of [redacted] rental apartments, [redacted] of retail space on the ground floor, [redacted] of retail space on the lower level, and [redacted] parking spaces. From an operations standpoint, the revenue and expenses of these components has been combined. [redacted] provided the operating information as well as the assumptions for both income and expense based upon its experience in the Chicago marketplace with operating properties of this nature.

(b)(4) The rental apartments have a total [redacted]

(b)(4) [redacted]

For years 2017 through 2020 increases of 3.5% (national average) was used on the residential component, and 2.5% was used for the retail component (more conservative Chicago Q-1 increase rate). No increase was projected for the parking. CAM was projected to increase in proportion to increases in retail rents. Expenses per unit for the residential component were projected to increase at the same 3-1/2% as rents, with the exception of real estate taxes, which were estimate to show 1% annual increases.

Mixed-Use Components					
FYE	8/17	8/19	8/20	8/21	8/22
Apartments	[redacted]				
Square foootage					
Rent/sf/mo.					
Vacancy					
Retail - Ground Level					
Rent/sf					
CAM/sf					
Vacancy					
Retail - Lower Level					
Rent/sf					
CAM/sf					
Vacancy					
Parking spaces					
Rent/space/mo.					
Vacancy					

(b)(4)

Mixed-Use Components					
FYE	8/17	8/18	8/19	8/20	8/21
Apartment Rent	[redacted]				
Incentives					
Net Effective Rent					
U/A Fee & Misc.					
Apt. Rent w/ Misc.					
Other Rent					
Retail Rent -Ground					
Retail Rent -Lower					
Parking					
Other Rent					
CAM (Ground Retail)					
Income Subtotal					
Less Vacancy					
Apartments					
Retail-Ground Level					
Retail- Lower Level					
Parking					
Total Vacancy					
Net Effective Income					
Operating Expenses and R/E Taxes					
Net Operating Income					

(b)(4)

VI. Economic Impact Analysis

Sean Masaki Flynn, Ph. D. of Impact Econometrics LLC conducted an economic and job-creation impact assessment regarding the [redacted] Hotel and Apartment project to be developed in Chicago, Illinois. His September 16, 2013 report, "The Economic and Jobs-Creation Impacts of the Hypothetical [redacted] Hotel and Apartment Complex in the Applicant Tur Regional Center LLC" is attached as an Exhibit to this filing.

Dr. Flynn utilized the RIMS II input/output model for the fourteen contiguous counties of the Chicago-Joliet-Naperville, IL-IN-WI Metropolitan Statistical Area (the "Chicago MSA") for his analysis.

The fourteen counties lie within three states, Illinois, Indiana, and Wisconsin:

- The nine Illinois counties are Cook County, DeKalb County, DuPage County, Grundy County, Kane County, Kendall County, Lake County, McHenry County, and Will County.
- The four Indiana counties are Jasper County, Lake County, Newton County, and Porter County.
- The one Wisconsin county is Kenosha County.

(b)(4)

The assessment was based on the Project hard cost [redacted] but the amount was reduced by Dr. Flynn to include [redacted] (b)(4) [redacted] All dollar figures were properly adjusted for inflation to the 2010 values utilized by the most current RIMS II multiplier tables.

A. Job Creation

(b)(4)

The September 16, 2013 economic impact report indicated that the hypothetical project that will be built in downtown Chicago, Illinois will generate a total of [redacted] jobs under conservative assumptions. The [redacted] total jobs derive entirely from hard construction expenditures.

According to the report the actual number of jobs created by the Project will be higher than [redacted] however, because the analysis ignored the net new demand that will be created in the local economy once the Project is completed. In particular, net new employment can be expected as the result of three factors: the spending of hotel guests in the local economy, the net new demand created by the Project's two hotels selling accommodations, and the net new demand created by the two hotels' restaurants. To the extent that the operation of the Project's two hotels and their restaurants creates net new demand by increasing tourism, accommodation, and food-service spending in Chicago, additional employment creation will result above and beyond that detailed here as a result of construction spending.

Accordingly, the jobs impacts reported in the analysis should be considered minimum numbers. Actual jobs impacts are likely to be substantially higher.

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

The jobs created by the project subsequently create new sources of household income. The household income created within the regional center by the construction of the Project is about [redacted] (b)(4)

The Regional Center would also see a [redacted] increase in the dollar value of economic output as a result of construction expenditures and their multiple impacts on the regional economy.

VII. Targeted Employment Area ("TEA")

The Illinois Department of Employment Security ("IDES") is the designated state agency with the authority to certify that geographic areas within the State of Illinois qualify as areas of high unemployment under the Alien Entrepreneur Visa Program.

(b)(4)

The Project is located within Census tract [redacted] of Cook County, IL. This Census tract, along with an assemblage of contiguous Census tracts has a combined 2012 average unemployment rate of [redacted] above the threshold of 12.2% needed to qualify as an area of high unemployment. Addendum D includes a letter from IDES dated [redacted] verifying that the area designated is an area of high unemployment.

VIII. Project Feasibility

A. Development Team

For this hypothetical business plan it is assumed that a single-purpose entity ("SPE") will be formed to develop the Project. This entity will likely have some ownership in common with

(b)(4) [redacted]

1. Developer [redacted]

(b)(4) [redacted]

(b)(4)

[redacted]

(b)(4)

3. **Architects -** [redacted]

[redacted]

4. Construction Administration - TBD

The construction administrator for this project has not yet been determined. During the Administrative Phase of the project a competent construction administrator will be identified and brought on to the development team. Typically the construction administrator is a licensed general contractor, engineer or architect. Likely, the Senior Lender will choose a construction administrator, in which case, that entity will be relied upon, rather than a separate construction administrator being engaged.

To protect Investor funds and to assure funds are invested directly into the Project, prior to every disbursement, the Construction Administrator will prepare the following documentation:

- Draw request that states the amount of funds necessary to pay contractors for construction work that has been satisfactorily completed in accordance with the construction budget
- An inspection report that certifies that the required construction work has been satisfactorily completed and that it authorizes payment of the requested draw

B. Market Area

The proposed market area for the project is the 14-county area commonly referred to as the Chicago Metropolitan Statistical Area (MSA). This is now more formally known as the Chicago-Naperville-Elgin, IL-IN-WI Metropolitan Statistical Area. It consists of the following counties in the following three groupings (in the following, the numbers in parentheses are the populations of the respective areas). It is the area from which the Project will attract its workforce.

- Chicago-Aurora-Joliet, IL Metropolitan Division (7,998,257)
    - Cook County (5,287,037)
    - DeKalb County (107,333)
    - DuPage County (932,541)
    - Grundy County (48,421)
    - Kane County (511,892)
    - Kendall County (104,821)
    - McHenry County (320,961)
    - Will County (685,251)
- Gary, IN Metropolitan Division (709,265)
    - Jasper County (IN) (33,520)
    - Lake County (IN) (496,478)
    - Newton County (IN) (14,250)
    - Porter County (IN) (165,017)
- Lake County-Kenosha County, IL-WI Metropolitan Division (877,949)
    - Lake County (IL) (712,567)
    - Kenosha County (WI) (165,382)

The Organization for Economic Co-operation and Development (OECD)[9] conducted a study entitled the *OECD Territorial Reviews: The Chicago Tri-State Metropolitan Area, United States 2012*. This study confirmed that the Chicago tri-state metro-region is an economically interdependent array of counties, cities, and towns:

> "The Chicago Tri-State metro-region, as defined by the 14-county Chicago Naperville Joliet Metropolitan Statistical Area (MSA), is the third most populous metropolitan areas in the United States. Its 9.46 million inhabitants (in 2010) place it behind the New York and Los Angeles MSAs. The Chicago Tri-State metroregion comprises 0.2% of the total surface area of the United States, is home to 3.1% of the total US population, and contributes 3.4% to the US GDP. The region is characterized by numerous relatively small municipalities, more than 300 in number. Each has its own municipal government which provides public services, such as public safety, and in many instances is responsible for land use zoning and issuing building permits. In addition, there are several special-purpose governments, or regional authorities, that have responsibility for water treatment, sanitation, transportation and the like. An extended area relevant to the region is the Chicago-area 21-county region (also called the Gary Chicago-Milwaukee corridor). This 21-county region extends beyond the Chicago Tri-State metro-region to also include five counties in the Milwaukee metro-region, a county in Illinois to the south of the metro-region and a county in Indiana to the east of the metro-region.
>
> Journey-to-work patterns in the Chicago Tri-State metro-region are strongly influenced by the dominance of Chicago's central business district in terms of employment. As with most US metropolitan areas, many more people work in the central business district than live there, and workers commute many miles from their suburban homes to work in the central business district. As a consequence, the region's extensive rail and highway system has developed along a hub-and-spoke pattern, highways and rail lines emanating from the center of the city to outlying areas. Commuting trips have become more and more varied. The Chicago Tri-State metro-region is situated on a virtually featureless plain, with Lake Michigan to the east creating the only natural barrier to expansion and connectivity, and thus businesses have increasingly located throughout the metro-region. Several employment sub-centers have developed, including in Evanston, Aurora and Naperville, IL."[10]

1. Chicago-Aurora-Joliet, IL Metropolitan Division

The Chicago-Aurora-Joliet, IL Metropolitan Division consists of Cook, DeKalb, DuPage, Grundy, Kane, Kendall, McHenry, and Will counties in Illinois. Because the Project is located in Chicago,

[9] For fifty years the OECD has provided a forum in which governments can work together to share experiences and seek solutions to common problems. The OECD studies what drives economic, social and environmental change within US regions. It measures productivity and global flow of trade and investment. The OECD analyses and compares data to predict future trends. It sets international standards on a wide range of things, from agriculture and tax to the safety of chemicals. http://www.keepeek.com/Digital-Asset-Management/oecd/urban-rural-and-regional-development/oecd-territorial-reviews-the-chicago-tri-state-metropolitan-area-united-states-2012_9789264170315-en (page 18)

[10] "OECD Territorial Reviews: The Chicago Tri-State Metropolitan Area, United States 2012", OECD, accessed July, 28, 2013, http://www.oecd.org/washington/49912798.pdf.

the city is described first, followed by the county in which it is located (Cook), and then the remaining counties in the Metropolitan Division.

Chicago, Illinois

Chicago History:

Chicago's first permanent resident was a trader named Jean Baptiste Point du Sable, a free black man apparently from Haiti, who came to the area in the late 1770s. In 1795, the U.S. government built Fort Dearborn at what is now the corner of Michigan Avenue and Wacker Drive. Incorporated as a city in 1837, Chicago was ideally situated to take advantage of the trading possibilities created by the nation's westward expansion. The completion of the Illinois & Michigan Canal in 1848 created a water link between the Great Lakes and the Mississippi River, but the canal was soon rendered obsolete by railroads. Today, 50% of U.S. rail freight continues to pass through Chicago, even as the city has become the nation's busiest aviation center, thanks to O'Hare and Midway International airports. In the half-century following the Great Fire, waves of immigrants came to Chicago to take jobs in the factories and meatpacking plants.

Throughout their city's history, Chicagoans have demonstrated their ingenuity in matters large and small:

- The nation's first skyscraper, the 10-story, steel-framed Home Insurance Building, was built in 1884 at LaSalle and Adams streets and demolished in 1931.
- In 1900, when residents were threatened by waterborne illnesses from sewage flowing into Lake Michigan, they reversed the Chicago River to make it flow toward the Mississippi.
- "Historic Route 66" begins at Grant Park on Adams Street.
- Chicago was the birthplace of the refrigerated rail car (Swift), mail-order retailing (Sears and Montgomery Ward), the car radio (Motorola), and the TV remote control (Zenith).
- The first self-sustaining nuclear chain reaction, ushering in the Atomic Age, took place at the University of Chicago in 1942. The spot is marked by a Henry Moore sculpture on Ellis Avenue between 56th and 57th streets.
- The 1,450-foot Sears Tower, completed in 1974, is the tallest building in North America and the third tallest in the world.[11]

Chicago Geography:

Chicago extends westward on a plain along the southwest shore of Lake Michigan. The climate is continental, with frequently changing weather bringing temperatures that range from relatively warm in the summer to relatively cold in the winter. Temperatures of 96 degrees or higher occur during summers; winters can register a minimum low of minus 15 degrees. Snowfall near the lakeshore is usually heavy because of cold air movement off Lake Michigan. Summer thunderstorms are frequently heavy but variable, as parts of the city may receive substantial rainfall while other sectors will have none. Strong wind gusts in the central business district are caused by the channeling of winds between tall buildings; the nickname "windy city," often applied to Chicago, does not, however, refer to the average wind speed, which is no greater than

[11] "Chicago History", City of Chicago Official Site, accessed July, 28, 2013, http://www.cityofchicago.org/city/en/about/history.html.

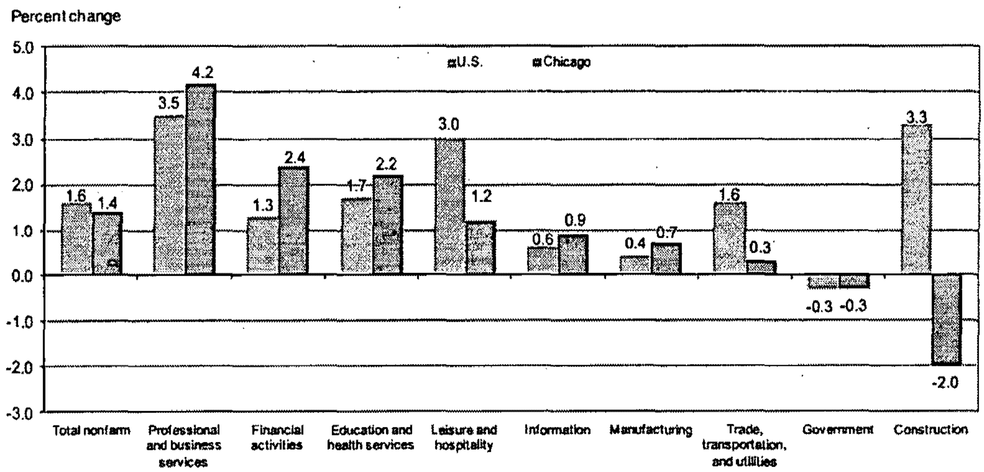
in many other parts of the country. Chicago covers a land area of 227.63 sq. mi., consuming both Cook and DuPage counties.[12]

Chicago Industry:

According to the Bureau of Labor Statistics, total nonfarm employment in the Chicago-Joliet-Naperville Metropolitan Statistical Area stood at 4,443,300 in May 2013, up 62,500 or 1.4%, over the year. During the same period, the national job count increased 1.6 percent. Regional Commissioner Charlene Peiffer noted that the Chicago area has recorded over-the-year job growth of at least 47,000 for 24 consecutive months. The largest over-the-year employment increase in the Chicago metropolitan area in May 2013 was in professional and business services, up 30,500. The local area's 4.2% rate of job growth in this supersector[13] exceeded the 3.5% gain nationwide. Chicago's professional and business services supersector, the area's second-largest supersector, has recorded over-the-year employment gains of more than 13,000 each month since June 2010. Education and health services recorded the second-largest employment gain expanding by 14,700 or 2.2%, which was greater than the national growth rate of 1.7%. Locally, this supersector has experienced consecutive over-the-year employment gains of more than 7,700 since January 2003. Financial activities employment rose by 6,900, a 2.4% increase. Nationally, the rate of job growth for this supersector was 1.3%. Locally, this supersector has registered over-the-year employment gains of more than 2,000 since May 2012.

Leisure and hospitality added 5,100 jobs from May a year ago. The 1.2% rate of local job growth was less than the 3% increase nationwide. Over-the year employment gains in this Chicago area supersector have exceeded 3,400 since October 2010.[14]

Chart 2. Over-the-year percent change in employment by selected industry supersector, United States and the Chicago metropolitan area, May 2013



Source: U.S. Bureau of Labor Statistics.

[12] "Geographic Information Systems", City of Chicago Official Site, accessed July, 28, 2012, http://www.cityofchicago.org/city/en/depts/doit/provdrs/gis.html.

[13] For purposes of analysis, the Bureau of Labor Statistics has further aggregated NAICS sectors into groupings called "Supersectors.".

[14] "Chicago Area Employment—May 2013", Bureau of Labor Statistics, accessed July, 28, 2013, http://www.bls.gov/ro5/ceschi.pdf.

Chicago Education:

The educational attainments of the City of Chicago are best reviewed in context with the tri-state region. In the tri-state region, the working-age population is comparatively well educated, though perhaps not to the levels that would be expected given its good higher education infrastructure. It ranks 4th among U.S. metropolitan areas in educational achievement, with nearly one third of the tri-state region's population holding a BA degree or higher, and one quarter holding some college or associate degree. Institutes of higher education abound in the region, with over 200 post-secondary education and training institutions, graduating 140 000 annually.

Northwestern University and the University of Chicago are ranked in the top 30 of the world's universities for science, and in the top 12 for business, economics and engineering. Chicago's Booth business school was recently ranked first in 18 in the world in the Economist's survey of 115 schools. These institutions attract students from all over the world. Yet skills acquired via the region's education system are useful only if businesses in the metropolitan economy need them; if not, then there is a skills mismatch. And the data suggests that there is indeed a serious mismatch between skills demand and supply in the tri-state region. While aggregated data for the region suggests that the average worker in the region has the formal education required to do the average job, the data conceals serious issues in certain key parts of the region's skill spectrum. At the high end, there is a large pool of high-skilled, highly educated workers, in principle more than sufficient to fill the jobs available at that level. At the low end, there are large numbers of high school drop-outs (13% in the City of Chicago which is among the highest in the US) and others with limited education opportunities. They far outweigh the number of jobs available for individuals with low skills, even though the tri-state region's manufacturing industry as a whole has not modernized to the same extent as its competitors elsewhere in the U.S. In the middle of the spectrum, where most jobs lie, there is a marked education gap. Even in the currently depressed labor market, there are not enough individuals qualifying for the jobs that demand some higher educational attainment beyond a high-school diploma.[15]

Chicago Demographics:

The 2012 U.S. Census population estimate for the City of Chicago placed the population at 2,714,856 people. The population increased by .7% over 2010 U.S. Census population stats. The city has a population density of 11,841.8 persons per sq. mi.

The City of Chicago has lower rates of high school graduation when compared against averages for the state of Illinois, but a higher percentage of post-secondary degree attainment. Homeownership rates are lower in the City of Chicago when compared against averages for the state of Illinois; however, this is due in large part to high population density and the abundance of rental housing opportunities in the urban area. Per capita and median household income are both lower for Chicago than averages for the state of Illinois. Chicago

U.S. Census 2007-2011	Chicago	Illinois
High school graduate	80.2%	86.6%
Bachelor's degree or higher	32.9%	30.7%
Homeownership rate	47.0%	68.7%
Per capita income	$27,940	$29,376
Median household income	$47,371	$56,576
Persons below poverty level	21.4%	13.1%

[15] OECD Territorial Reviews: The Chicago Tri-State Metropolitan Area. Pages 18-20

also has a greater percentage of its population living below the poverty level when compared against averages for the state.[16]

Cook County

Chicago is the county seat of Cook County. The county has over 130 incorporated municipalities including Chicago. The county is the fifth largest county in Illinois by land area. It shares the state's Lake Michigan shoreline with Lake County. The county is mainly urban and densely populated. The five counties surrounding Cook County are DuPage, Kane, Lake, McHenry, and Will counties which together are referred to as the "collar counties". The county was formed from portions of Putnam on January, 15, 1831, making it the 54th county established in Illinois. The county was named for Daniel Cook, a statesmen tin early Illinois history.

Cook County had a 2012 U.S. Census population estimate of 5,231,351 people. The population increased by 0.7% over the 2010 Census numbers. The county covers a land area of 945.33 sq. mi. with a population density of 5,395.1 sq. mi. Private nonfarm employment in Cook County (2011) was at 2,193,827 people, a 1.1% increase over the 2010 numbers.

Cook County has lower rates of high school graduation when compared against state averages, but has higher rates of post-secondary educational attainment when compared against the state. Homeownership rates and median household income are lower in Cook County than for the state of Illinois. Per capita income is higher at the county level than at the state level. A greater percentage of people live below the poverty level in the county than averages for the state.[17]

U.S. Census 2007-2011	Cook County	Illinois
High school graduate	83.7%	86.6%
Bachelor's degree or higher	33.7%	30.7%
Homeownership rate	59.8%	68.7%
Per capita income	$29,920	$29,376
Median household income	$54,598	$56,576
Persons below poverty level	15.8%	13.1%

DeKalb County, IL

DeKalb County is part of the Chicago Metropolitan Statistical Area. It was formed on March 4, 1837, out of Kane County, IL. DeKalb County is located 63 miles west of Chicago. There are 19 townships in the county with the county seat at Sycamore.

The 2012 population estimate for DeKalb County was 104,704 according to the U.S. Census Bureau. The county is 631.31 square miles and has a population density of 166.6 persons per square mile.

DeKalb County has more high school graduates, but a lower number of persons with Bachelor's degrees than statewide. Homeownership

U.S. Census 2007-2011	DeKalb County	Illinois
High school graduate	91.2%	86.6%
Bachelor's degree or higher	28.2%	30.7%
Homeownership rate	62.8%	68.7%
Per capita income	$24,547	$29,376
Median household income	$54,436	$56,576
Persons below poverty level	15.9%	13.1%

[16] "State & County QuickFacts Chicago", United Sates Census Bureau, accessed July, 28, 2013, http://quickfacts.census.gov/qfd/states/17/1714000.html.
[17] "State & County QuickFacts Cook County, Illinois", United States Census Bureau, accessed July 28, 2013, http://quickfacts.census.gov/qfd/states/17/17031.html.

rates, per capita income, and median household income are all lower than the state. The poverty level is higher in DeKalb County with nearly 16% of persons living below the poverty level as compared to 13.1% statewide.[18]

DuPage County, IL

DuPage County is part of the Chicago Metropolitan Area. The county is composed of nine townships: Addison, Bloomingdale, Downers Grove, Lisle, Milton, Naperville, Wayne, Winfield and York. The city of Wheaton serves as the county seat. DuPage County contains portions of the City of Chicago and the city of Aurora. The county was formed on February 9th, 1839 from a portion of Cook County and takes its name from the DuPage River (which took its name from a French fur trapper of the same name). The county is bordered by Cook County to the north and east, Will County to the south, Kendall County to the southwest, and Kane County to the west.[19]

DuPage County had a 2012 U.S. Census population estimate of 927,987 people. The population increased 1.2% over the 2010 Census count numbers. Total private nonfarm employment stood at 567,052 in 2011 after increasing 2.3% over the 2010 count. The county has a land area of 327.50 sq. mi. with a population density of 2,799.8 persons per square mile.

DuPage County has higher rates of educational attainment, higher homeownership rates, higher per capita income, and higher median household income when compared against averages for the state. DuPage County has a lower percentage of persons living below the poverty level when compared against averages for the State of Illinois.[20]

U.S. Census 2007-2011	DuPage County	Illinois
High school graduate	91.9%	86.6%
Bachelor's degree or higher	45.6%	30.7%
Homeownership rate	75.9%	68.7%
Per capita income	$38,405	$29,376
Median household income	$77,598	$56,576
Persons below poverty level	6.2%	13.1%

Grundy County, IL

Grundy County covers 418.04 square miles of land area. The county is one of Illinois' most important, commercial and agricultural counties despite its relatively small size. Grundy County has approximately 45 miles of waterways including the Illinois River and numerous The Illinois River along with other streams gives Grundy County about 45 miles of waterways. The Illinois and Michigan canal flows through the county seat of Morris, adjacent to the Illinois River. Large employers in the area include R.R. Donnelley & Sons, Morris Hospital, Exelon-Dresden Station, Lyondell, and Wal-Mart.[21]

Grundy County had a 2012 U.S. Census estimated population 50,281 people. The population increased 0.4% over the official 2010 Census numbers. Grundy County's private nonfarm employment stood at 14,721 in 2011, down 1.7% from 2010. The county had a population density of 418.04 persons per sq. mi.

[18] http://quickfacts.census.gov/qfd/states/17/17037.html, assessed September 30, 2013
[19] "The County of DuPage Wheaton, Illinois", The County of DuPage, accessed August 1, 2013, http://www.dupageco.org.
[20] "State & County Quickfacts Dupage County, Illinois", United State Census, accessed July 28, 2013, http://quickfacts.census.gov/qfd/states/17/17043.html.
[21] "Facts About Industries", Grundy County, accessed August 1, 2013, http://www.grundyco.org/about/industries.

The county has higher rates of high school graduation when compared against state levels; however, post-secondary educational attainment rates are lower for the county than for the state of Illinois. Homeownership rates are higher for Grundy County than for the state of Illinois along with median household income. The percentage of persons living below poverty level is lower in the county than for the state as are per capita income rates.[22]

U.S. Census 2007-2011	Grundy County	Illinois
High school graduate	91.3%	86.6%
Bachelor's degree or higher	18.1%	30.7%
Homeownership rate	75.6%	68.7%
Per capita income	$28,169	$29,376
Median household income	$64,592	$56,576
Persons below poverty level	7.4%	13.1%

Kane County, IL

On January 16, 1836, the Illinois legislature created Kane County. The county was named after Elias Kent Kane, the attorney who helped draft the Illinois constitution and was the first Secretary of State. Kane was later elected to Congress. He represented Illinois in the U.S. Senate until his death in 1835. Then Kane County included what is now DeKalb County and part of the northern portions of Kendall. DeKalb separated from Kane County in 1837 and Kendall separated from the county in 1841.

The railroad was instrumental in establishing Kane County as a prominent dairy region in the 19th century. The Chicago hotels were a major consumer for the milk, butter and cheese from the northern Kane County area and the railroads provided rapid transportation for the fresh dairy products which were shipped daily into the city. In 1967, the United States government built Fermilab, a center for energy research and development, on a 6,800 acre site outside Batavia. This research center provides educational and cultural opportunities for residents of Kane and surrounding counties.[23]

According to the 2012 U.S. Census population estimate, Kane County's population is 522,487 people and is steadily increasing due largely to expansion from the Chicagoland area. The population grew 1.4% since the 2010 Census count. More Kane County farm lands are being rezoned to fit the demand of housing construction. The county has a land area of 520.06 sq. mi. with a population density of 990.8 per sq. mi.

Kane County has lower rates of high school graduation when compared against state averages, but has higher rates of post-secondary educational attainment when compared against the state. Homeownership rates and median household income, and per capita income are higher in Kane County than

U.S. Census 2007-2011	Kane County	Illinois
High school graduate	83.1%	86.6%
Bachelor's degree or higher	31.8%	30.7%
Homeownership rate	76.6%	68.7%
Per capita income	$29,864	$29,376
Median household income	$69,496	$56,576
Persons below poverty level	10.1%	13.1%

[22] "State & County QuickFacts Grundy County, Illinois", United States Census Bureau, accessed August 1, 2013, http://quickfacts.census.gov/qfd/states/17/17063.html.
[23] "County History", Kane County, Illinois, accessed August 1, 2012, http://www.countyofkane.org/documents/County%20Board/Kane%20County%20History.pdf.

for the state of Illinois. A lower percentage of people live below the poverty level in the county than averages for the state of Illinois.[24]

Kendall County, IL

Kendall County, located in northeastern Illinois, occupies 320.34 sq. mi. and is considered part of the Chicago metropolitan area. Kendall County has a population density of 358.2 persons per sq. mi. The County seat is located in Yorkville. Kendall County holds the record as the #1 fastest growing county in the United States with a 10 year percentage growth of 110.4%.

The 2010 Census reports a population of 114,736. In the 2000 Census, the population was 54,544. According to Census Bureau statistics released in March 2011, Kendall County's 2010 population of 114,736 made it the number one fastest growing county in the United States between the years 2000 and 2010. The U.S. Census estimated the population of Kendall County at 118,105 people in 2012, a 2.9% increase in two years. The 2.9S% population increase in Kendall County outstrips the 0.3% population growth average for the state of Illinois.[25]

Kendall County has higher rates of educational attainment, higher homeownership rates, higher per capita income, and higher median household income when compared against averages for the state of Illinois. Kendall County has a lower percentage of the population living below the poverty level when compared against state averages.[26]

U.S. Census 2007-2011	Kendall County	Illinois
High school graduate	92.1%	86.6%
Bachelor's degree or higher	33.7%	30.7%
Homeownership rate	86.2%	68.7%
Per capita income	$31,325	$29,376
Median household income	$82,649	$56,576
Persons below poverty level	3.8%	13.1%

McHenry County, IL

McHenry County is located in the Northeastern part of Illinois and was formed in 1836 from a portion of Cook County. The County was named in honor of Major William McHenry, an officer in the Blackhawk war. The county seat is Woodstock. The county's first private institutions included Lawrence Academy, Nunda College, Marengo Collegiate Institute and Todd Seminary. Orson Welles was educated at the Todd Seminary for Boys.

McHenry County is strategically located in the heart of the business triangle between Chicago, Milwaukee and Rockford. It has a diversified, modern $6 billion economy with one of the fastest-growing manufacturing sectors in the region. The county also has surging health care, medical devices, medical supplies and services sectors. McHenry County is part of the Chicago, Rockford and Milwaukee economies. McHenry County's business make-up is very balanced. While manufacturing sales are growing much faster in McHenry County than almost anywhere else in

[24] "State & County QuickFacts Kane County, Illinois", United States Census Bureau, accessed August, 1, 2013, http://quickfacts.census.gov/qfd/states/17/17089.html.

[25] "Kendal County, Illinois", Kendall County, accessed August 1, 2013, http://www.co.kendall.il.us/.

[26] "State & County QuickFacts Kendal County, Illinois", United States Census Bureau, accessed August 1, 2013, http://quickfacts.census.gov/qfd/states/17/17093.html

the region, the distribution of corporate earnings within the county shows an increasing diversification of the economy.[27]

McHenry County had a 2012, U.S. Census population estimate of 308,145 people. It covers 603.17 sq. mi. of land area and has a population density of 511.19 persons per sq. mi. McHenry County has higher rates of educational attainment, higher homeownership rates, higher per capita income rates, and higher median household income rates when compared against the state of Illinois. The county has a lower percentage of persons living below the poverty level when compared against the state.[28]

U.S. Census 2007-2011	McHenry County	Illinois
High school graduate	91.1%	86.6%
Bachelor's degree or higher	31.9%	30.7%
Homeownership rate	83.8%	68.7%
Per capita income	$32,318	$29,376
Median household income	$79,909	$56,576
Persons below poverty level	6.9%	13.1%

Will County, IL

According to the Will County's official website, Will County is first in population growth of all Illinois Counties, and the first in new home construction for the state. Joliet is the 14th fastest growing city of 100,000 or more in the US. Bolingbrook is the 24th wealthiest zip code in the "Chicago land" area. Will County is the 10th fastest growing county in the U.S., 36th Nationally in New Job Creation, and Will County is now 88th of the 100 Most Populous Counties in the U.S. Will County has the 4th largest population in Illinois (after Cook, DuPage, and Lake Counties).[29]

Will County covers a land area of 836.91 sq. mi. and has a 2012 estimated U.S. Census population of 682,518 people for a population density of 809.6 persons per sq. mi. Private nonfarm employment stood at 187,180 in 2011 (a 1.7% increase over 2010).

Will County has higher rates of educational attainment, higher homeownership rates, higher per capita income, and higher median household income when compared against the state of Illinois as a whole. The county has a lower percentage of persons living below the poverty level when compared against the state.[30]

U.S. Census 2007-2011	Will County	Illinois
High school graduate	90.2%	86.6%
Bachelor's degree or higher	31.3%	30.7%
Homeownership rate	84.5%	68.7%
Per capita income	$30,199	$29,376
Median household income	$76,453	$56,576
Persons below poverty level	7.1%	13.1%

2. Gary, IN Metropolitan Division

The Gary, IN Metropolitan Division consists of Jasper, Lake, Newton, and Porter counties in Indiana and is of the 11 Metropolitan Statistical Areas deemed large enough to be subdivided into metropolitan divisions by the Bureau of Labor and Statistics. This area is heavily impacted by

[27] "Facts To Remember", McHenry County", accessed August 1, 2013, http://www.co.mchenry.il.us/yearbook/Pages/FactsToRemember.aspx.
[28] "State & County QuickFacts McHenry County, Illinois", United States Census Bureau, accessed August 1, http://quickfacts.census.gov/qfd/states/17/17111.html.
[29] "Facts and Figures", Will County Official Website, accessed August 1, 2013, http://www.willcountyillinois.com/FactsFigures/tabid/245/Default.aspx
[30] "State & County QuickFacts Will County, Illinois", United States Census Bureau, accessed August 1, http://quickfacts.census.gov/qfd/states/17/17197.html.

the economic and social conditions affecting the metropolitan division's primary city, Gary, Indiana. According to the 2013 Economic News Release issued by the Bureau of Labor Statistics the Gary, IN metropolitan division had the largest unemployment rate increase from a year earlier (+0.9 percentage point).

As with Section VVII-B-2, the largest city in the Division, Gary, followed by Lake County in which Gary is located, then the remaining counties in the Metropolitan Division are described.

Gary, Indiana

History

Gary has a long history of being both an industrial city and the economic hub of the Northwest Indiana region which includes the surrounding communities of Merrillville, Hammond, and Hobart. . In 2006, the city celebrated its Centennial. Many notable people call Gary their original home, including well-known entertainers such as Michael Jackson and the Jackson family. Gary was founded in 1906 by Elbert H. Gary a, former Chairman of the United States Steel Corporation. The city originated as the chosen site for the location of what was intended to be the world's largest steel plant. The three year project resulted in the birth of a huge industry and lead to an increase in population as thousands of steel workers and their families came to Gary to seek economic prosperity.[31]

Gary Geography

Gary, Indiana is located on the shores of Lake Michigan in northwestern Indiana. It is the largest city in Indiana's Lake County. Gary is situated only 30 miles southeast of Chicago, Illinois, and encompasses the southeastern portion of the Chicago metropolitan area. Gary is "T" shaped, with its northern border on Lake Michigan. At the Northwestern most section Gary borders Hammond and East Chicago. Miller Beach, its easternmost neighborhood, borders Lake Station and Portage. Gary's southernmost section borders Griffith, Hobart, Merrillville, and unincorporated Ross. Gary is about 40 miles (64 km) from the Chicago Loop. Interstate I-90 runs through Gary, which is also serviced by Interstates I-80, I-94, I-65; U.S. Routes 12 and 20; and Indiana State Highways 312 and 912.[32]

Gary Industry

Gary's fortunes have mirrored the ups and downs of its primary industry. Plant layoffs in the 1960s led to a decline in the city's economic and cultural profile, mimicking the fortunes of similar urban centers in the nation. Today, the city continues to be a major steel producer but still faces many tough economic challenges. Gary's economic down spiral is similar to that of other Rust Belt cities.

NBC News recently (June 19, 2013) profiled the depressed city near Chicago for its Poverty in America series, reporting that about 6,500 of the 7,000 properties the city owns are abandoned. Gary officials are considering auctioning the buildings off for $1 because the city lacks sufficient funds to demolish them. Gary officials are also considering cutting off city services to about 40% of the city's land and moving residents to more viable parts of Gary, NBC reports. This is a drastic

[31] "City of the Century", City of Gary, Indiana Official website, accessed August 1, 2013, http://www.gary.in.us/
[32] City of Gary Official Website.

move, but it may be necessary as the thousands of abandoned properties are attracting criminals and discouraging industrial growth.

Gary's deterioration is not a new story. The city's economy was decimated when the steel industry collapsed. Gary has lost 55% of its population since the city's peak in 1960. Back then, 178,320 lived in Gary. By 2010, the population had dropped to just 80,294. Gary has lost even more people since then. The U.S. Census estimates put the 2012 population at 79,170.

U.S. Steel used to be a big employer in Gary, providing jobs to 25,000 people. Now, just 5,000 work for the company, according to NBC. Competition overseas led to massive layoffs in the steel industry. Gary, like many other Rust Belt cities is in desperate need of employment. Lack of employment has proved devastating to Gary residents and has left city services severely crippled.[33]

Gary Education

Gary, Indiana residents have several choices in higher education. Calumet College of Saint Joseph is a 4 year private, not-for-profit school offering one and two year certificates, associate degrees, bachelor's degrees, and master's degrees. Calumet College is located in Whiting, Indiana, 14 miles from Gary. Indiana University Northwest is located in Gary and is a four year public university offering one and two year certificates, associate degrees, bachelor's degrees, and master's degrees. Ivy Tech Community College Northwest, located in Gary, Indiana, is a two year public university offering one year and two year certificates and associate's degrees. Purdue University's Calumet Campus is located 9 miles from the city of Gary. The university is a four year public university offering one and two year certificates, associate degrees, bachelor's degrees, master's degrees, and post-master's certificates.[34]

Gary Demographics

The city of Gary lost 1.4% of its population between 2010 and 2012, according to the U.S. Census. Gary covers a land area of 49.87 sq. mi. with a population density of 1,610.2 persons per sq. mi. The city of Gary has lower rates of educational attainment, lower homeownership rates, lower per capita income, and lower median household income when compared against averages for the state of Indiana. The city has a higher percentage of persons living below poverty level, more than twice the state average.[35]

U.S. Census 2007-2011	City of Gary	Indiana
High school graduate	82.7%	86.6%
Bachelor's degree or higher	12.6%	22.7%
Homeownership rate	54.8%	71.1%
Per capita income	$16,300	$24,497
Median household income	$27,701	$48,393
Persons below poverty level	35.9%	14.1%

[33] "In Plain Sight: Poverty in America, Battered city of Gary, Ind., Considers shrink 40 percent to save itself" NBC News, accessed August 8, 2012, http://inplainsight.nbcnews.com/_news/2013/06/19/18956862-battered-city-of-gary-ind-considers-shrinking-40-percent-to-save-itself?lite.

[34] "Gary, Indiana (IN) Colleges and Universities", Education Portal, accessed August 1, 2013, http://education-portal.com/gary,_indiana_(in)_colleges.html.

[35] "State & County QuickFacts Gary, Indiana", United States Census Bureau, accessed August 1, 2013 http://quickfacts.census.gov/qfd/states/18/1827000.html.

Lake County, IN

Lake County is located in Northwest Indiana. The county is bordered on the south by Newton and Jasper Counties. The County is adjacent to Porter County on the east, Lake Michigan is to the north, and The State of Illinois to the west. Lake County was formed from portions of La Porte and Porter Counties in Indiana in 1837. The county takes its name after Lake Michigan. The city of Crown Point serves as the county seat.

The county has 11 townships and 20 cities and towns. The county has fourteen separate school corporations.[36] Lake County had a 2012 U.S. Population estimate of 493,618 people. The population decreased 0.5% since the 2010 Census count. The county's unemployment rate was based on an estimated average residential labor force of 223,334. Of that labor force, 201,250 were employed and 22,084 were unemployed. Lake County's unemployment rate reached a decade low of 3.6 percent in 2000. The rate rose to 11.0 percent by 2010. Lake County's estimated average unemployment rate for 2011 was 9.9%, above Indiana's annual average of 9.0%.

In 2010 persons living in but commuting to work out of Lake County was 51,323 or 17.5 percent of the labor force. In 2010 person commuting to work into the county from outside areas was 38,680 or 13.8 percent of the work force. The area sending the most number of persons into the county to work was Porter County. Lake County covers a land area of 498.96 sq. mi. with a population density of 994.1 persons per square mile.

U.S. Census 2007-2011	Lake County	Indiana
High school graduate	86.5%	86.6%
Bachelor's degree or higher	19.5%	22.7%
Homeownership rate	70.7%	71.1%
Per capita income	$23,726	$24,497
Median household income	$49,443	$48,393
Persons below poverty level	16.6%	14.1%

Lake County has lower educational attainment rates, lower homeownership rates, and lower per capita income when compared against levels for the state of Indiana. Median household income is higher in Lake County than averages for the state, as is the percentage of persons living below poverty level.[37] [38]

Jasper County, IN

Jasper County is located in northwest Indiana. The county is bordered on the south by Benton and White Counties. The County is adjacent to Starke and Pulaski Counties on the east, Lake and Porter Counties are to the north, and Newton County to the west. Jasper County was formally organized on March 15, 1838. Originally, the territory of Jasper included all of the present county of Newton and most of Benton. The first County Seat was located at Parish Grove, thirty miles south of the present seat of justice and five miles southwest of Fowler. This was chosen because it was near the center of population and for the additional reason that it is one of the few high and dry spots in the county. Rensselaer (originally called Newton) became the County Seat when the State Commissioners met in June 1839, and decided upon a consolidation. The original plat of

[36] "Lake County" IN.Gov Indiana's official website, accessed August 1, 2013, http://www.in.gov/mylocal/lake_county.html.
[37] State & County QuickFacts Lake County, Indiana", United States Census Bureau, accessed August 1, 2013, http://quickfacts.census.gov/qfd/states/18/18089.html.
[38] "Lake County Labor Market Profile", Northern Indiana Data Plus, accessed August 1, 2013, http://nidataplus.com/2lake.htm.

the newly chosen County Seat was filed June 12, 1839; by 1849 it had three stores, two physicians, one lawyer and 15 houses. [39]

Jasper County's estimated average unemployment rate for 2011 was 8.8%, below Indiana's annual average of 9.0%. The county's unemployment rate was based on an estimated average residential labor force of 15,652. Of that labor force, 14,271 were employed and 1,381 were unemployed. Jasper County's unemployment rate reached a two decade low of 3.3% in 2000, then rose to a high of 10.3% by 2010.

Jasper County has lower rates of post-secondary educational attainment (but higher rates of high school graduation), lower per capita income, and a lower percentage of persons living below the poverty level when compared against averages for the state of Indiana. It also has a higher homeownership rate and higher median household income than the state overall.[40 41]

U.S. Census 2007-2011	Jasper County	Indiana
High school graduate	87.5%	86.6%
Bachelor's degree or higher	14.3%	22.7%
Homeownership rate	77.8%	71.1%
Per capita income	$23,546	$24,497
Median household income	$55,509	$48,393
Persons below poverty level	7.7%	14.1%

Newton County, IN

Newton County was formed by an act of law on February 7, 1835. The county was named for Sgt. John Newton, who served under Frances "Swamp Fox" Marion during the American Revolutionary war. Newton County was the last county formed in the state of Indiana.

Newton County had a 2012 U.S. Census estimated population of 14,044 people. The county covers a land area of 401.76 sq. mi. and has a population density of 35.5 persons per sq. mi. The population decreased by 1.4% between 2010 and 2011. Private nonfarm employment stood at 2,265 in 2011, dropping 6.0% from 2010 numbers.

Newton County's high school graduation rates are slightly higher than for the state. Newton County has lower rates of postsecondary educational attainment, lower per capita income, lower median household income, and fewer persons living below the poverty level when compared against averages for the State of Indiana. Homeownership rates are higher in Newton County than similar rates for the state.[42]

U.S. Census 2007-2011	Newton County	Indiana
High school graduate	86.8%	86.6%
Bachelor's degree or higher	8.1%	22.7%
Homeownership rate	79.8%	71.1%
Per capita income	$23,416	$24,497
Median household income	$48,108	$48,393
Persons below poverty level	11.3%	14.1%

[39] "Jasper County Indiana Established 1838", Jasper County Official Website, accessed August 1, 2013, http://jaspercountyin.gov.
[40] "State & County QuickFacts Jasper County, Indiana", United States Census Bureau, accessed August 1,2013 http://quickfacts.census.gov/qfd/states/18/18073.html.
[41] "Jasper County Labor Market Profile", Northern Indiana Data Plus, accessed August 1, 2013. http://nidataplus.com/2jasper.htm.
[42] "State & County Quickfacts", U.S. Census Bureau, accessed August 13, 2013, http://quickfacts.census.gov/qfd/states/18/18111.html.

Porter County, IN

Porter County is located in Northwest Indiana. The county is bordered on the south by Jasper County. The County is adjacent to LaPorte County on the east, Lake Michigan is to the north, and Lake County to the west.

Porter County's estimated average unemployment rate for 2011 was 7.9%, below Indiana's annual average of 9%. The county's unemployment rate was based on an estimated average residential labor force of 82,653. Of that labor force, 76,141 were employed and 6,512 were unemployed. Porter County's unemployment rate reached a decade low of 2.7% in 2000. The rate rose to 9.2% by 2009. Private nonfarm employment increased 1.4% from 2010 to 2011.

Porter County had a 2012 Census estimated population of 165,682. The population increased .8% over the 2011 count. The county covers a land area of 418.15 sq. mi. and has a population density of 418.15 persons per square mile.

Porter County has higher rates of educational attainment, higher homeownership rates, higher per capita income, and higher median household income when compared against averages for the state. The percentage of persons living below the poverty level is lower in Porter County than for the state of Indiana as a whole.[43 44]

U.S. Census 2007-2011	Porter County	Indiana
High school graduate	91.6%	86.6%
Bachelor's degree or higher	25.5%	22.7%
Homeownership rate	77.3%	71.1%
Per capita income	$28,452	$24,497
Median household income	$62,394	$48,393
Persons below poverty level	9.6%	14.1%

3. Lake County-Kenosha County, IL-WI Metropolitan Division

The Lake County-Kenosha County, IL-WI Metropolitan Division is a metropolitan statistical area that includes parts of Illinois and Wisconsin. Waukegen (population 89,078) is the largest city in Lake County. Kenosha (population 99,218) is the largest city in Kenosha County, WI.

Lake County, IL

Lake County was created in 1839 from portions of McHenry County. The city of Waukegan serves as the county seat. The county is 443.67 sq. mi. and has a population density of 1,585.6 persons per sq. mi. According to the Lake County Chamber of Commerce, Lake County, Illinois has 52 incorporated villages and cities, three state parks, over 50 business and industrial parks, 24 miles of Lake Michigan shoreline, and a diverse and generally high-quality housing stock.

The county has 30 public elementary school districts, 10 public high school districts, six public unit school districts, one charter school and two special education districts. The county is home to the Great Lakes Navel Training Station, the Chicago Bulls' Berto Center and Halas Hall practice facilities, a Six Flags theme park, the Rosalind Franklin University of Medicine and Science, the Chain O'Lakes State Park, and the Illinois Beach State Park. In 2000, the county's top employers

[43] "Porter County Labor Market Profile", Northern Indiana Data Plus, accessed August 1, 2013. http://nidataplus.com/2porter.htm
[44] State & County QuickFacts Porter County, Indiana", United States Census Bureau, accessed August 1, 2013, http://quickfacts.census.gov/qfd/states/18/18127.html.

were the Department of the Navy, Great Lakes, Abbott Laboratories, Hewitt Associates, Motorola, Kemper Insurance, Baxter Healthcare Corp., Six Flags, Allegiance Corp, Lake County government and service, and Manpower.[45]

Lake County had a 2012 U.S. Census estimated population of 702,120 people. The population decreased by 0.2% since the 2010 Census count. Private nonfarm employment numbers stood at 307,559 people in 2011. There was no change between the 2010 and 2011 private nonfarm employment numbers.

Lake County has higher educational attainment rates, higher homeownership rates, higher per capita income, and higher median household income when compared against averages for the state of Illinois. The county has a lower percentage of its population living below the poverty level when compared against averages for the state.[46]

U.S. Census 2007-2011	Lake County	Illinois
High school graduate	88.6%	86.6%
Bachelor's degree or higher	41.5%	30.7%
Homeownership rate	77.6%	68.7%
Per capita income	$38,513	$29,378
Median household income	$79,666	$56,576
Persons below poverty level	8.2%	13.1%

Kenosha County, WI

Kenosha County, created in 1850 from Racine County, is named for an Indian word for "place of the pike." Kenosha County, WI is located in the southeast corner of the state. Kenosha County is bordered to the east by Lake Michigan and to the north by Racine County and to the south by Lake and McHenry counties in Illinois.

Kenosha County had a 2012 population estimate of 167,936 people. The population increased 0.9% since the 2010 Census count. Kenosha County is 271.99 sq. mi. and has a population density of 611.9 persons per sq. mi. Private nonfarm employment in Kenosha County stood at 46,682 people in 2011. Private nonfarm employment increased 1.5% between 2010 and 2011.

Kenosha County has lower rates of educational attainment, homeownership rates, per capita income, and a lower percentage of persons living below the poverty level when compared against state of Wisconsin averages. Median household income averages in Kenosha County are higher than those of the state.[47] [48]

U.S. Census 2007-2011	Kenosha County	Wisconsin
High school graduate	88.3%	89.8%
Bachelor's degree or higher	23.7%	26.0%
Homeownership rate	68.5%	69.1%
Per capita income	$26,936	$27,192
Median household income	$54,846	$52,372
Persons below poverty level	11.6%	12.0%

[45] "Lake County Illinois", Lake County Chamber of Commerce, accessed August, 4, 2013, http://www.lakecountychamber.com/lake-county-info.asp.
[46] State & County QuickFacts Lake County, Illinois", United States Census Bureau, accessed August 4, 2013, http://quickfacts.census.gov/qfd/states/17/17097.html.
[47] "Kenosha County", Kenosha County Official Website, accessed August 4, 2013, http://www.co.kenosha.wi.us.
[48] "State & County QuickFacts Kenosha County, Wisconsin", United States Census Bureau, accessed August 4, 2013, http://quickfacts.census.gov/qfd/states/55/55059.html.

C. Lodging Industry Overview/Market

The primary purpose of hotels is to provide travelers with shelter, food, refreshment, and similar services and goods, offering on a commercial basis things that are customarily furnished within households but unavailable to people on a journey away from home. According to the American Hotel & Lodging Association, the lodging industry is one of the main drivers of the economy with 12 straight quarters of growth.[49] Statistically, the industry employs 1.8 million people, generates total industry revenue of $137.5 billion, and generates $21.6 billion in pre-tax revenue.[50]

National Lodging Industry

In January 2013, PricewaterhouseCoopers US ("PwC") indicated that lodging prices are "expected to remain on positive trajectories through 2013". An updated lodging forecast released January 22, 2013 by PwC US anticipates stronger revenue per available room ("RevPAR") recovery in 2013, compared to the previous outlook. PwC expects lodging demand in 2013 to increase 1.8 percent, which combined with still restrained supply growth of 0.8 percent, is anticipated to boost occupancy levels to 62.0 percent, the highest since 2007. While hotels across the spectrum of price tiers are expected to benefit from this recovery, hotels in the higher-priced segments are expected to experience the strongest gains. Occupancy levels at hotels in the luxury, upper-upscale and upscale segments have already exceeded pre-recession peaks. As stronger business transient and group activity returns to higher-priced hotels, revenue management initiatives are anticipated to drive increased pricing of available hotel rooms, resulting in a continuation of meaningful RevPAR gains. Hotels in the lower-priced segments have not experienced as solid of a recovery in occupancy, but are still expected to realize increased room rates as demand gradually strengthens.[51]

In June 2013, PwC indicated: "Recent lodging performance has been favorable, with occupancy levels at higher-priced hotels ahead of prior peak levels, real RevPAR that is above its long-term average, and slow supply growth. This positive trajectory is expected to continue, resulting in RevPAR growth of 5.9 percent in 2013. PwC expects slightly stronger RevPAR growth of 6.2 percent in 2014, driven by strengthening economic growth and solid room rate gains in the context of below-average lodging supply growth."[52]

Hospitality Directions US published in August 2013 by PwC indicates continuing strong trends for the industry: "Despite an economy that disappoints, lodging's recovery remains on course. Occupancy rates are increasing as demand growth outpaces new supply, and higher-priced hotels are running at occupancy levels ahead of prior peak levels."[53]

In PwC's most recent press release on August 27, 2013: "PwC anticipates that positive momentum in travel activity will continue to boost revenue per available room ("RevPAR") in 2013, despite the recent sluggish pace of economic recovery. An updated lodging forecast released today by PwC US shows favorable gains in hotel performance, consistent with PwC's

[49] http://www.ahla.com/content.aspx?id=35356
[50] Ibid
[51] http://www.pwc.com/us/en/press-releases/2013/us-lodging-sector-on-solid-footing.jhtml
[52] http://www.pwc.com/us/en/press-releases/2013/q1-hospitality-directions-release.jhtml
[53] http://www.pwc.com/en_US/us/asset-management/hospitality-leisure/publications/assets/pwc-hospitality-directions-q2-2013.pdf

expectations at the start of the year. Occupancy levels at higher-priced hotels are ahead of prior peak levels, industry RevPAR is above its prior peak, and hotel construction activity, while rebounding, is still quite moderate, according to PwC. As demand continues to outpace supply growth, and economic growth strengthens, PwC expects growth in average daily rate ("ADR") will continue, resulting in RevPAR growth of 5.6 percent in 2013, improving slightly to 5.9 percent in 2014."[54]

Hospitality Trends U.S. Market article: *Positive Results for US Hotel Industry for Week Ending August 24th – 2013* published August 30, 2013 indicated that the U.S. hotel industry reported positive results in the three key performance metrics during the week of August 18-24, 2013 according to data from STR.[55] "In year-over-year comparisons, occupancy rose 2.5 percent to 67.4 percent, average daily rate increased 4.3 percent to US$110.11, and revenue per available room grew 6.9 percent to US$74.17."[56]

Chicago Lodging Industry

Tourism has a strong influence on the Chicago lodging market. According to Choose Chicago[57], the official destination marketing organization for Chicago, Illinois, domestic visitation for 2012 was 45.0 million, an increase of 6.2% over 2011 levels, and just under the record of 45.14 million set in 2007. The number of overnight visitors has shown an overall increase from 2006 to 2011, with greater numbers in 2011 and forecast for 2012 than in all years since 2006, though the impact of the recession clearly shows in the 2008/2009 numbers.

City of Chicago Overnight Visitation in Millions							
	2006	2007	2008	2009	2010	2011	2012-F
Overnight-Business	6.29	6.96	6.54	5.57	6.06	6.78	7.23
% Change	-6.8%	10.5%	-6.0%	-14.94%	8.9%	11.8%	6.7%
Overnight-Leisure	15.49	15.06	15.25	13.65	14.66	16.29	17.96
% Change	9.9%	-2.8%	1.2%	-10.5%	7.4%	11.1%	10.2%

Choose Chicago reported in May that hotel revenues for the city are expected to continue a 4-year rising trend with hotel revenues posted for 2009 at $61.51 million, for 2010 at $67.68 million, for 2011 at $74.71 million and forecast for 2012 at $100.85 million.

Chicago Hotel Performance							
	2006	2007	2008	2009	2010	2011	2012F
Occupancy Rate	75.1%	75.22%	71.5%	67.2%	69.8%	72.2%	75.2%
ADR	$188.61	$198.23	$201.24	$164.28	$169.55	$177.28	$187.18
RevPAR	$141.71	$149.04	$143.88	$110.46	$118.31	$127.94	$140.68
Supply (Millions)	11.196	11.214	11.745	12.158	12.492	12.749	12.848
Demand (Millions)	8.412	8.431	8.397	8.175	8.716	9.201	9.656

[54] http://www.pwc.com/us/en/press-releases/2013/us-lodging-sector-performance-remains-favorable.jhtml
[55] STR and STR Global track supply and demand data for the hotel industry and provide valuable market share analysis for all major international hotel chains and brands. With tens of thousands of hotels, representing over 5 million hotel rooms, participating in its hotel performance surveys, it is a recognized expert in the industry. http://www.strglobal.com/
[56] http://www.htrends.com/trends-detail-sid-73594.html
[57] Information published May 31, 2013. http://www.choosechicago.com/

As is evidenced by the increasing occupancy rate, demand is growing faster than supply. Please refer to Addendum E for the source material from Choose Chicago.

Recent reports for the market also show strong performance. According to Hospitality Trends U.S. Market article: *Positive Results for US Hotel Industry for Week Ending August 24, 2013* published August 30, 2013, for the week ending August 24, 2013, Chicago was one of six markets that achieved double-digit ADR growth: "San Francisco/San Mateo, California (+13.8 percent to US$199.26); Oahu Island, Hawaii (+12.2 percent to US$218.48); Seattle, Washington (+11.5 percent to US$144.04); Miami-Hialeah, Florida (+10.6 percent to US$138.70); **Chicago, Illinois (+10.3 percent to US$129.57)**; and Orlando, Florida (+10.2 percent to US$87.57)."[58]

Convention business is another strong draw for the leisure industry in Chicago. Choose Chicago maintains a convention calendar for conventions and on July 26, 2103 issued a report detailing conventions already scheduled that are anticipated to draw 3,000 or more visitors (see Exhibit - Citywide Convention Calendar – Peak 3000+ report). As of July 26, 2013 Choose Chicago had 197 conventions scheduled for August 17, 2013 to July 30, 2020. The impact on hotel room nights in Chicago from this source is significant. Excluding all other business, Chicago hotels benefited from over a million room nights in 2012 and for 2013 through 2015 already more than a million room nights are booked. Note: the numbers fall off in 2015 and subsequent years because not all groups book that far in advance.

Choose Chicago - 3000 + Peak Quarterly Compare / # of Bookings and Total Room Nights																						
	2010		2011		2012		2013		2014		2015		2016		2017		2018		2019		2020	
	#	RNs	#	RNs	#	RNs	#	RNs	#	RNs	#	RNs	#	RNs	#	RNs	#	RNs	#	RNs	#	RNs
January	0	0	0	0	2	87,399	1	15,000	2	24,650	3	59,305	0	0	1	20,540	1	34,062	0	0	0	0
February	1	19,615	1	17,305	2	30,625	1	17,305	1	17,305	1	17,638	1	17,305	1	17,305	1	17,305	1	17,305	0	0
March	4	81,758	2	62,354	4	148,560	5	162,989	3	107,301	4	92,890	1	46,000	2	80,466	2	63,330	3	122,635	2	90,926
Q1	**5**	**101,373**	**3**	**79,659**	**8**	**266,574**	**7**	**195,294**	**6**	**149,256**	**8**	**169,833**	**2**	**63,305**	**4**	**118,311**	**4**	**114,697**	**4**	**139,940**	**2**	**90,926**
April	3	82,120	4	68,694	3	76,224	1	23,829	3	61,895	3	113,510	1	55,750	1	19,978	2	50,665	1	23,829	1	22,000
May	2	86,936	3	136,277	4	114,967	5	247,088	5	246,431	4	210,567	5	121,168	1	42,350	0	0	2	77,576	1	42,350
June	3	143,428	6	221,936	2	167,214	4	164,944	5	91,934	3	62,791	4	214,937	6	263,158	3	209,010	0	0	2	63,059
Q2	**8**	**312,484**	**13**	**426,907**	**9**	**360,405**	**10**	**435,861**	**13**	**400,260**	**10**	**386,868**	**10**	**391,855**	**8**	**325,486**	**5**	**259,675**	**3**	**101,405**	**4**	**147,409**
July	1	32,454	0	0	0	0	2	42,870	2	57,091	2	43,300	1	25,090	1	17,688	0	0	0	0	1	24,397
August	1	13,853	0	0	3	50,765	2	42,510	2	28,170	1	16,520	0	0	0	0	2	33,125	1	17,450	0	0
September	1	75,130	2	51,212	3	115,078	4	121,525	2	102,738	4	143,010	1	72,400	4	115,779	3	116,765	4	132,823	0	0
Q3	**3**	**121,437**	**2**	**51,212**	**6**	**165,843**	**8**	**206,905**	**6**	**187,999**	**7**	**202,830**	**2**	**97,490**	**5**	**133,467**	**5**	**149,890**	**5**	**150,283**	**1**	**24,397**
October	4	157,508	4	102,656	6	155,272	4	90,926	4	109,092	5	144,352	4	132,332	3	102,055	3	177,152	3	99,472	2	62,700
November	4	224,043	5	234,754	5	208,723	3	47,166	4	243,852	5	181,319	4	219,442	4	222,021	3	78,382	0	0	0	0
December	1	14,397	0	0	1	12,950	2	118,687	1	12,604	1	12,604	0	0	0	0	0	0	0	0	0	0
Q4	**9**	**395,948**	**9**	**337,410**	**12**	**376,945**	**9**	**256,779**	**9**	**365,548**	**11**	**338,275**	**8**	**351,774**	**7**	**324,076**	**6**	**255,534**	**3**	**99,472**	**2**	**62,700**
Totals	**25**	**931,242**	**27**	**895,188**	**35**	**1,169,767**	**34**	**1,094,839**	**34**	**1,103,063**	**36**	**1,097,806**	**22**	**904,424**	**24**	**901,340**	**20**	**779,796**	**15**	**491,100**	**9**	**325,432**

Moody's Analytics considers Chicago to be the business and tourism center of the Midwest. "Although tourism will not contribute as much to job growth this year as last, it will be a major driver of investment. Seven hotels amounting to more than 2,300 rooms are under construction downtown and additional projects are planned. The anticipated slowing in tourist traffic should not deter developers, since business travelers and meeting and trade show visitors account for about 85% of customers. The pipeline of new hotels will fuel faster growth in leisure/hospitality employment in 2014." [59]

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[58] http://www.htrends.com/trends-detail-sid-73594.html

[59] Moody's Analytics tracks and analyzes trends in consumer credit and spending, output and income, mortgage activity, population, central bank behavior, and prices. Source: Précis U.S. Metro / Midwest / February 2013, page 30.

D. Hotel Competition

There are 40 hotels within one-half mile of the Project, however [redacted]
(b)(4) [redacted] The nearest hotels to the Project are in the Loop area of the Chicago Central Business District ("CBD").

(b)(4)

Hotel	Distance	Class	Rooms	Opened	Rates
Hard Rock Hotel	[redacted]	Independent	381	Jan. 2004	$229 - $454
Fairmont Chicago	[redacted]	Luxury	687	Dec. 1987	$329 - $1,399
Sheraton Chicago	[redacted]	Upper Upscale	1,214	Mar. 1992	$189 - $649
Radisson Blu Aqua Hotel	[redacted]	Upper Upscale	334	Oct. 2011	$251 - $364
Hyatt Regency	[redacted]	Upper Upscale	2,019	June 1974	$219 - $294
Swissotel Chicago	[redacted]	Upper Upscale	661	Aug. 1988	$234 - $299
Comfort Suites	[redacted]	Upper Midscale	119	May 2009	$249 - $599

Rates were checked for each of the seven nearest hotels for 2 guests in 1 room for Friday November 15, 2013. Rates differed depending on terms (advance purchase, non-refundable), room views (city, park), room features (balcony), and room type (king, 2 queens, suite), etc.

1. Hard Rock Hotel

With a musically-inspired atmosphere, the Hard Rock Hotel is located within the historic Carbide & Carbon building.

- Concierge
- Angels & Kings and Chuck's Manufacturing restaurants
- Rooms have 1 king or 2 queens, room sizes: 350sf, 400sf, 450sf, suite sizes: 500sf and 750sf, park and city views available.
- Complimentary WiFi in lobby and rooms
- Valet parking $60/day with in/out privileges
- Business center
- 24 hour fitness center
- 24-hour room service
- Spa service
- Meeting space for up to 300
- Pets under 40 pounds welcome, $25/night

2. Fairmont Chicago

Fairmont Chicago, Millennium Park has been recognized for exceptional service and amenities on the Conde Nast Traveler's Gold List and Travel & Leisure Magazine's Top 500 Hotels List.

- Concierge
- Asian-inspired Aria Restaurant
- Room options include one king or two doubles (420sf), suite choices from 700sf to 1,850sf, lake and park views
- WiFi $13.95/day, high speed WiFi $23.95/day

(b)(4)

[60] Within [redacted] according to Yelp.com

- Overnight parking $65
- 24 hour fitness studio (fee may apply)
- 24 hour room service
- 63,000 square feet of meeting space
- 11,000 square foot full service spa
- Pets under 25 lbs., $25/day

3. Sheraton Chicago

The Sheraton Chicago is located one block west of Lake Shore Drive within walking distance of Navy Pier, Magnificent Mile, Millennium Park, Art Institute, the Loop District, shopping, dining and entertainment.

- Smoke-free hotel
- Concierge
- Shula's Steakhouse, Chi Bar, Chicago Burger Company, Link @ Sheraton Café, LB's Bistro & Patisserie
- Rooms range from 332/338sf, one-bedroom suites 468-684sf, and two bedroom/three bath suites. Chicago River and Navy Pier views
- WiFi and High speed WiFi $13.95 - $17.95/day
- Self-parking $49, $59 valet, both within-out service
- Business center
- Fitness center with indoor heated pool, dry sauna, and sun deck.
- Room service
- 120,000sf Meeting Space
- 37 Meeting Rooms
- 40,000sf Sheraton Chicago Ballroom accommodates up to 4,600 people
- 35,000sf River Exhibition Hall
- Dogs under 75 lbs. accepted, no additional charge

4. Radisson Blu Aqua

The Radisson Blu Aqua is a premier Chicago hotel with the distinction of being the first Radisson Blu Hotel in the United States. This stunning hotel's optimal location in Chicago, Illinois, places it within walking distance of the city's most popular attractions, including Millennium Park, North Michigan Avenue and the Chicago lakefront.

- Concierge
- Green hotel – Silver Leed certified
- Filini contemporary Italian restaurant
- Standard rooms (2 queen or king) and three different size suites, lake and park views are available Business Class Rooms and all suites include complimentary use of an iPad.
- Free high speed internet throughout the hotel
- Self-parking $47/day with no in/out privileges
- Valet parking $61/day with in/out privileges

- 8.000sf fitness center
- Basketball court
- Spinning facility
- Indoor pool and seasonal outdoor pool
- 80,000sf outdoor garden
- 1/5 mile running track
- Room service
- Pets allowed $250 fee, of which $100 is refundable

5. Hyatt Regency

Situated near the Magnificent Mile, the Hyatt Regency is AAA Four Diamond downtown Chicago luxury hotel offers unrivaled services, impressive amenities and award-winning dining.

- Non-smoking hotel
- Concierge
- Stetsons Modern Steak + Sushi: A non-traditional steakhouse experience, BIG Bar: Signature BIG cocktails, appetizers and desserts, DaddyO's Pub & Game Room: A cozy Irish bar with pub fare, American Craft Kitchen & Bar: A farm-to-table influenced menu in the atrium lobby, Market Chicago - open 24-hours: Starbucks coffee drinks, snacks, a quick breakfast or lunch
- Room choices include suites, parlors, kings, queens, queen double, double
- WiFi $9.95 to $39.95/day.
- Valet parking $59/night, no in-out privileges
- 24-hour StayFit™ Gym
- Full-service business center
- 228,000 square feet of contemporary and flexible function space can be customized for the smallest to the largest groups
- Grand Ballroom, Regency Ballroom, Crystal Ballroom and Plaza Ballroom complement 63 meeting rooms and the 70,000-square-foot Riverside Exhibit Hall
- Five meeting spaces designed exclusively for small meetings
- Service animals only

6. Swissôtel Chicago

Swissôtel Chicago, designed by renowned Chicago architect Harry Weese, is an award winning, four-diamond, all-glass triangular luxury hotel situated in the confluence of the Chicago River and Lake Michigan.

- Non-smoking hotel
- Green hotel
- Concierge
- Geneva Restaurant (buffet/breakfast), The Palm (lunch or dinner) and Amuse (lounge)

- Room choices include lake view (330sf), corner (425sf), suites (750sf), or two double/1 King (320sf), city and lake views
- Complementary WiFi in lobby, $14.95/day charge in rooms
- Valet parking $65/night with no in/out limit
- Penthouse spa, sport center with gym facilities, pool
- 65,000sf event space
- No pets
- Website provides limited information

7. Comfort Suites

Situated on Chicago's famed North Michigan Avenue, this hotel is less than three blocks from the Magnificent Mile retail, dining, cultural and entertainment district that features the world-renowned Michigan Avenue, one of the "Great Avenues of the World." Enjoy Broadway In Chicago at the Bank of America Theatre, Cadillac Palace Theatre and Oriental Theatre; all are within walking distance from the hotel.

- Smoke free hotel
- Does not accept cash as payment without a credit card authorization
- Rooms include 1 queen, 1 king, 2 kings, 1 BR suites, 2 BR/2 bath suites, city or river views, balcony with some rooms, residential-style suites that are larger than most hotel rooms
- Free high speed internet
- Valet parking $43/day
- Washers and dryers in every suite
- Full kitchens including refrigerator and microwave in every suite
- Business center
- Exercise room
- Meeting room
- Free hot breakfast
- No pets

Summary

Daily rates range from a low of $189 to a high of $1,399. All of the above hotels have concierge service and full-service restaurants with the exception of Comfort Suites. The Radisson Blu Aqua, Hard Rock Hotel, and Comfort Suites have complimentary internet service with the others charging from $9.95 to $17.95 for daily service and the Hyatt Regency offering $39.95 daily for 12 MB service (standard is $9.95 for 4 MB, premium at 6MB is $14.95). All have gym and/or spa services, with the Radisson Blu Aqua providing a higher level of amenities in this area than the others.

Only the Radisson Blu Aqua, the Fairmont and the Hard Rock permit smoking. Parking daily ranges from $43 (Comfort Suites) to $65 (Swissôtel). Pets are allowed with varying restrictions and costs at four properties, service animals only at one and no pets at either the Comfort Suites or Swissôtel.

(b)(4)

E. Retail Industry Overview/Market

The developer will not be operating the retail space within [redacted] but rather will be the landlord and property manager. Accordingly, the industry being summarized below is lessors of real estate, specifically retail space. Most industry data available relates to shopping centers and traditional retail stores rather than retail space within hotels. The information does provide overall trends that are helpful, while the rental and occupancy rates for these type properties are not comparable.

Note: No jobs are being counted for EB-5 purposes for the retail component of the project.

National Lessors of Retail Real Estate Industry

Retail Sector Tracks the Strengthening Economic Recovery—Colliers 2013[61]

Following is an overview of shopping center operating results for Colliers' U.S. retail markets, along with a short discussion of a few key trends Colliers has been tracking this quarter that are impacting the national outlook.

The average nationwide rental rate ended the year at $15.28/PSF, essentially flat compared with Q3 and down $0.23 (-1.5%) from Q4 2011. Retail sector momentum continues to accelerate in the Hawaii market, which again led the country with an asking rental rate of $40.43/PSF, up 16% year-over-year. Corresponding vacancy rates dropped 200 basis points, from 6.0% to 4.0%, reflecting heated competition among retailers to secure one of the limited quality available spaces in metropolitan Honolulu. Increasing international tourist counts—passenger traffic hit a new record high for the first three quarters of 2012—especially from Asia, are driving demand for goods and services in Waikiki. A number of high-profile retail developments are progressing, including General Growth Properties' expansion plans for the Sears pad at Ala Moana Center, Taubman Centers' International Market Place in Waikiki, and Hughes' mixed-use, master-planned development in Kaka'ako.

Other Top 5 rental markets included San Francisco ($26.27/PSF), San Jose/South Bay ($26.15), Miami-Dade County ($23.55), and Long Island ($23.35). The burgeoning technology industry is positively impacting real estate fundamentals throughout the entire Bay Area. As companies expand hiring, employees will demand more apartments and more amenities, in some instances creating newly viable commercial corridors that will add desperately needed retail inventory. For the country, we are projecting a slight erosion in rental rates for Q1 2013 due to post-holiday shake-out and store closings announcements, which will pressure landlords to renew marginal tenants in place rather than face store closures.

In 2012, nearly 10 million square feet of shopping center space came online nationwide, with a dozen markets contributing nearly one-half of this total. Of those twelve, only four - Washington, D.C., Oakland/East Bay, New York's Westchester County, and Long Island, NY - could be considered Core, as the strongest performers included Minneapolis-St. Paul (nearly +680,000 SF), Dallas (+470,171 SF), Orlando (+416,855 SF), and Denver (+414,564 SF). We expect this pattern of delivery to continue in 2013 as secondary markets benefit from 1) continuing improvement in housing trends; 2) employment growth in manufacturing centers such as Ohio, Michigan, and Pennsylvania; 3) the expansion of the Energy sector, not just its impact in powerhouse markets such as Houston but the potential for new boomtowns to emerge near shale and natural gas reserves and 4) the 2015 opening of the expanded Panama Canal, which will reorganize the existing hierarchy of U.S. port cities.

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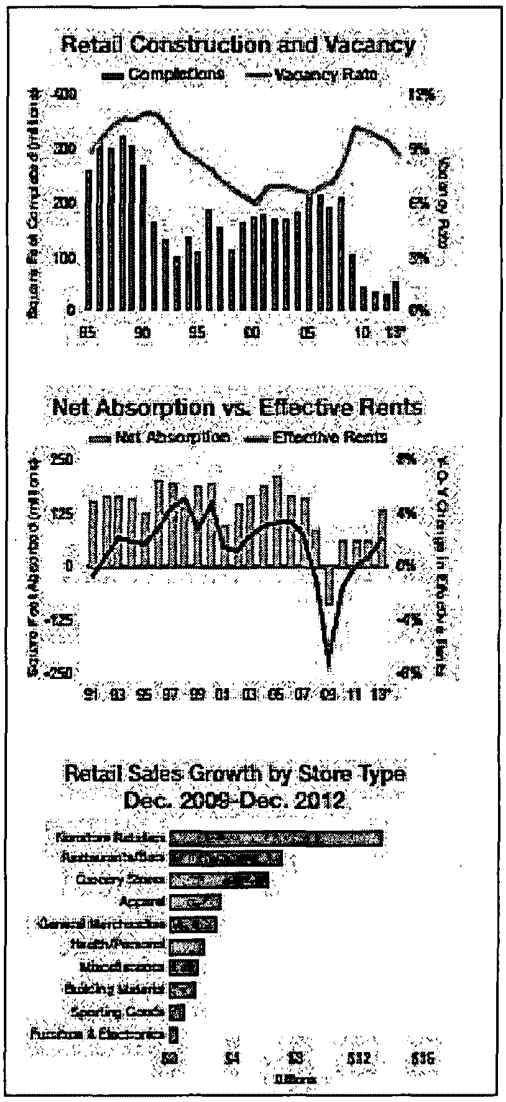
[61] http://www.colliers.com/~/media/files/marketresearch/unitedstates/colliers_na_retail_2012q4_final.ashx?campaign=Retail-2013-Outlook

Chain Links Retail Advisors: U.S. National Retail Report Tenancy Forecasts for 2013[62]

Expanding retail categories in 2013; grocery (new smaller concepts and niche players ranging from discount to luxury and ethnic to organic), restaurants (fast food and fast casual leading the way, but growth across spectrum), fitness/health/spa concepts, drug stores, dollar stores, thrift stores, automotive service, discounters, off-price apparel, pet supplies, sporting goods, hobby stores/arts & crafts, wireless stores (limited growth driven mostly by a few new concepts)and some banking/check cashing/financial services growth.

Restaurants will account for about 40% of all the new tenancy in the marketplace in 2013 (unit counts, not square footage). Contracting retail categories in 2013; grocery (traditional larger format concepts—especially unionized smaller or regional chains), video stores, video game stores, bookstores, do-it-yourself home stores (though these will rally by 2014), stationary/gift shops, office supplies (shifting more to e-commerce), shipping/postal stores, some casual dining concepts (the old and stale lose out to new and fresh).Housing related retailers ranging from home goods to furniture to do-it-yourself home improvement stores will rally by 2014 thanks to the return of the housing market.



Retail development in 2013 will still be dominated by urban redevelopment projects, outlet malls and the occasional long-planned regional mall going forward. There will only be limited suburban development throughout 2013, though this will be slowly changing as new home starts rise over the course of the year.

Malls will continue to see slow inline user growth in 2013, but this will likely be offset by major anchor closures from just a few of the weaker department store operators. Look for current vacancy of 5.8% to increase to around 6.0% by end of year.

Current specialty center (includes lifestyle centers) vacancy of 8.2% should fall to the high 7% range. The market is dealing with two challenges currently; the continued soft economy and the increasing impact of e-commerce. The return of the housing market will alleviate the first, with visible results by 2014. The latter, however, will only escalate. Existing power center vacancy of 6.2% should decrease for the third year in row, but pace of gains will slow. Lack of new construction will bode well for existing landlords; look for vacancy to hit the 6.0% mark or possibly less by the end of 2013.

General shopping center vacancy (this statistic includes neighborhood, community and strip centers) will see the greatest improvement with existing vacancy of 10.8% falling into the low 10% range by the end of the year thanks to strong growth by food and service related retailers, though strip centers will

[62] http://www.ctbt.com/Web/Download-Research-File.aspx?id=6772A9C9-09B2-4C0B-8135-BD2E09E29033

remain the Achilles heel.

Vacancy Tightens Slowly; Shifting Consumer Behavior Forces Retailers to Adapt[63]--Marcus & Millichap

While the retail sector appears relatively stationary on the surface, strong undercurrents of activity remain in play. From a national perspective, retail space fundamentals have posted a fragile incremental recovery, with the overall vacancy rate declining a modest 30 basis points each year since peaking in 2010. However, the influence of technology, demography, and economic conditions has created sweeping changes in where and how consumers shop. New concepts, multi-faceted formats, re-branding and relocating not only helped counterbalance shrinking store counts and smaller footprints, but also inadvertently broadened the divergence between top-performing retail assets and commodity product. Aggregate sales have returned to pre-recession highs, following a profoundly deep, consumer-focused recession. Holiday retail sales last year rose higher than 2011, but somewhat less than anticipated, dampened by general pessimism and uncertainty surrounding the elections and "fiscal cliff."

Net absorption totaled approximately 58 million square feet in 2012, falling just short of the amount recorded in 2011. Similarly, new space delivered approached a record-low 32 million square feet. The national vacancy rate dipped another 30 basis points to 9.4 percent by year end, exerting little upward pressure on effective rents, which grew less than 1 percent. Integral to the challenge facing the industry are centers with structurally high vacancy due to their peripheral location or the loss of anchors. These properties account for only a modest portion of total retail GLA, but contribute disproportionately to vacancy. Eliminating these centers from the calculations reduces the national vacancy rate closer to the 6.0 to 7.0 percent range. In fact, the ICSC reports Class A and B shopping centers posted a combined 6.0 percent annualized gain in NOI last year, led by strong leasing momentum in Class B shopping centers and malls.

Chicago Lessors of Retail Real Estate Industry

Marcus & Millichap's Retail Research Market Overview for the Chicago Metro Area Q2-2013

According to Marcus & Millichap, "Chicago's retail market will improve further in 2013 as healthy job creation supports another year of strong consumer spending." [64] The Market Report states that in-city centers stand to post the most improvement this year as payrolls in the typically higher-paying professional and business services sector return to their previous peak level, and the delivery of more than 3,300 luxury apartments lures affluent renters to the area.
Another finding in the report was that "Chicago's retail trade sector lost 5,000 jobs over the past year, due partly to major chains including Kmart, Kroger and Best Buy closing underperforming stores."

Other observations included:

- Vacancy rates among neighborhood, community and strip centers in the city declined 30 basis points over the past 12 months to 8.6 percent. During the corresponding period last year, vacancy increased 160 basis points.
- Rents for available shopping center space in Chicago averaged $18.43 per square foot in the first quarter, up 2.5 percent from the same period in 2012.

[63] http://www.marcusmillichap.com/Research/Reports/National/MarcusMillichap_2013_NRR.pdf
[64] https://www.marcusmillichap.com/services/research/webreports/Chicago/Retail.aspx

- Outlook: In-city vacancy should slip in the near term as new supply comes to market largely pre-leased, driving tenants into existing properties. Owners will continue to regain pricing power as conditions tighten.

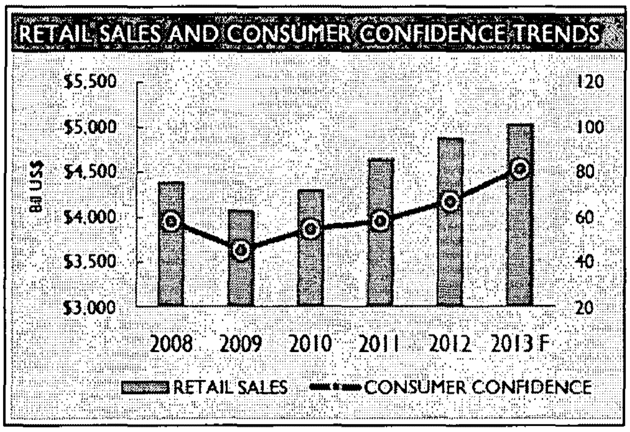
Cushman & Wakefield Marketbeat Retail Snapshot for Chicago, IL – Suburban Q2-2013[65]

The Cushman & Wakefield report indicated retail vacancy rates were higher in the suburbs than in the Central Business District (CBD) and that leasing activity was up. All regional economic indicators for retail are forecast to show improvement between now and 2014.

Regional Indicators	2012	2013F	2014F
Household Income	$58,546	$59, 066	$60,761
Population Growth	0.3%	0.4%	0.5%
Unemployment	8.9%	9.8%	8.7%

Source: Moody's Analytics

Lastly, retail sales and consumer confidence trends are up:



Source: Moody's Analytics

Reis Report Chicago Metro Analysis, Retail Q1-2013[66]

Due to the residential component of the Project, neighborhood shopping centers are a more applicable segment of retail than community shopping centers.[67] Though more applicable than community shopping centers, the data still refers to larger, free-standing centers and not specifically hotel-based retail stores.

Year Built	Rent/sf
Before 1970	$15.55
1970-1979	$16.06
1980-1989	$17.92
1990-1999	$19.07
2000-2009	$20.62
After 2009	$24.87
All	$17.87

The Reis report shows a correlation between age of the facility and asking rents, with newer properties commanding higher rents/sf than

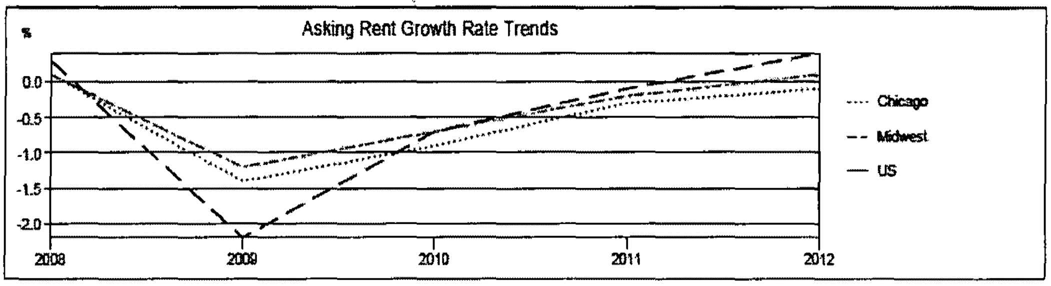
[65] http://www.cushmanwakefield.com/en/research-and-insight/chicago-midwest/chicago-retail-snapshot/

[66] Attached as an Exhibit

[67] As defined by Reis Reports, Neighborhood Shopping Centers are constructed around a supermarket and/or drug store as the only anchor tenant(s). It provides for the sale of convenience goods and personal services for the day-to-day living needs of the immediate neighborhood. The gross leaseable area typically ranges from 30,000 square feet to 150,000 square feet whereas Community Shopping Centers offer a wider range of apparel and general merchandise than a neighborhood center. Discount department stores (e.g., Wal-Mart, Kmart and Target). The gross leaseable area generally runs from 100,000 square feet to 350,000.

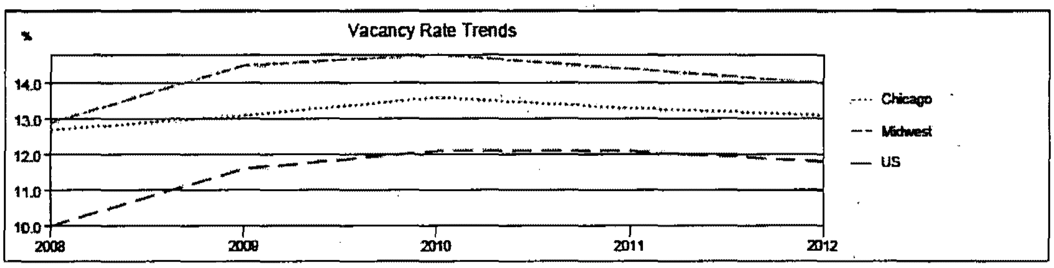
their older counterparts. The chart to the right shows asking rent by property age as of 3/31/13.

The Asking Rent Growth Rate in Chicago has been slightly lower than in the Midwest in general for the past four years, and other than in the height of the recession, was lower than U.S. retail asking rate growth. Also apparent is the improving trend for asking rent growth in Chicago since 2009.



Year Built	Vac. Rate
Before 1970	11.5%
1970-1979	12.0%
1980-1989	13.5%
1990-1999	9.6%
2000-2009	15.1%
After 2009	26.2%
All	12.6%

Regarding vacancy rates in Neighborhood Shopping Centers (also shown as of 3/31/13) newer properties (with higher rents) appear to have higher vacancy than lower priced properties in general. Retail vacancy rates in Chicago peaked in 2010 and have shown consistent improvement since that time.



F. Retail Competition

Actual competition for the retail component of this property would be other retail space within mixed-use or hotel properties in the immediate market area, specifically the Loop section of the CBD and within [redacted] of a mile from the subject. This would include the retail space in the competitive hotel properties. Unfortunately, that type of information is propriety and not generally available to the public.

(b)(4)

[redacted]

(b)(4)

Based on a search of Loopnet.com on 9/6/13 through 9/8/13, the following retail locations were identified as available in the area:

Building/ Address	Distance	Bldg. Size (sf)	Total sf Available	Minimum Divisable	Maximum Contiguous	Asking Rates/sf
Streeterville Center	1.0 mi. N	100,001	1,700	250	1,700	$55.00
79 E Madison St.	0.5 mi. NW	1,084	1,084	1,084	1,084	$107.00
Chicago Firehouse	1.4 mi. NW	6,000	6,000	3,000	3,000	$45.00
415 S LaSalle	1.3 mi. SW	70,000	3,807	3,807	3,807	$40.00
33 S Wabash	0.7 mi. SW	7,300	7,300	1,200	7,300	$65.00
213 N Stetson Ave.	0.3 mi. NW	2,926	2,640	2,640	2,640	$35.00

1. Streeterville Center is at 233 E Erie St., a 26-story mixed-use building with 70,383sf office space and 2 floors of indoor parking. The ground floor retail space is offered at $55.00/sf NNN. Other vacancies in the building are office, not retail.
2. 79 E Madison has 850sf street retail with a private entrance with an 184sf second floor mezzanine area (total of 1,084 sq. ft.) that could be used as an office or for additional storage. Lease rate is $125.00/sf for the ground floor and $25.00/sf for the mezzanine space for a blended rate of $107.00/sf NNN. This is in a high-rise, but the street address reflects only the specific space for lease. This space is in the Loop area.
3. Historic Chicago Firehouse Building is at 228 W Illinois. There are two 3,000sf spaces available. This is not in a hi-rise, or in the Loop area, a more desirable location. Rent is NNN at $45.00/sf.
4. 415 S LaSalle is a Class B building with offices on all but the ground floor. Ground floor retail is at $40.00/sf NNN. No other retail space is available in this building. This is not in the Loop.
5. 33 S Wabash is one block from Millennium Park which attracts 5 million tourists annually. As with many other high-rises in this area, the ground floor retail locations are given a different street address than the building as a whole. Rent is NNN.
6. 231 N Stetson Avenue's retail space is on a Modified Gross basis at $35.00/sf with a condo assessment of $314.40/month also charged. The ground floor retail space is not in a high-rise, but is in the E Loop area.

Summary

(b)(4) [redacted] The secondary retail comps give an indication of market rents in the overall area. These all represent urban locations with built-in traffic, either from the floors above or from nearby properties (colleges, Millennium Park, etc.) All substantiate the Project's asking rents, which are from $35.00 - $50.00/sf.

G. Multi-Unit Residential Overview/Market

Though the Developer will be operating this component of the Project, for EB-5 purposes no jobs from the operations of this component are counted or relied upon for investor job-creation requirements.

National Multi-Unit Residential Industry

Marcus & Millichap's Q3-2013 *Economic & Apartment Outlook*[68] indicates that the U.S. apartment market is expected to add 1.4 million people in the prime renter age cohort of 20 to 34 year-old residents over the next five years. "Pent-up demand and the momentum of echo boomers entering the workforce and forming their own rental households, together with rising immigration levels, will be fairly balanced with new supply."

M&M reported that effective rents have posted a cumulative 9.5% gain over 11 consecutive quarters commencing mid-year 2010, reflecting an annual growth rate of approximately 3.5% with monthly rents averaging $1,093 at present. Also, the national vacancy rate was stated as being 5.1%. By year end, the national vacancy rate is expected to fall to 5.0% based on forecast completion of 145,000 units, which lag behind forecast expected demand of approximately 151,800 units.

Chicago Multi-Unit Residential Industry

Marcus & Millichap's Q3-2013 *Apartment Research Market Report for the Chicago Metro Area*[69] showed that market economic growth in the Chicago metro will support further improvement in apartment and vacancy this year. "The return of residents to work and formation of new households held metro-wide vacancy in the low-4 percent range at midyear, an increase from one year ago, but 200 basis points less than the metro's long-term average. Vacancy will remain lower than normal in the near term, though temporary imbalances between supply and demand will occur over the next two years. This trend is especially likely in the city, where new luxury units aimed at upwardly mobile young households and affluent older households are rising. New sources of demand, however, will also emerge, including echo boomer and new immigrant households."

According to the same publication, average effective rents in the city during the first half of the year were unchanged at $1,353 per month. Also, the delivery of additional luxury rents in the second half of the year will support a significant pace of rent growth. The forecast for in-city

[68] Register for free at http://www.marcusmillichap.com/Services/Research/, National Research Reports
[69] Ibid, Local Apartment Reports-Chicago

rents is a 6.5% increase, better than last year's 6.4% increase. Vacancy in the city is forecast to decrease to 4.6% this year.

Regarding the specific submarkets, the Q3-2013 Marcus & Millichap report showed the Loop submarket with higher effective rents ($2,020), but also higher vacancy rates (6.7%).

City Submarket Vacancy Rankings

Rank	Submarket	Vacancy Rate	Y-O-Y Basis Point Change	Effective Rents	Y-O-Y % Change
1	Lincoln Park/Lakeview	3.3%	120	$1,485	-1.3%
2	Streeterville/River North	4.2%	90	$1,960	4.2%
3	Southeast Chicago	4.5%	-30	$1,008	-0.9%
4	The Loop	6.7%	270	$2,020	6.9%

H. Multi-Unit Residential Competition

Appraisal Research Counselors[70] published its Q2-2013 Suburban Chicago Apartment & Condo Conversion Benchmark Report the first week of August 2013. In this report, the average Class A gross rent was shown at $2.68/sf (effective rent $2.64/sf), average Luxury gross rent was shown as $2.90/sf ($2.85/sf effective rent), and Class B properties showed average gross rent of $2.34 (effective $2.33/sf). By definition[71], this component of the [redacted] project would be considered as a Luxury property. The survey from which this the Class A (including Luxury) gross and effective rents was derived included 46 Class A (including Luxury) properties with a focus on the most recently constructed and luxurious apartments in Downtown Chicago, as well as inferior buildings, but with excellent locations. (b)(4)

The Project will be competing at the top range of the market with other Luxury properties. According to the above mentioned survey, the top rents were achieved by the following properties:

Top 10 Buildings - Net Rent PSF (as of 2Q13)

Building	Submarket	# units	Avg Size	Occupancy	Gross $/PSF	Eff $/PSF	Concessions
AMLI River North	River North	409	884	18.1%	$3.61	$3.46	4.2%
500 Lake Shore Dr.	Streeterville	500	820	52.0%	$3.51	$3.38	4.0%
Aqua	NES/Loop	474	758	90.9%	$3.29	$3.27	
1225 Old Town	Gold Coast	250	876	93.2%	$3.26	$3.26	
Parc Huron	River North	221	963	94.6%	$3.24	$3.24	
Optima Center Chgo	Streeterville	325	999	7.7%	$3.30	$3.04	7.7%
The Bernardin	River North	171	1,059	95.9%	$3.03	$3.03	
Sono	NN/Gold Coast	324	842	93.2%	$3.00	$3.00	
Flair Tower	River North	198	947	99.0%	$2.95	$2.95	
Eugenie Terrace	Lincoln Park	575	836	98.1%	$2.94	$2.94	
Average			898	74.3%	$3.21	$3.16	5.3%
Luxury Average (stabilized)			879	93.9%	$2.90	$2.85	1.8%

[70] http://www.appraisalresearch.com/

[71] Ibid. "Luxury buildings are apartment projects that generally have been developed since 2005 and represent the highest quality rental buildings in terms of amenities and finishes in Downtown Chicago. Class A Buildings (includes (Luxury) tend to have been developed since 1990, are well located, and offer a good amenity package. Class B Buildings tend to have been developed prior to 1990, offer a lesser amenity package and may have a lesser location.

Source: *Q2-2013 Suburban Chicago Apartment & Condo Conversion Benchmark Report*

Appraisal Research Counselors indicated that the top performers in the market are primarily the newest buildings delivered to the market, but also included older properties with very strong locations. The subject Project plans to come to market in the 2nd quarter of 2016 with asking rents of $3.30/sf. The above table shows that eight of the top 10 performers in the market at $3.00 or more per square foot.

At present, there are three [redacted]

(b)(4)

Building	Units	Avg. SF	Quoted Rent Rents	PSF	Net Effective Rent Rent	PSF

[redacted]

(b)(4)

1. [redacted]

(b)(4)

2.

(b)(4)

I. Marketing

1. Project Marketing Strategy

(b)(4) [redacted]s already in the business of marketing properties in the Chicago area. The principals of [redacted] will rely on their many years' experience in the industry to market this project.

2. Marketing to Attract EB-5 Investors Strategy

(b)(4) [redacted]

J. EB-5 Investor Activity

1. Projected EB-5 Investor Activity

Timing on EB-5 investor activity will depend, in part, on the timing of several related issues. As mentioned previously, Tur Partners Metropolitan Regional Center LLC will be requesting Regional Center designation so that it can sponsor this project. The application (Form I-924) is expected to be filed in November 2013. Marketing would commence immediately, but until the Regional Center has been approved, no investors will file I-526 petitions. Assuming investors are identified during the adjudication process for the Regional Center, the EB-5 investors could invest in the Project as early as September 2014. From that time, an estimated 12 months could transpire while USCIS adjudicates their I-526 petitions.

Based on the above assumptions, the following timeline was estimated. It should be noted though, that any factor taking more or less time than projected here, will consequently change all subsequent timeline estimates.

(b)(4)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
2013	[redacted]											
2014												
2015												
2016												

(1) RC designation request filed with USCIS
(2) Estimated designation of Regional Center
(3) First I-526 filed
(4) First I-526 approved
(5) Last I-526 filed
(6) Last I-526 approved

(b)(4) [redacted]

I-526 Filing Dates	Number of Investors	I-526 Approval Dates
[redacted]		

(b)(4)

2. Job Analysis and I-829 Petitions Forecast

Construction is projected to be completed by the 4th quarter of 2016, with property operations commencing immediately thereafter. Based on the economic impact study prepared by Sean Flynn of Impact Econometrics LLC, all requisite jobs should be created by the end of the construction.

The schedules on the following pages compare the timing of job creation to the timing of EB-5 investor activity. Investor activity was estimated as shown in the table in Section J-1 with 12 months estimated for I-526 approval and 30 months later estimated as I-829 filing dates when proof of job creation will need to be documented. Job creation timing was based on [redacted]otal new jobs as shown in the economic impact report, pro-rated based on the estimated disbursement timing as shown in the Cost Disbursement Timeline in Addendum B. (b)(4)

Comparison of EB-5 Investor Activity and Job Creation Timing

	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	2014 Total	Cumulative
Applications Made														
I-526 Approvals														
30 Months Later														
Jobs Needed Current Month														
Cumulative Jobs Needed														
Jobs Created Current Month														
Construction														
Total New Jobs/Month														
Cumulative New Jobs														
Cumulative Jobs Needed														
Surplus Jobs (Cumulative)														

0

(b)(4)

	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	2015 Total	Cumulative
Application														
I-526 Approvals														
30 Months Later														
Number of Jobs Needed														
Cumulative Jobs Needed														
Jobs Created (Monthly):														
Construction														
Total New Jobs/Month														
Cumulative New Jobs														
Cumulative Jobs Needed														
Surplus Jobs (Cumulative)														

0

	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	2016 Total	Cumulative
Application														
I-526 Approvals														
30 Months Later														
Number of Jobs Needed														
Cumulative Jobs Needed														
Jobs Created (Monthly):														
Construction														
Total New Jobs/Month														
Cumulative New Jobs														
Cumulative Jobs Needed														
Surplus Jobs (Cumulative)														

0

(b)(4)

	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	2017 Total	Cumulative
Application														
I-526 Approvals														
Number of Jobs Needed														
Jobs Needed														
Cumulative Jobs Needed														
Jobs Created (Monthly):														
Construction														
Total New Jobs/Month														
Cumulative New Jobs														
Cumulative Jobs Needed														
Surplus Jobs (Cumulative)														

0

	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	2018 Total	Cumulative
Application	[redacted]													
I-526 Approvals														
30 Months Later														
Number of Jobs Needed														
Cumulative Jobs Needed														
Jobs Created (Monthly):														
Construction														
Total New Jobs/Month														
Cumulative New Jobs														
Cumulative Jobs Needed														
Surplus Jobs (Cumulative)														

(b)(4)

As shown in the above tables, by the time EB-5 investors file their I-829 petitions (estimated as April 2018 through December 2018); all jobs will have been created, with a surplus of [redacted] jobs over and above the need of the investors.

(b)(4)

Page break>

IX. Summary and Conclusion

Based on the extensive data and research contained in this business plan, it is recommended that Project Lender LP as a New Commercial Enterprise, located in the Tur Partners Metropolitan Regional Center LLC district be approved as a USCIS qualified investment under the EB5 Immigrant Investor Program. Recommendation for this approval is based on the following strengths:

- Project Lender LP promotes job creation. From the economic impact analysis contained in this business plan it is clear that the proposed Project will generate [redacted] permanent new jobs, where onl[redacted] jobs are required to comply with the EB-5 regulations fo[redacted] nvestors. (b)(4)
- The job-creating Project is within Census trac[redacted] f Cook County, IL. This Census tract, along with an assemblage of contiguous Census tracts has a combined 2012 average unemployment rate of [redacted] above the threshold of 12.2% needed to qualify as an area of high unemployment, with a minimum investment of $500,000 per investor. (b)(4)
- The economic impact of the project by the creation of [redacted] permanent new jobs through the construction of [redacted] significant. Output will rise by nearly [redacted] and the household earnings would increase approximatel[redacted] (b)(4)
- The Petitioner has shown that it has met the requirements of 8 C.F.R §§ 204.6 as demonstrated by:
  a. The creation of new commercial enterprise
  b. Investor funds of $500,000 per investor will be clearly shown to be fully committed
  c. Investor's capital will be derived from lawful sources
  d. Each Investor's investment will create not less than 10 new, permanent fulltime jobs
  e. As Limited Partners, the EB-5 investors will qualify as active participants in the management of the new commercial enterprise

(b)(4)

In closing, it is clear that [redacted] o be constructed in Chicago, Illinois, strongly promotes economic growth, improves regional productivity, creates a significant level of jobs and it will attract increased domestic and foreign capital into the area it serves. For these reasons, it will make a quality EB-5 investment and is a qualified business under the EB-5 Immigrant Investor Program

X. Contact Information

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Tur Partners Metropolitan Regional Center LLC
Tur Partners LLC
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Tur Partners LLC
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Chicago, IL 60611
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(b)(4)

XI. Addendum

A. Breakdown of Use and Square Footage per Floor

The tables on the following two pages show the square footage and purpose of the space on each of the [redacted]

(b)(4)

[redacted]

(b)(4)

B. Cost Disbursement Timeline

The following disbursement timeline illustrates the anticipated monthly expenditures for hard cost, contingency, and consultants. Land costs, shown in month 13 represents accounting entries allocating cost to the different components of the Project. Construction takes place during months 14 through 44. A similar timeline for soft costs and interest costs is included in the Addendum C.

	Development		*0*	*1*	*2*	*3*	*4*	*5*	*6*	*7*	*8*
	Budget	*per unit*	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13
PROJECT COSTS		*per sf*									
Land Costs											

(b)(4)

	Development		9	10	11	12	13	14	15	16
	Budget	*per unit*	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14
PROJECT COSTS		*per sf*								
Land Costs										

(b)(4)

	Development		17	18	19	20	21	22	23	24
	Budget	*per unit*	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
PROJECT COSTS		*per sf*								
Land Costs										

(b)(4)

		Development		25	26	27	28	29	30	31	32
		Budget	*per unit*	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15
PROJECT COSTS			*per sf*								
	Land Costs										

[redacted]

(b)(4)

	Development		33	34	35	36	37	38	39	40
	Budget	per unit	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16
PROJECT COSTS		per sf								

[redacted]

(b)(4)

		Development		*41*	*42*	*43*	*44*	*45*	*46*	*47*	*48*
		Budget	*per unit*	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16
PROJECT COSTS			*per sf*								
	Land Costs										

[redacted]

(b)(4)

	Development		49	50	51	52	53	54	55	56
	Budget	*per unit*	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17
PROJECT COSTS		*per sf*								

[redacted]

(b)(4)

		Development		57	58	59	60	61	62	
		Budget	*per unit*	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Total
PROJECT COSTS			*per sf*							
	Land Costs									

[redacted]

(b)(4)

C. Soft Cost Disbursement Timeline

	Development		0	1	2	3	4	5	6	7	8
	Budget	*per unit*	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13
PROJECT COSTS		*per sf*									
Soft Costs											

(b)(4)

	Development		9	10	11	12	13	14	15	16
	Budget	*per unit*	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14
PROJECT COSTS		*per sf*								

[redacted]

(b)(4)

	Development		17	18	19	20	21	22	23	24
	Budget	*per unit*	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
PROJECT COSTS		*per sf*								
Soft Costs										

[redacted]

(b)(4)

		Development		25	26	27	28	29	30	31	32
		Budget	*per unit*	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15
PROJECT COSTS			*per sf*								
	Soft Costs										

(b)(4)

	Development		33	34	35	36	37	38	39	40
	Budget	*per unit*	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16
PROJECT COSTS		*per sf*								

(b)(4)

	Development		41	42	43	44	45	46	47	48
	Budget	*per unit*	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16
PROJECT COSTS		*per sf*								

[redacted]

(b)(4)

	Development		49	50	51	52	53	54	55	56
	Budget	*per unit*	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17
PROJECT COSTS		*per sf*								

[redacted]

(b)(4)

	Development Budget	per unit	57 Sep-17	58 Oct-17	59 Nov-17	60 Dec-17	61 Jan-18	62 Feb-18	Total
PROJECT COSTS		*per sf*							

[redacted]

(b)(4)

D. Letter regarding Targeted Employment Area Determination

IDES
ILLINOIS DEPARTMENT OF EMPLOYMENT SECURITY

Pat Quinn
Governor

Jay Rowell
Director

(b)(4) [redacted]

Mr. A. Joshua Strickland
Vice President
Tur Partners, LLC
900 North Michigan Ave, Suite 1720
Chicago, IL 60611

Dear Mr. Strickland:

Please be advised that the Illinois Department of Employment Security (IDES) is the designated state agency with the authority to certify that geographic areas within the State of Illinois qualify as areas of high unemployment under the Alien Entrepreneur Visa Program.

(b)(4) This is to confirm that the proposed project at [redacted] is located in an area of high unemployment as defined in Section 8 CFR 204.6(i) of the Code of Federal Regulations. The proposed project encompasses the Census Tracts shown in the attached table and map, all of which are located in Chicago. Federal regulations do not provide guidelines on how physical boundaries are to be evaluated, so IDES has made no judgment based on the physical boundaries of the area. IDES solely evaluates whether the geographic area meets the standards for a high unemployment area. Further, an area's final designation as a Targeted Employment Area will be made by U.S. Citizenship and Immigration Services.

The determination of eligibility is based on an analysis of the labor force data for the 12-month period ending December 2012 for the above mentioned Census Tracts and for the U.S. as a whole. The Census Tract data were developed by the Economic Information and Analysis Division of IDES using the census-share method, as described in the U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics Program Manual. The average national unemployment rate for the year 2012 was 8.1 percent. We have determined that the 2012 unemployment rate for the Census Tracts that comprise the high unemployment
(b)(4) area was [redacted] of the 2012 national unemployment rate.

The State of Illinois has not investigated the proposed project, nor has it made an assessment about the quality of the project, or the potential for earnings of the project at the above address. The State of Illinois verifies that the area designated is an area of high unemployment and is contiguous but does not evaluate the geographic boundaries. Projects in a TEA are not affiliated with, or sponsored by, the State of Illinois or the Illinois Department of Employment Security.

Sincerely,

Richard Reinhold
Manager, Local Area Unemployment Statistics
Economic Information and Analysis Division

33 South State Street | Chicago, Illinois 60603-2802 | www.ides.illinois.gov

Source: Illinois Department of Employment Security, Economic Information and Analysis
* Latest 12 month period includes January 2012 through December 2012 - data are subject to change

County	Census Tract Number	Place Name	Time Period	Labor Force	Employed	Unemployed	Unemployment Rate
United States (in thousands)	-	-	Latest 12 mo *	154,975	142,469	12,506	8.1

(b)(4)

Location of proposed project

U.S. Census Bureau

AMERICAN FactFinder

(b)(4)

Legend:

Boundaries

- State
- '00 County
- '00 Census Tract

Features

- Street
- Stream/Waterbody

Your Selections

- Your Selections

Items in grey text are not visible at this zoom level

1 of 1

07/01/2013

E. Choose Chicago - 2012 Chicago Visitation Profile

CHOOSE
CHICAGO
Market Analytics

2012 Chicago Visitation Profile

Overview

- . Domestic visitation for 2012 was 45.0 million, an increase of 6.2% over 2011 levels, and just under the record of 45.14 million set in 2007

Leisure

- Summer and Winter marketing campaigns influenced a leisure visitation record of 34.07 million, a gain of 7.1%. This level surpassed the previous peak, set in 2006, by more than 1.2 million visitors
- **Overnight leisure visitation was the growth standout**, gaining 10.2% over 2011 levels to 17.96 million visitors and setting a new record for overnight leisure visitation

Business

- Business visitation trends were mixed, yet positively skewed to the more critical overnight business traveler which reported a visitation increase of 6.7% versus a day business visitor decline of -2.8%

International

- International visitation to Chicago is forecast to grow 3.2% to 1.237 million

City of Chicago Visitation Profile

Type		2006	2007	2008	2009	2010	2011	2012
		Hotel Performance						
Occupancy Rate *(%)*		75.1	75.2	71.5	67.2	69.8	72.2	75.2
ADR		$188.61	$198.23	$201.24	$164.28	$169.55	$177.28	$187.18
RevPAR		$141.71	$149.04	$143.88	$110.46	$118.31	$127.94	$140.68
Supply *(Million)*		11.196	11.214	11.745	12.158	12.492	12.749	12.848
Demand *(Million)*		8.412	8.431	8.397	8.175	8.716	9.201	9.656
Revenue *($ Million)*		$1,586.6	$1,671.4	$1,689.8	$1,343.0	$1,477.8	$1,631.2	$1,807.4
Chicago Hotel Revenue *($ Million)*		$72.67	$76.55	$77.39	$61.51	$67.68	$74.71	$100.85
		Visitation *(Millions)*						
Total		**45.23**	**46.29**	**45.57**	**39.57**	**39.25**	**43.59**	**46.24**
	% Change	*9.6%*	*2.3%*	*-1.5%*	*-13.2%*	*-0.8%*	*11.1%*	*6.1%*
Total Domestic		**44.17**	**45.14**	**44.21**	**38.45**	**38.11**	**42.39**	**45.00**
	% Change	*9.9%*	*2.2%*	*-2.1%*	*-13.0%*	*-0.9%*	*11.2%*	*6.2%*
Total International		**1.062**	**1.147**	**1.368**	**1.117**	**1.134**	**1.199**	**1.237***
	% Change	*-2.0%*	*8.0%*	*19.3%*	*-18.3%*	*1.5%*	*5.7%*	*3.2%*
Business		11.32	12.31	11.70	9.60	10.07	10.58	10.92
	% Change	*0.7%*	*8.7%*	*-4.9%*	*-18.0%*	*4.9%*	*5.1%*	*3.3%*
Leisure		32.85	32.84	32.41	28.86	28.03	31.81	34.07
	% Change	*13.5%*	*0.0%*	*-1.3%*	*-11.0%*	*-2.9%*	*13.5%*	*7.1%*
Day - Business		4.98	5.34	5.15	4.03	4.01	3.80	3.70
	% Change	*11.3%*	*7.2%*	*-3.5%*	*-21.8%*	*-0.5%*	*-5.1%*	*-2.8%*
Day - Leisure		17.33	17.70	17.15	15.15	13.35	15.52	16.12
	% Change	*16.9%*	*2.1%*	*-3.2%*	*-11.6%*	*-11.9%*	*16.2%*	*3.9%*
Overnight - Business		6.29	6.96	6.54	5.57	6.06	6.78	7.23
	% Change	*-6.8%*	*10.5%*	*-6.0%*	*-14.9%*	*8.9%*	*11.8%*	*6.7%*
Overnight - Leisure		15.49	15.06	15.25	13.65	14.66	16.29	17.96
	% Change	*9.9%*	*-2.8%*	*1.2%*	*-10.5%*	*7.4%*	*11.1%*	*10.2%*

* *Forecast*

Prepared: May 31, 2013

Exhibit 5

THE ECONOMIC AND JOBS-CREATION IMPACTS OF THE HYPOTHETICAL BUILDING O MIXED-USE PROJECT IN THE APPLICANT TUR PARTNERS METROPOLITAN REGIONAL CENTER LLC

Prepared for:

TUR Regional Center LLC

Prepared by:

Sean Masaki Flynn, Ph.D.

Impact Econometrics LLC

October 20, 2013

Letter of Transmittal

October 20, 2013

Ms. Lori Healey and Mr. A. Joshua Strickland
TUR Partners Metropolitan Regional Center LLC
900 North Michigan Avenue, Suite 1720
Chicago, IL 60611

Dear Ms. Healey and Mr. Strickland:

(b)(4)

Attached with this letter is the economic and jobs-creation impact assessment analysis that our firm prepared at your request regarding the hypothetical [redacted] Mixed-Use EB-5 project to be developed in Chicago, Illinois. The report is intended to aid the applicant TUR Partners Metropolitan Regional Center LLC with its application to the U.S. Citizenship and Immigration Service's EB-5 Immigrant Investor Program. In the report you will find an explanation of the findings and the methods employed in the economic and jobs-creation impact assessment analysis.

We have prepared our analysis using assumptions and estimates developed from third-party data sources, information you provided, and research and knowledge of the industry and region from our many years of applied economic practice. Where we have accepted third-party project data and project information from you and your team, we have assumed said information to be correct without further in-depth validation. In completing our analysis, we have performed a number of tests and cross checks to verify the internal consistency of the results and find those results to be reasonable. However, changing events and circumstances may cause actual results to be materially different than those reported here.

Thank you for the chance to work with you on this important project.

Sincerely,

Sean Flynn

Sean Masaki Flynn, Ph.D.
Impact Econometrics
250L College Park Drive #L34
Upland, CA 91786

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HIGHLIGHTS AND FINDINGS

TUR Partners Metropolitan Regional Center LLC (the "Regional Center") seeks approval from the United States Citizenship and Immigration Service (USCIS) for a regional center whose geography would be defined by the fourteen contiguous counties of the Chicago-Joliet-Naperville, IL-IN-WI Metropolitan Statistical Area (the "Chicago MSA").

The fourteen counties lie within three states, Illinois, Indiana, and Wisconsin:

- The nine Illinois counties are Cook County, DeKalb County, DuPage County, Grundy County, Kane County, Kendall County, Lake County, McHenry County, and Will County.
- The four Indiana counties are Jasper County, Lake County, Newton County, and Porter County.
- The one Wisconsin county is Kenosha County.

ECONOMIC AND EMPLOYMENT ANALYSIS OF HYPOTHETICAL PROJECT

The Regional Center's application is supported by an economic and jobs-impact assessment analysis of a hypothetical EB-5 project, namely the construction and operation of the [redacted] Mixed-Use Project in Chicago, Illinois ("the Project").[1] (b)(4)

- USCIS regulations allow an applicant regional center to submit an economic analysis for a hypothetical EB-5 project to demonstrate how the applicant regional center will promote economic growth within a region through improved productivity, job creation, increased capital investment, etc.
- This study presents economic-impact data illustrating how the Project would increase economic growth and cause net new job creation with the fourteen-county area of the Regional Center.
- Further evidence is also presented indicating how the Regional Center may help stimulate economic growth with other potential economic activities.

DESCRIPTION OF HYPOTHETICAL PROJECT

The hypothetica[redacted]ixed-Use Project consists of the construction a major residential and hotel complex in downtown Chicago, on [redacted]he complex will be [redacted]gross square feet in size and will contain two
(b)(4) hotels (tentatively identified as Hotel A and Hotel B) as well as [redacted]residential units, retail space, and [redacted]car parking garage.

(b)(4)

- The hypothetical Project's pro forma budget includes a total of [redacted]in expenditures over a construction period that is expected to last at least 30 months.[2] This

[1] The project is hypothetical since the specifics of the project as of the date of completion of this impact assessment analysis have not yet been finalized.

(b)(4)

figure includes [redacted] in land acquisition costs, [redacted] qualifying hard construction costs, and [redacted] for various soft construction costs, including pre-development fees, insurance costs, and pre-opening expenses.[3]

ECONOMIC AND EMPLOYMENT IMPACT OF HYPOTHETICAL PROJECT

The analysis presented in this document employs the USCIS-approved RIMS II economic modeling system. (b)(4)

(b)(4)

The analysis demonstrates that the project will add a total of at leas[redacted] EB-5-eligible jobs within the Regional Center because of an increase in net new final demand attributable to the Project's [redacted] in hard construction expenditures.

TOTAL IMPACTS AND IMPACTS BY INDUSTRY SECTOR

Table 1 presents the RIMS II estimates of the total economic impact of the hypothetical Project on the fourteen-county area encompassed by the applicant Regional Center.

(b)(4)

Table 1 also reports the total economic impacts broken down by aggregate industry sectors.

The total economic impacts listed in Table 1 are the result of the Project's [redacted] in hard construction expenditures and the net new demand that those expenditures create in the local economy.

Please note that all of the jobs-creation figures presented below were derived after properly adjusting all expenditure figures for inflation, as described in detail later in this report.

[2] Consistent with USCIS guidelines, because construction is expected to last more than 24 months, direct construction jobs may be counted toward the 10-jobs per investor requirement. This is done below. (b)(4)

[3] The Project's pro forma lists a larger number [redacted] under "hard construction costs." However, many of the items listed in the pro form under "hard construction costs" do not qualify as such when following USCIS guidelines regarding the estimation of jobs impacts. The [redacted] figure that we utilize is restricted to *qualifying* hard construction expenditures and therefore excludes line items such as information technology (IT) expenditures

TABLE 1: RIMS II PROJECTIONS FOR EMPLOYMENT, OUTPUT, AND EARNINGS INSIDE THE TUR REGIONAL CENTER RESULTING FROM THE CONSTRUCTION OF THE

(b)(4) HYPOTHETICAL [redacted] MIXED-USE PROJECT

Industry Group	Employment	Output	Earnings

(b)(4)

[redacted]

(b)(4)

[redacted]

TABLE 2: RIMS II PROJECTIONS FOR OUTPUT PER WORKER AND EARNINGS PER WORKER INSIDE THE TUR REGIONAL CENTER RESULTING FROM THE CONSTRUCTION OF THE HYPOTHETICAL [redacted] MIXED-USE PROJECT

(b)(4)

Industry Group	Output per worker	Earnings per worker
[redacted]		

(b)(4)

Source: RIMS II and author calculations

(b)(4)

[redacted]

HYPOTHETICAL PROJECT'S EB-5 FUNDING REQUEST RELATIVE TO AVAILABLE JOBS

(b)(4)

Project Lender LP (the "Fund") seeks to raise [redacted] in immigrant investor EB-5 capital to help finance the hypothetical Project.[4] In EB-5 nomenclature, Project Lender LP is the "new commercial enterprise." By contrast, the separate company known as [redacted] will be the "job creating entity" as it will receive and spend the EB-5 investor funds raised by Project Lender LP.

- Because the Project is to be located in a Targeted Employment Area (TEA), immigrant investors can qualify for permanent resident status under the EB-5 program at the $500,000 level.
- Taking that $500,000 value into account, the Project would requir[redacted]nvestors to raise the [redacted] in EB-5 capital that the Fund seeks.
- (b)(4) However, to qualify for permanent resident status, each investor must also demonstrate that his or her $500,000 investment will either create or save at least 10 full-time jobs.
- Applying that stipulation to the [redacted]nvestors as a group, the hypothetical Project will have to generate a total o[redacted]ull-time jobs in order to support the $[redacted]f EB-5 capital that the Fund seeks to raise.

As noted above, the hypothetical Project will create at leas[redacted] total jobs. (b)(4)

- [redacted]
- Thus, the hypothetical project easily satisfies the main EB-5 program requirement that at least 10 jobs be created or saved for each immigrant investor applying for permanent residence under the Immigrant Investor Program.

SUMMARY AND RECOMMENDATION

The estimates of new economic activity and net new jobs creation presented in this economic and jobs-impact assessment study demonstrate that the construction of the hypothetical

[4] Because the hypothetical project would utilize a lending approach to the EB-5 capital investment, all of the jobs would be *indirect* for EB-5 program purposes.

[redacted] Mixed-Use Project would promote substantial economic growth within the applicant TUR Regional Center.

(b)(4) [redacted]

Thus, USCIS approval of the Regional Center is recommended from an economic standpoint.

A SYNOPOSIS OF ANALYSIS AND METHODS

The region of analysis is the same as the area of the Regional Center and consists of the 14 counties included within the Chicago MSA.

Economic impacts are calculated using the RIMS II input/output model for the fourteen-county area of analysis.

All dollar figures are properly adjusted for inflation back to the 2010 values utilized by the most current version of the RIMS II multiplier tables.

THE ECONOMY OF THE APPLICANT TUR REGIONAL CENTER

As noted above, the Regional Center will encompass fourteen counties in the states of Illinois, Indiana, and Wisconsin.[5]

As per USCIS requirements, the fourteen counties are contiguous.

This section gives a brief overview of the local economy in those fourteen counties and how they are likely to receive substantial economic benefits if the proposed Regional Center is approved and if it subsequently helps to fund regional business initiatives with immigrant investor capital.

COUNTIES AND METROPOLITAN STATISTICAL AREAS

Whenever possible, data and statistics will be presented for each of the fourteen counties individually.

However, certain data items are only available at the MSA (metropolitan statistical area) level. In such instances, we will use MSA-level data to help give an overview of the economy of the Regional Center.

When county-level data is available, we will also typically aggregate across the fourteen counties to create an MSA-level data series for the Chicago MSA as a whole. By doing so, direct comparisons should be possible between the data series available at the county level and the data series available only at the MSA level.

[5] As noted earlier, the nine Illinois counties are Cook County, DeKalb County, DuPage County, Grundy County, Kane County, Kendall County, Lake County, McHenry County, and Will County; the four Indiana counties are Jasper County, Lake County, Newton County, and Porter County; and the one Wisconsin county is Kenosha County.

COUNTY MAPS

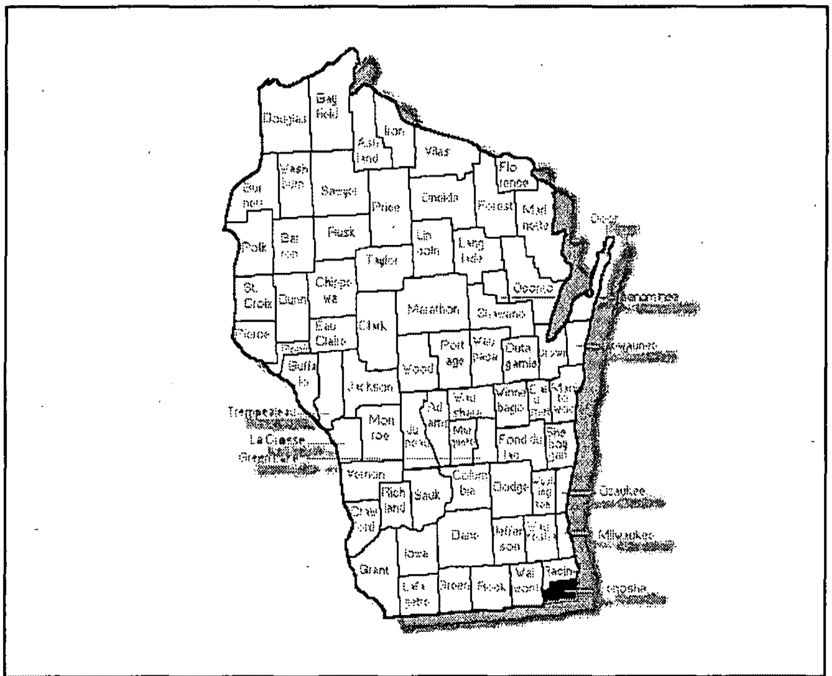
Figures 1, 2, and 3 show, respectively, the nine Illinois counties, the four Indiana counties, and the one Wisconsin county in the Regional Center.

The fourteen counties are contiguous despite lying across Illinois, Indiana, and Wisconsin.

FIGURE 1: THE NINE ILLINOIS COUNTIES IN THE TUR REGIONAL CENTER: COOK COUNTY, DEKALB COUNTY, DUPAGE COUNTY, GRUNDY COUNTY, KANE COUNTY, KENDALL COUNTY, LAKE COUNTY, MCHENRY COUNTY AND WILL COUNTY

FIGURE 2: THE FOUR INDIANA COUNTIES IN THE TUR REGIONAL CENTER: JASPER COUNTY, LAKE COUNTY, NEWTON COUNTY, AND PORTER COUNTY

FIGURE 3: THE ONE WISCONSIN COUNTY IN THE TUR REGIONAL CENTER: KENOSHA COUNTY



ECONOMIC AND DEMOGRAPHIC OVERVIEW

This section provides a synopsis of the economic and demographic condition of the fourteen-county area for which the Regional Center seeks approval from the USCIS.

Tables 3, 4, and 5 present various data items provided by the United States Census Bureau through its *State and County QuickFacts* interface. I have broken out the various data items individually for each of the fourteen counties and also summed them over all fourteen counties to give the reader a quick way to gauge the overall status of the fourteen-county area with respect to each data item.

The first column of numbers in Table 3 indicates that the fourteen counties vary substantially in terms of population, with Newton County, Indiana having a population of only 14,044 while Cook County, Illinois has a population of 5,231,351 (or over 372 times larger).

TABLE 3: POPULATION SIZE, GEOGRAPHIC EXTENT, POPULATION DENSITY, EMPLOYMENT, AND EMPLOYMENT GROWTH IN THE FOURTEEN-COUNTY AREA

	Population, 2012 estimate	Land area in square miles, 2010	Persons per square mile, 2010	Private nonfarm employment, 2011	Private nonfarm employment, percent change 2010-2011
Cook County	5,231,351	945.33	5,495.1	2,193,827	1.1
DeKalb County	104,704	631.31	166.6	25,295	-0.1
DuPage County	927,987	327.50	2,799.8	567,052	2.3
Grundy County	50,281	418.04	119.8	14,721	-1.7
Kane County	522,487	520.06	990.8	175,282	2.9
Kendall County	118,105	320.34	358.2	20,335	1.0
Lake County	702,120	443.67	1,585.6	307,559	0.0
McHenry County	308,145	603.17	511.9	83,244	2.5
Will County	682,518	836.91	809.6	187,180	1.7
Jasper County	33,456	559.63	59.8	8,353	-2.7
Lake County	493,618	498.96	994.1	163,902	-0.5
Newton County	14,044	401.76	35.5	2,365	-6.0
Porter County	165,682	418.15	393.0	49,224	1.4
Kenosha	167,936	271.99	611.9	46,682	1.5
Fourteen-county Values	9,522,434	7196.82	14,931.7	3,845,021	1.2

Source: United States Census, State and County QuickFacts

The third column of numbers indicates that the fourteen counties vary substantially in terms of population density, ranging from 35.5 people per square mile in Newton County, Indiana to 5,495.1 per square mile in Cook County. Thus, the fourteen-county area contains both extremely rural areas as well as extremely urban areas. That is of some interest in terms of potential future EB-5 investments by the Regional Center because all rural areas qualify for targeted employment area (TEA) status.

Table 3 also indicates that employment is heavily concentrated in the two most populous counties, Cook County and DuPage County. Fully 72 percent of the jobs in the fourteen-county area are located in those two counties.

The final column of Table 3 tells us that from 2010-2011, overall employment growth in the fourteen county area was a 1.2 percent as the local economy continued its haltingly recovery from the severe 2007-2009 recession.

It was the case, however, that several rural counties experienced jobs losses during that period—for instance, -2.7 percent in Jasper County and -6.0 percent in Newton County.

Thus, we have within the fourteen-county area several rural areas that have seen employment declines and in which the economic activity that could be initiated by the Regional Center if it is approved by the USCIS would likely make a significant impact in terms of helping to replace jobs that have been lost since the 2007-2009 recession. This would of course dovetail with the point made above that most locations within these highly rural counties would qualify for TEA status due to their being rural areas.

At the same time, the two most urban counties—Cook County and DuPage County—saw employment growth of, respectively, only 1.1 and 2.3 percent. Those rates were not rapid enough to make any substantial dent in the MSA's unemployment rate, which remained well above the national average into 2013 (as shown below in Figure 4). As a result, the economic activity that could be initiated by the Regional Center would make a welcome impact in terms of helping to boost employment in the MSA's urban areas, as well.

Table 4 presents selected demographic, housing, and commuting data for the fourteen counties. The bottom row contains fourteen-county averages. Those averages are population-weighted averages.

TABLE 4: SELECTED DEMOGRAPHIC, HOUSING, AND COMMUTE-TIME DATA IN THE FOURTEEN-COUNTY AREA

	High School Graduate or higher, percent of persons age 25+, 2007-2011	Bachelor's degree or higher, percent of persons age 25+, 2007-2011	Mean travel time to work (minutes), workers age 16+, 2007-2011	Homeownership rate, 2007-2011	Median value of owner-occupied housing units, 2007-2011	Median household income, 2007-2011	Persons below poverty level, percent 2007-2011
Cook County	83.7%	33.7%	31.8	59.8%	$256,900	$54,598	15.8%
DeKalb County	91.2%	28.2%	25.5	62.8%	$188,100	$54,436	15.9%
DuPage County	91.9%	45.6%	29.1	75.9%	$309,800	$77,598	6.2%
Grundy County	91.3%	18.1%	29.0	75.6%	$191,500	$64,592	7.4%
Kane County	83.1%	31.8%	29.2	76.6%	$241,600	$69,496	10.1%
Kendall County	92.1%	33.7%	34.4	86.2%	$239,300	$82,649	3.8%
Lake County	88.6%	41.5%	30.3	77.6%	$280,900	$79,666	8.2%
McHenry County	91.9%	31.9%	34.2	83.8%	$243,500	$76,909	6.9%
Will County	90.2%	31.3%	33.5	84.5%	$236,300	$76,453	7.1%
Jasper County	87.5%	14.3%	27.3	77.8%	$143,200	$55,509	7.7%
Lake County	86.5%	19.5%	27.7	70.7%	$136,400	$49,443	16.6%
Newton County	86.8%	8.1%	28.1	79.8%	$108,800	$48,108	11.3%
Porter County	91.6%	25.5%	26.6	77.3%	$167,000	$62,394	9.6%
Kenosha County	88.3%	23.7%	25.8	68.5%	$180,000	$54,846	11.6%
Fourteen-county Values	86.2%	33.8%	31.0	67.7%	$249,970	$62,059	12.7%

Source: United States Census, State and County QuickFacts

The first two columns of numbers indicate that the MSA's high-school-degree-or-higher educational attainment rate is 86.2 percent and the MSA's bachelor's-degree-or-higher educational attainment rate is 33.8 percent. It should be noted that the MSA's high-school-degree-or-higher educational attainment rate is above the national average of 85.4 while the

MSA's bachelor's-degree-or-higher educational attainment rate is also above the national average of 28.2 percent.[6]

Thus, the fourteen county area of the proposed regional center contains a population that is substantially better educated than the overall population of the United States as a whole. That is important because it suggests that if the Regional Center is approved and sponsors EB-5 investment projects, those project will likely have a substantial economic impact due to being undertaken in an area of the country that has higher-than-average levels of productive potential due to having higher-than-average levels of human capital.

The next column of Table 4 indicates that the average commute time in the fourteen-county area is a 31.0 minutes.

The subsequent four columns give demographic data that help to describe the level of affluence in the fourteen-county area.

- To begin with, the home ownership rate averaged 67.7 percent in the fourteen-county area. That is significantly higher than the national average of 66.1 percent.
- The median value of owner-occupied housing units was $249,970 across the fourteen counties, as compared with a national average value of $186,200.
- The median household income across the six counties of $62,059 is substantially higher than the U.S. median household income of $52,726.

Thus, people in the fourteen-county area enjoy higher-than-average incomes—but those incomes are coupled with higher-than-average housing prices.

The higher cost of living in the fourteen-county area can also be seen in Table 728 of the 2012 *Statistical Abstract of the United States*.[7] That table gives relative cost of living index values for major metropolitan areas in 2010. 100 is the index value for the entire United States. Chicago had a value of 116.9. Thus, the cost of living in Chicago that year was nearly 17 percent higher than in the United States as a whole.

The final column in Table 4 indicates that the poverty rate across the fourteen counties averaged 12.7 percent. That value is lower than the U.S. average poverty rate of 14.3 percent. Thus, the fourteen-county area not only has higher median incomes, it also has a smaller fraction of individuals at the lowest income levels.

Table 5 provides selected business and manufacturing data for the fourteen-county area.

[6] The comparative national statistics for these data items as well as other data items utilized below were obtained from *United States QuickFacts*, United States Census.

[7] http://www.census.gov/compendia/statab/2012/tables/12s0728.pdf

TABLE 5: SELECTED BUSINESS AND MANUFACTURING DATA FOR THE FOURTEEN-COUNTY AREA

	Total number of firms, 2007	Manufacturers shipments, 2007 ($1000)	Merchant wholesaler sales, 2007 ($1000)	Retail sales, 2007 ($1000)	Retail sales per capita, 2007	Accommodation and food services sales, 2007 ($1000)	Building permits, 2011
Cook County	510,931	$77,932,858	$83,964,561	$60,585,557	$11,571	$13,094,372	3,325
DeKalb County	7,815	$1,435,916	$249,685	$1,090,171	$10,351	$128,175	43
DuPage County	101,546	$16,862,490	$49,574,946	$18,043,391	$19,550	$2,226,207	793
Grundy County	3,673	$2,082,448	$438,450	$522,618	$11,097	$56,309	133
Kane County	38,586	$9,879,494	$9,589,573	$5,688,267	$11,482	$680,888	1,008
Kendall County	8,311	$685,730	$1,299,755	$1,064,021	$10,957	$99,906	198
Lake County	68,418	$16,381,499	$26,053,269	$20,336,251	$28,949	$1,299,296	527
McHenry County	28,523	$5,291,243	$2,391,154	$3,578,581	$11,372	$365,565	713
Will County	53,097	$13,628,202	$11,061,791	$6,841,452	$10,211	$1,404,940	1,085
Jasper County	2,557	$601,064	$163,377	$405,489	$12,531	$33,940	74
Lake County	34,165	$21,914,467	$3,348,813	$7,102,425	$14,455	$1,069,166	819
Newton County	761	$197,474	$121,634	$96,674	$6,901	$7,984	13
Porter County	12,407	$7,318,767	$1,463,085	$1,956,275	$12,188	$211,334	398
Kenosha County	11,072	$3,093,705	$1,547,827	$1,800,637	$11,055	$214,034	228
Fourteen-county Values	881,862	$177,305,357	$191,267,920	$129,111,809	$13,645	$20,892,116	9,357

Source: United States Census, State and County QuickFacts

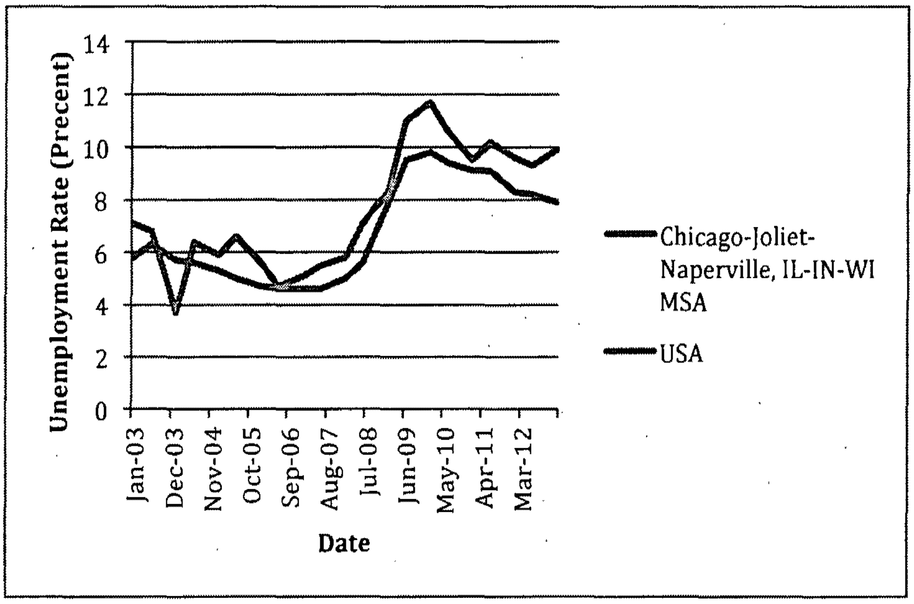
The fourteen-county area was home to 881,862 firms in 2007. Local manufacturers that year shipped $177.3 billion worth of products. Merchant wholesaler sales were $191.3 billion and retail sales were $129.1 billion.

To put those figures into perspective, it is useful to examine per-capita values. Doing so, we can compare the fourteen-county area's $13,645 of per-capita retail sales with the U.S. average of $12,990 and see that the fourteen-county area has a 5-percent higher retail consumption per person than the U.S. average.

The final two columns of Table 5 indicate that the fourteen-county area saw $20.9 billion worth of accommodation and food-services sales in 2007 and a total of 9,357 building permits issued in 2011. Both values are indicative of a robust local economy in which people can afford to stay in hotels, eat out, and build new structures.

It is the case, however, that the fourteen-county area has had ongoing difficulties with respect to jobs creation and employment. Those problems are perhaps best summarized by the unemployment-rate data given in Figure 4, which plots out over the January 2003 to January 2013 time period the unemployment rates for both the United States and the Chicago MSA.

FIGURE 4: UNEMPLOYMENT RATES IN THE UNITED STATES AND THE CHICAGO MSA, JANUARY 2003 THROUGH JANUARY 2013



Source: United States Bureau of Labor Statistics

The data indicate that the Chicago MSA had a higher unemployment rate than the nation as a whole throughout nearly all of the last decade.

In addition, the Chicago MSA's unemployment rate was more negatively affected by the 2007-2009 recession than that of the nation as a whole. While the U.S. unemployment rate shot up from 4.7 percent in November 2007 to a peak of 10.0 percent in October 2009, the unemployment rate in the Chicago MSA exceeded 11.0 percent in January 2010.

Thus, the fourteen-county area is still economically struggling even though it has an educated population and a local median income substantially in excess of the U.S. median income.

It can therefore be conjectured that any economic impacts initiated by the Regional Center would not only help the local economy directly in terms of employment but also be substantially multiplied and expanded due to the area's productive strengths in terms of human capital and other productive inputs. The RIMS II multipliers presented in the next section confirm that conjecture.

THE ECONOMIC FOCUS AND TARGETED INDUSTRIES OF THE TUR REGIONAL CENTER

The applicant Regional Center is seeking USCIS approval for one targeted industry:

- Nonresidential Building Construction (NAICS 2362)

It is possible to utilize the RIMS II multiplier tables (described in detail below) to estimate the jobs-creation impacts that the Regional Center would have on the fourteen-county area if it were to sponsor EB-5 projects in this industry.

Under the RIMS II industry classification system, Nonresidential Building Construction falls under industry 7 ("Construction").

Table M-1 gives the RIMS II final-demand multiplier value for the RIMS II "Construction" industry as calculated by the Bureau of Labor Statistics for the fourteen-county area on June 16, 2013.

TABLE M-1: FINAL DEMAND MULTIPLIERS FOR THE FOURTEEN-COUNTY AREA

	Output (dollars) per $1 change in Final Demand	Earnings (dollars) per $1 change in Final Demand	Employment (jobs) per $1 million change in Final Demand	Value-added (dollars) per $1 change in Final Demand
7. Construction	2.3975	0.8087	19.2679	1.3026

More detail on how to interpret and utilize these multipliers is given below, but their basic interpretation is simple. They give, for each industry, how much of a total economic effect will be felt within the economy of the fourteen-county area by any given change in the final demand for goods and services.

Suppose that the Regional Center's engages in Construction activity that causes final-demand output (GDP) to increase by $1 within the region. The total change in final-demand output within the region across all industries after all multiplier effects are taken into account will be $2.3975 because the industry has a final-demand output multiplier of 2.3975 in Table M-1.

Table M-1 indicates significant multiplier effects for the Construction industry for all four final-demand multiplier categories considered: total output (GDP), earnings, employment, and value added. Consider the employment multiplier. It has a value of 19.2679, meaning that for every $1 million increase in final demand within the region, 19.2679 jobs will be created across all industries.

Thus, if the Regional Center were to build a hotel that had $100 million qualifying construction costs (= final demand) a total of 1,926.79 (= 19.2679 per $1 million times $100 million) jobs would be created.

It can consequently be seen that the Regional Center can be expected to have significant beneficial impacts upon the economy of the fourteen-county area if it is approved by the USCIS and then sponsors projects that increase final demand within the region.

The direct-effect multipliers listed in Table M-2 for the industry for which the Regional Center seeks approval (Construction) also indicate significant positive economic impacts if the Regional Center is approved.

TABLE M-2: DIRECT EFFECT MULTIPLIERS FOR THE FOURTEEN-COUNTY AREA

	Earnings (dollars) per $1 change in Final-Demand Earnings	**Employment (jobs) per 1-job change in Final-Demand Jobs**
7. Construction	1.9955	2.2205

Consider the 1.9955 value for the direct-effect earnings multiplier listed in Table M-2. This value implies that for every $1 in final-demand earnings created by a job that comes into existence as a result of Regional Center activity related to Construction, a total of $1.9955 of final-demand earnings will be generated within the fourteen-county area across all industries (including the Construction industry) once multiplier effects are taken into account.

That of course implies that for every $1 of earnings that are created by jobs brought into existence by Regional Center construction projects, other workers around the region will gain an additional $0.9955. Thus, there will be large and significant spillover effects with respect to earnings.

The same holds true for employment. Consider the 2.2205 value for the direct-effect employment multiplier. That value implies that for every 1 job created by a Regional Center construction project, a total of 2.2205 total jobs across all industries will be created within the fourteen-county area.

Thus, once again, RIMS II indicates that if the Regional Center is approved and sponsors projects, we should expect large beneficial spillover effects for the fourteen-county economy of the Chicago MSA.

The large multiplier effects shown in Tables M-1 and M-2 lead us to conclude that if the USCIS were to grant approval to the Regional Center, the Regional Center would be capable of generating substantial economic and employment benefits to the fourteen-county economy of the Chicago MSA whenever it sponsored a project in the industry for which it seeks approval (Non-Residential Building Construction).

A DESCRIPTION OF THE HYPOTHETICAL [redacted] MIXED-USE PROJECT

(b)(4) When completed, the [redacted] Mixed-Use Project will be a [redacted] story high-rise containing two hotels, [redacted] residential apartments, [redacted] parking spaces, and [redacted] square feet of retail space (for a total of [redacted] gross square feet in improvements).

(b)(4)

- [redacted] will have [redacted] levels below ground. They will house loading docks, back-of-house space for both hotels, the residential component lobby, and [redacted] levels of parking.

(b)(4)

- [redacted]

Hotel branding is being negotiated, and the short list of possible "flags" is included in the business plan in Section VII-D, "Project Feasibility-Hotel Branding".

A VISUAL RENDERING OF THE THE HYPOTHETICAL STRUCTURE

(b)(4) Figure 5 contains an artist's rendering of the proposed structure [redacted] that will house the hypothetical [redacted] Mixed-Use Project.

FIGURE 5: ARTIST'S RENDERING OF HYPOTHETICAL [redacted]

(b)(4)

[redacted]

(b)(4)

PROJECT LOCATION

TEA DESIGNATION

A geographic area may be designated as a Targeted Employment Area (TEA) for EB-5 purposes if it meets either of two criteria. It must either be a rural area or it must be an urban area whose unemployment rate exceeds 150 percent of the U.S. national unemployment rate.

Given that the hypothetical Project is to be located in downtown Chicago, it does not qualify for a TEA under the rural-area criterion.

Instead, the Illinois Department of Employment Security has certified that the area in which the hypothetical Project will be located qualifies as a TEA due to its being an urban area with a local unemployment rate exceeding 150 percent of the US. national unemployment rate. Appendix I reproduces that agency's TEA designation letter dated [redacted] (b)(4)

Figure 7 on the next page provides a census-tract map of the City of Chicago. The TEA in question is comprised of fifty-seven Census Tracts that together form a contiguous area covering a substantial portion of downtown Chicago.

(b)(4)

FIGURE 7: CENSUS TRACT MAP OF DOWNTOWN CHICAGO INDICATING IN BLUE THE GEOGRAPHIC EXTENT OF THE [redacted] MIXED-USE PROJECT'S TARGETED EMPLOYMENT AREA (TEA)

[redacted]

Source: United States Census Bureau

The hypothetical Project lies within Census [redacted]

(b)(4)

CONSTRUCTION TIMELINE

The construction of the Project is expected to take at least 30 months.

Because construction will last more than 24 months, I shall—consistent with USCIS guidelines—count direct construction jobs in the analysis of the Project's economic impact.

A BRIEF EXPLANTION OF THE RIMS II INPUT-OUTPUT MODEL

THE FOLLOWING DESCRIPTION INCLUDES MATERIAL CONDENSED FROM THE RIMS II USER GUIDE PUBLISHED BY THE BUREAU OF ECONOMIC ANALYSIS, UNITED STATES DEPARTMENT OF COMMERCE.

INTRODUCTION AND GENERAL DESCRIPTION

The Regional Input-Output Modeling System (RIMS II) is a regional economic model used by investors, planners, and elected officials to assess the potential economic impacts of various projects, such as the construction of a football stadium or the expansion of a public-transportation network. The model produces multipliers that are used in economic impact studies to estimate the total economic impact of a project on a region.

Regional input-output models are based upon the idea that any initial change in economic activity in a given region will most likely result in at least a few additional rounds of spending within that region. As an example, imagine that the initial change is the building of a new road. That initial change will probably lead to additional rounds of spending in the region in order to supply the materials and labor required to build the road. For example, there will have to be an increase in the production of asphalt and concrete somewhere in the world in order to supply the materials necessary to build the new road. If that asphalt and concrete is made within the region, the local economy will be stimulated. If so, that increase in the local production of asphalt and concrete will lead to more mining activity somewhere in the world in order to supply the raw materials necessary to produce the asphalt and concrete needed to lay down the road. If that mining activity takes place locally, there will be yet more local economic activity stimulated by the building of the road. And, continuing yet further, the additional local workers who were hired to help with each of those local increases in production (in road construction, asphalt and concrete manufacturing, and mining) will enjoy higher incomes, some of which will be spent on locally produced goods and services, thereby stimulating even more rounds of spending in the local economy.

The multipliers calculated by RIMS II are simply the ratio of the total economic impact accruing in a region over all rounds of spending divided by the value of the initial impact that took place within that region. As an example, suppose that a $10 million road-building project is the initial impact in a particular region. Also suppose that the total economic impact within that particular region over all rounds of spending (including the initial $10 million spent on the road) sums to $27.3 million. The multiplier would be 2.73 (= the $27.3 million of total economic impact in the region divided by the initial $10 million impact that took place within the region).

In calculating multipliers, RIMS II accounts for leakages in spending. For example, whenever a firm or an individual saves income rather than spends it, subsequent rounds of spending are reduced. In a similar fashion, any money spent on goods or services that are produced outside the region of analysis also reduces the size of subsequent rounds of spending within the region.

By properly accounting for the leakages that result from local residents purchasing items that are produced outside the region, RIMS II avoids producing falsely high multipliers. Its ability to account for savings also helps to generate multipliers that isolate the local effects of any given initial change in economic activity.

HISTORICAL DEVELOPMENT

In 1973, Professor Wassily Leontief of Harvard University received the Nobel Prize in Economics for inventing the input-output method for modeling national economies and how they transform resources inputs into outputs of goods and services.

The research that won Leontief the Nobel Prize was completed during the 1930s and was summarized in a book that Leontief published in 1941.

His economic modeling system began to gain traction after the Second World War and by the late 1950s input-output tables were being constructed by government economists in the United Kingdom, the United States, Norway, Denmark, the Netherlands, Canada, Italy, and Japan. Most governments now construct such tables.

In 1964, the U.S. Bureau of Economic Analysis (BEA) published its first "benchmark" input-output tables for the U.S. economy. Since that time, the BEA's benchmark tables have been updated every five years. The updates are based upon the data collected by the national economic census, which occurs every five years (most recently in 2012).

The BEA first calculated *regional* input-output multipliers in the early 1970s as a tool to help analyze regional economies. The system that was used to generate those regional multipliers was referred to as the Regional Industrial Multiplier System, or RIMS. After several enhancements were made during the 1980s, the updated system was renamed RIMS II.

RANGE OF APPLICATIONS

RIMS II multipliers can be used to study the economic impacts of many different types of projects. Consider the following examples.

- Government agencies at the Federal, state, and local level use RIMS II multipliers to study how new government regulations affect production and output.
- Economic development organizations use RIMS II multipliers to study the number of jobs that result from increases in tourism spending.
- Businesses use RIMS II multipliers to study the wage and salary impacts of investment projects.

RIMS II multipliers can be applied to so many different types of economic impacts because the multipliers supplied by RIMS II are available for changes in total output, changes in value added (gross domestic product), changes in earnings, and changes in employment. This flexibility allows an analyst to estimate the effect of an initial economic impact on a region's total economic activity, GDP, wages, and jobs. Taken together, those four pieces of evidence allow the analyst to build a detailed picture of an initial impact's likely effects.

THE RIMS II METHODOLOGY

RIMS II is based on a set of national input-output (I-O) accounting tables that show the output of goods and services produced by a comprehensive list of U.S. industries as well as the use of that output by other industries and by final users.

Note that some or all of the output of one industry can end up as an input for other industries. One example occurs when the output of screws produced by the metal machining industry is used as an input by the automobile manufacturing industry. I-O accounting tables allow the analyst to trace these flows of goods and services from one industry to another, so that an analyst can start with the most basic of raw materials (such as coal and iron ore) and trace out how they are transformed by one industry after another into the final goods and services (such as bar-b-cue grills, Ford pickup trucks, and airplanes) that are consumed by individuals and the government.

GROUPING FIRMS INTO INDUSTRIES

In building the I-O accounting tables that traces the flows of inputs and outputs across the economy, it is necessary to group all of the firms in the economy into a finite number of industries. In terms of mathematical modeling, that finite number is arbitrary. However, the logic of I-O modeling dictates that similar firms should be grouped together so that firms with similar input demands and similar output supplies fall into a single industry. Thus, the accountants who build I-O accounting tables strive to come up with finite industry lists that are capable of sensibly classifying each and every firm in the economy as belonging to just a single industry on a given list.

It is the case, however, that it can be difficult to shoehorn certain firms into any particular industry list. As an example, conglomerates are by definition involved in many different types of production spread across many different industries. Should a conglomerate's disparate subdivisions be counted as different firms and classified into different industries? Or should the conglomerate be counted as a single firm and classified into a single (ill-fitting) industry?

A similar problem arises with firms that produce many different types of output from single a single input. Consider a beef slaughterhouse. Cattle enter at one end of the slaughterhouse. But at the other end, outputs include not only beef but hides. Should the firm be classified as being in the leather industry as well as the food industry?

In order to avoid having to make arbitrary, case-by-case classifications of firms into industries, the U.S. government asks each firm to classify itself by whatever the firm considers to be its primary business activity. They do so according to the North American Industry Classification System (NAICS), which is the industrial classification system used by Federal statistical agencies for the purpose of collecting, analyzing, and publishing statistical data related to the U.S. economy.[8]

Once firms have self-identified themselves by NAICS codes, standard procedures can then be developed for translating each individual firm's industry under the NAICS classification system into whatever industry list has been developed by I-O accountants for the purpose of modeling the economy using input-output analysis. Thus, a firm that has classified itself into the NAICS industry "New Single-Family Housing Construction" may find itself being grouped by an I-O accountant into an industry called simply "Construction", as is done under the RIMS II classification system.

HIGH AND LOW LEVELS OF AGGREGATION

As discussed above, an I-O model must classify all of the firms in an economy into a finite list of industries. The process of grouping firms into industries is known as aggregation.

RIMS II offers multipliers at two levels of aggregation. At the higher level of aggregation, the U.S. economy is divided into 62 "aggregated industries". At the lower level of aggregation, the U.S. economy is divided into 406 "detailed industries".

The two levels of aggregation are, however, consistent with one another because they are arranged hierarchically, with each of the 406 detailed industries falling under one of the 62 aggregated industries.

It is up to the analyst to decide which level of aggregation is more appropriate for any particular study. Some measure of discrimination is required because there are trade offs between precision and timeliness.

On the one hand, the multipliers derived from the model with 406 industries will be less subject to the possibility of aggregation bias, which is the imprecision that arises in I-O models when similar but not identical industries are classified together. The problem with aggregation bias is that the I-O model that is subject to aggregation bias ends up being based not on what truly similar groups of firms are doing in terms of transforming inputs into outputs but rather what a group of dissimilar firms in an aggregated sector are collectively doing in terms of transforming inputs into outputs.

On the other hand, the multipliers derived from the higher level of aggregation are based on more current data. Thus, the potential trade off is between the multipliers based on 62

[8] NAICS employs a 2- through 6-digit hierarchical classification system, offering five levels of detail. Each digit in the code is part of a series of progressively narrower categories, and the more digits in the code signify greater classification detail. The first two digits designate the economic sector, the third digit designates the subsector, the fourth digit designates the industry group, the fifth digit designates the NAICS industry, and the sixth digit designates the national industry. The 5-digit NAICS code is the level at which there is comparability in code and definitions for most of the NAICS sectors across the three countries participating in NAICS (the United States, Canada, and Mexico). The 6-digit level allows for the United States, Canada, and Mexico each to have country-specific detail. A complete and valid NAICS code contains six digits.

industries having some aggregation bias but being more current and the multipliers based on 406 industries having less aggregation bias but being out of data and less likely to reflect the current state of a regional economy.

In actual practice, however, the trade-off between aggregation bias and timeliness may not weigh very heavily on whether an analyst chooses to use the 62- or 406-industry level of aggregation. Rather, the level of industry detail is often determined by a more practical consideration: it is chosen to match the level of detail of the final-demand change. In addition, multipliers at both levels of detail are often used in the same study because the amount of imprecision or inaccuracy that is likely to result from aggregation bias or lack of timeliness is presumed to be small.

At both levels of aggregation, the I-O tables used by RIMS II take into consideration the fact that industries differ in how their outputs are divided between final users and intermediate (industrial) users.

- At one extreme, the outputs of some industries (such as mining and forestry) flow almost entirely to other firms for further processing before eventually being incorporated into the final consumption and investment goods that are sold to either the general public or the government.
- At the other extreme, some industries (especially service providers such as music teachers and barbers) produce output that is sold almost entirely to final users.
- In still other cases, an industry's output is fairly evenly split between final users and intermediate users.

The I-O tables account for these relationships and whether and to what degree the input used by one industrial sector is the output of other industrial sectors—hence the name, "input-output model".

LQs AND REGIONAL ADJUSTMENTS

To facilitate regional economic analyses, RIMS II adjusts the numbers in its national input-output accounting tables to reflect the unique features of individual regional economies. Thus, when ordering a batch of RIMS II multipliers, an analyst must specify a particular region so that the data analysts at the BEA can correctly modify the national input-output accounting tables to reflect the peculiarities of the specified local region.

These adjustments will account for the specified region's industrial structure and trading patterns. As an example of what is meant by "trading patterns", imagine a region that does not have any concrete factories. Thus, any construction projects in the area are going to have to import concrete from outside the area. That would cause a spending leakage that would result in a lower multiplier for construction spending in that region than in other regions where local concrete factories exist.

RIMS II adjusts for these sorts of regional differences in industrial capacity by using location quotients (LQs) to model how much of a given region's demand for a particular industry's output is supplied by local producers (and, at the same time, how much is imported from outside producers).

The logic driving the use of LQs is best understood by noting that, for most industries, the LQ is the ratio of an industry's share of total regional earnings divided by the industry's share of total national earnings. That definition implies that LQs will capture whether in a particular region an industry is producing relatively more output than the industry produces nationally. That is because it would only be possible for an industry to have an LQ larger than unity in a given region if it were employing a larger fraction of workers (and thus paying more in earnings) in that region than the industry does in the country as a whole.

Following that logic one step further, an industry with a high LQ is one that is employing a disproportionately large share of the labor in a region. As a consequence, it should be able to supply a disproportionately large share of the area's demand for its particular type of output because it is implicitly being assumed in the background that the proportional structure of demand in the area—how much of each industry's output relative to all output that is being demanded in the area—is the same as in the nation as a whole.

Thus, with the proportional structure of demand assumed to be the same as in the nation as a whole, any industry that is locally getting a larger share of the labor force should be proportionally producing more than is being demanded locally. That would allow it to not only supply the local demand for its output, but, in addition, have a surplus that will end up being exported to other regions.

Mathematically, if the LQ for a particular industry in a particular region is greater than or equal to 1, it should be the case that local production exceeds local demand—so that all of the local demand for that industry's output can be assumed to be satisfied by local producers. Thus, in any case where an industry's LQ is greater than or equal to 1, RIMS II adjusts the national I-O tables to the regional level by assuming that local supply exceeds local demand. That adjustment is important because it implies that there will be no spending leakages (due to imports) associated with that industry in that region.

On the other hand, if the LQ is less than one, it is assumed that local production is less than local demand—so that at least some of local demand must be satisfied by imports from other regions. In such cases, RIMS II adjusts the national I-O tables to reflect this need for imports and the fact that those imports will imply spending leakages because some of the output demanded by the region for that industry's output will have to be satisfied by imports from outside the region.

By using LQs to take these supply differences into account, the national input-output accounting tables are refined into regional input-output accounting tables that reflect local production capacities and the likelihood of leakages due to imports. As a result, the regional multipliers reported by RIMS II take into account how local differences in industrial capacity affect the multiple rounds of spending that resonate through a region after an initial economic impact.

THE MATH BEHIND THE I-O FRAMEWORK

The input-output accounting framework developed by Professor Leontief groups all of the producers in an economy into n industries, in which all of the businesses in an industry are assumed to use the same production process.

Each industry i produces a single type of output x_i, which is measured in dollars. The framework also assumes that to produce one unit of output, the ith industry must use a_{ij} units of output from industry j.

Under Leontief's framework, each industry's output flows either to other firms as a productive input or to consumers and governments to satisfy final demand. The portion that flows to other firms can end up in any of the n industries, including the industry of the firm making the output (since some industries end up using some of their own output as an input—as with a farmer who allocates some of his output of corn to be used as an input into his production of pigs).

Denote final demand for the output of the ith industry as d_i. Then the following equation expresses how the output of the ith industry will be disposed of:

$$x_i = a_{1i}x_1 + a_{2i}x_2 + a_{3i}x_3 + \cdots + a_{ni}x_n + d_i.$$

If we write out a similar equation for each industry i, we obtain a system of n equations with n unknown variables, x_1 to x_n, that in general should be solvable either by repeated substitution of one equation into another or by the more rapid method of first converting the system of equations into matrix notation and then using matrix methods to solve for x_1 to x_n. Professor Leontief took the latter route.

THE I-O MODEL IN MATRIX NOTATION

If we let **X** be the vector of final outputs in the n industries, **A** be the matrix of production input coefficients, and **D** the vector of final demand uses, we can express the above system of equations for all n industries as,

$$\mathbf{X} = \mathbf{AX} + \mathbf{D}.$$

This can be rearranged as,

$$(\mathbf{I} - \mathbf{A})\,\mathbf{X} = \mathbf{D}.$$

If the inverse of the (**I** – **A**) matrix exists, then we can show how final output in the economy varies across all industries given any particular pattern of final demand:

$$\mathbf{X} = (\mathbf{I} - \mathbf{A})^{-1}\mathbf{D}.$$

Given that relationship, we can then show what *change* in final outputs results from any given *change* in final demands. Letting the Greek letter Δ indicate a discrete change in any variable or matrix or vector, the last equation becomes:

$$\Delta \mathbf{X} = (\mathbf{I} - \mathbf{A})^{-1}\Delta \mathbf{D}.$$

RIMS II uses this equation to estimate how any given change in final demand affects the economy's output, industry by industry.

THE LEONTIEF INVERSE AS A CONVERGENT GEOMETRIC SERIES

The Leontief inverse, $(\mathbf{I} - \mathbf{A})^{-1}$, that is used in the above equation to show how the economy's output will change in response to changes in demand is the matrix equivalent of a convergent geometric series. This is important because a convergent geometric series can be used to model any multi-round spending system that has leakages.

The most famous example of a convergent geometric series being used in this way is the Keynesian expenditures multiplier that is used in many macroeconomic models. As an example, consider a situation in which the government of a closed economy that does not engage in any international trade is going to increase its spending by \$1. Also assume that each person in the economy has a marginal propensity to consume of $c = 0.90$. This means that each person will spend 90 percent of any income received (and save the other 10 percent).

When the government increases its spending by \$1, the economy's gross domestic product (GDP) immediately increases by \$1. But whoever sold the government the good or service that the government purchased for \$1 has seen her income increase by \$1. So she would then apply the marginal propensity to consume of $c = 0.90$ to that \$1 of income. That implies that she will go out and spend \$0.90 ($= c \times \$1 = 0.90 \times \$1$) on goods and services while saving the other \$0.10.

Whoever sells her those goods and services receives \$0.90 of income. He will then apply the marginal propensity to consume of $c = 0.90$ to that income, implying that he will spend \$0.81 ($= c \times c \times \$1 = c^2 \times \$1 = 0.90 \times 0.90 \times \$1$) and save the other \$0.09.

That \$0.81 of spending will flow as income to another person who will again apply the marginal propensity to consume of $c = 0.90$. In doing so, that person will end up spending \$0.729 ($= c \times c \times c \times \$1 = c^3 \times \$1 = 0.90 \times 0.90 \times 0.90 \times \$1$) and saving the remaining \$0.081.

Mathematically, this sequence of spending steps can be thought of as continuing onward an infinite number of times, with the amount of spending decreasing each time due to the leakage of savings at each step.

For our specific example where $c = 0.90$, we see that the total amount spent in dollars in the economy across all rounds of spending (including the government's initial \$1 of spending) will be equal to,

$$1 + 0.90 + 0.90^2 + 0.90^3 + \cdots$$

$$= 1 + 0.90 + 0.81 + 0.729 + \cdots$$

That implies that, for any c, the total amount spent in dollars across all rounds of spending (including the government's initial \$1 of spending) will be equal to the sum,

$$1 + c + c^2 + c^3 + \cdots$$

That sum is a geometric sequence that will be convergent (meaning that it sums to a finite number) whenever c is less than 1.0 (as it is in our example and as it would be for any economy that experiences spending leakages—which is, of course, *every* real-world economy). It can be shown that the finite number to which such a convergent sequence converges is given by the equation,

$$1 + c + c^2 + c^3 + \cdots = \frac{1}{1-c} = (1-c)^{-1}.$$

The Leontief inverse $(\mathbf{I} - \mathbf{A})^{-1}$ is simply the matrix-algebra equivalent of $(1-c)^{-1}$. Thus, $(\mathbf{I} - \mathbf{A})^{-1}$ expresses for every industry in the economy how much output will be produced as the result of all the rounds of spending that result from any given initial change in final demand **D**.

RIMS II ASSUMPTIONS

The I-O framework underlying RIMS II imposes seven major assumptions that need to be considered when conducting an economic impact study:

1. **Backward Linkages.** RIMS II is a backward-linkage model, so that an increase in demand for output results in an increase in the demand for inputs.

2. **Fixed Purchase Patterns.** RIMS II assumes that industries do not change the relative mix of inputs used to produce output; that is, the "recipe" of inputs used to produce output is always the same. This assumption implies constant returns to scale, meaning that each industry must double its inputs if it wishes to double its output.

3. **Industry Homogeneity.** RIMS II assumes that all the businesses in an industry use the same production process or "recipe" for turning inputs into output. This assumption can cause the aggregation bias that was discussed above if the underlying I-O model uses a high level of aggregation and consequently groups businesses with relatively dissimilar production processes into the same aggregate industry.

4. **No supply constraints.** RIMS II is a "fixed price" model because it assumes that businesses can use as many inputs as they want without facing higher input prices.

5. **Local Supply Conditions.** As discussed above, RIMS II uses location quotients (LQs) to account for the fact that local industries often do not supply enough of the intermediate inputs needed to produce a region's output. In such cases, the local industries that require inputs that are not produced in sufficient quantities locally must obtain them from suppliers located outside the region. These purchases are leakages because they represent money that no longer circulates in the local economy. The larger the leakages, the smaller the multipliers.

6. **No Regional Feedback.** RIMS II is a single region I-O model that ignores any feedback that may exist among regions. Thus, for example, if the local electricity-generating

industry imports a huge amount of coal from the next region over (because there is insufficient local coal to supply the local electricity-generating industry) RIMS II cannot model whether the coal industry the next region over ends up importing a huge amount of mining equipment that is produced in the local region. RIMS II can only capture feedbacks that happen *within* the local region.

7. No Time Dimension. Time is not explicitly modeled in RIMS II. As a result, the length of time that it takes for the total impact of an initial change in economic activity to be completely realized is not predefined. By way of comparison, it should be noted that the actual adjustment periods found in the real world vary and are dependent on the nature of the initial change in economic activity as well as the local region's industrial structure.

THE RIMS II MULTIPLIERS

The multipliers given by RIMS II are based on initial changes in final demand. Final demand consists of:

- Household expenditures on goods and services
- Business investment expenditures on equipment, structures, and software
- Net purchases by (net exports to) foreign households, businesses, and governments of domestically produced goods, services, and investment items
- Federal, state, and local government purchases of any sort (whether on goods, services, or infrastructure)

When there is any initial change in final demand—say, the construction of a hotel—a series of purchases occur in the economy. The major analytic benefit of RIMS II is the generation of multipliers that capture the total economic impact of that series of purchases.

DIRECT, INDIRECT, AND INDUCED EFFECTS

The individual purchases that make up the series of purchases that result from any initial change in final demand can be grouped into three categories.

- **The direct effect** is the value of inputs purchased in the first round of spending by the final-demand industry (which in this case is the construction industry). Examples of direct impact spending include the dollars expended by the contracting company on concrete, the lease payments made for heavy equipment, and expenditures on the diesel used to operate the vehicles used by the contractor to build the hotel.
- **The indirect effect** is the value of inputs purchased in subsequent rounds of spending by the supporting industries. For instance, the company that produces the concrete used to build the hotel will need to pay for the electricity needed to produce that concrete.
- **The induced effect** is the value of goods and services purchased in the local economy as a result of the earnings received by local workers for the labor that they supply to help produce the increases in output that result in the local economy from the initial change in final demand. This set of workers includes not only those hired directly by the construction contractor to build the hotel, but all those workers in indirect-effect

industries whose employment is driven by the initial change in final demand (which in this example is the money paid to the contractor for building the hotel).

TYPE I AND TYPE II MULTIPLIERS

RIMS II provides two different sets of multipliers, which are referred to as Type I and Type II multipliers.

- **Type I multipliers** account for only three types of spending: the initial change in final demand, direct-effect spending, and indirect-effect spending.
- **Type II multipliers** account for four types of spending: the initial change in final demand, direct-effect spending, indirect-effect spending, and induced-effect spending.

Comparing Type I and Type II multipliers, we see that the only difference between them is the inclusion of induced-effect spending in the Type II multipliers. This difference shows up clearly in the formulas used to calculate the two types of multipliers.

- **The formula for Type I multipliers is:**

$$\frac{Initial\ Change\ in\ Final\ Demand + Direct\ Effect\ Spending + Indirect\ Effect\ Spending}{Initial\ Change\ in\ Final\ Demand}$$

- **The formula for Type II multipliers is:**

$$\frac{Initial\ Change\ in\ Final\ Demand + Direct\ Effect\ Spending + Indirect\ Effect\ Spending + Induced\ Effect\ Spending}{Initial\ Change\ in\ Final\ Demand}$$

To help make these formulas concrete, let us continue our example about the construction of a hotel. Suppose that a contractor is paid $10 million to build the hotel. That would constitute a $10 million initial change in final demand. Also suppose that the direct-effect spending totaled $9 million, the indirect-effect spending totaled $4 million, and the induced-effect spending totaled $3 million. Under those assumptions, the Type I and Type II multipliers would be:

$$\text{Type I Multiplier} = \frac{\$10\ million + \$9\ million + \$4\ million}{\$10\ million} = \frac{\$23\ million}{\$10\ million} = 2.30$$

$$\text{Type II Multiplier} = \frac{\$10\ million + \$9\ million + \$4\ million + \$3\ million}{\$10\ million} = \frac{\$26\ million}{\$10\ million} = 2.60$$

THE CORRECT APPLICATION OF TYPE I AND TYPE II MULTIPLIERS

It is up to the analyst to determine whether a Type I or Type II multiplier would be more appropriate for estimating the economic impacts of any particular change in final demand.

In making that determination, the analyst must take into account that fact that Type I and Type II multipliers differ significantly in how they treat household purchases.

That difference has to do with where people reside.

As a baseline assumption, RIMS II assumes that the induced impacts from household purchases occur where people reside. As a result, RIMS II assumes that any changes in household purchases that are made by individuals who live but do not work in a region (such as retirees and workers who live in the region but commute to jobs outside the region) are final-demand changes when using both Type I and Type II multipliers.

A difference arises between Type I and Type II multipliers, however, in terms of the treatment of individuals who do not live in the region but who may spend in the region. As a matter of sensible accounting and definitions, any spending made by these individuals within the region of analysis should be counted as a component of household purchases.

However, only Type II multipliers explicitly distinguish between the two groups of people (those who live within the region and those who live outside the region.)

As a result, in studies using Type I multipliers, all changes in household purchases are treated as final demand changes. That is because Type I multipliers cannot distinguish between the household purchases made by residents and the household purchases made by outsiders. Thus all household purchases—whether made by residents or those who live elsewhere—are assumed to cause final demand changes within the region.

By contrast, in studies using Type II multipliers, all changes in household purchases must exclude the spending of workers who both live and work in the region being analyzed. That is because Type II multipliers count the spending of local residents as being part of household expenditures. Stated another way, Type II multipliers model "households" as being limited to people living in the local area.

As a result, one of the biggest mistakes made when using Type II multipliers is to use a final-demand change that includes output that is purchased by workers who live in the region. This practice leads to inflated impact estimates because the spending of workers who live in the region is already accounted for in the Type II multipliers.

It is the case, however, that the consumer spending of *outsiders* does for the purposes of Type II multipliers constitute a change in the region's final demand. That outside-initiated change in household expenditures can consequently be the exogenous cause of a cascade of spending within the region that will be captured correctly by the Type II multiplier.

Because this Project involves only construction spending, it is the case, however, that we do not have to worry explicitly about outsiders spending money within the area of the Regional Center, at least in terms of initial changes in final demand. However, to the extent that outsider spending may happen during the many subsequent rounds of the multiplier process, it will be more conservative when analyzing the impacts of construction spending to utilize Type II multipliers, which is what I do below.

FINAL-DEMAND AND DIRECT-EFFECT MULTIPLIERS

RIMS II provides four types of final-demand multipliers and two types of direct-effect multipliers. All six of these multipliers provide an estimate of the total economic impact of an initial change in final demand across a regional economy.

In terms of the underlying I-O model, all six of these multipliers keep track of all changes in production (and, hence, value added, employment, output, and earnings) no matter which industry is affected either initially by the initial economic impact or subsequently through all successive rounds of spending.

FINAL-DEMAND MULTIPLIERS

RIMS II generates final-demand multipliers for output, value added, earnings, and employment. They allow analysts to assess the total dollar-valued economic impact that will result from any dollar-valued initial change in final demand.

Table 6 defines the four final-demand multipliers.

TABLE 6: THE RIMS II FINAL-DEMAND MULTIPLIERS

Multiplier	Definition	Application
Final-Demand Output Multiplier	Total change in regional economy's total output per $1 initial change in final demand	Initial change in final demand × Final-Demand Output Multiplier = Total change in regional economy's gross total output (including double counting) across all industries[9]
Final-Demand Value-Added Multiplier	Total change in regional economy's value added per $1 initial change in final demand	Initial change in final demand × Final-Demand Value-Added Multiplier = Total change in regional economy's value-added (GDP) across all industries
Final-Demand Earnings Multiplier	Total change in household earnings in the region per $1 initial change in final demand	Initial change in final demand × Final-Demand Earnings Multiplier = Total change in household earnings in region across all industries
Final-Demand Employment Multiplier	Total number of jobs created in the region per $1 million initial change in final demand	Initial change in final demand × Final-Demand Employment Multiplier = Total jobs created across all industries in the region

For each type of final-demand multiplier, RIMS II generates both a Type I and a Type II multiplier. It is up to the analyst to determine whether a Type I or Type II multiplier would be more appropriate for estimating the economic impacts of any particular change in final demand.

DIRECT-EFFECT MULTIPLIERS

RIMS II generates two types of direct-effect multipliers: the Direct-Effect Earnings Multiplier and the Direct-Effect Employment Multiplier. In either case, the initial change in the initially affected industry is "multiplied up" to demonstrate the region-wide impact across all industries.

The distinguishing feature of direct-effect multipliers is that they are "same-on-same" multipliers. Thus, the Direct-Effect Earnings Multiplier takes the earnings generated by the initial impact in the initial industry and multiplies them up to give the total change in earnings that will result in the region across all industries after all rounds of spending have been accounted for.

[9] The final-demand output multiplier engages in double counting because it sums up the gross increases in the outputs of each separate industry without accounting for the fact that one industry's output and revenue can be another industry's input and cost. This causes double counting because, for example, if the screw-making industry sees a $1 million increase in output but then sells those $1 million of screws on to the automobile industry, the final-demand output multiplier will not account for the fact that the automobile industry has to pay $1 million for those screws. In particular, even if the automobile industry's own output goes up by a gross $3 million, its *net* output would be lower if one subtracted off the cost of those screws as well as the cost of any other inputs that were purchased from other industries. That process of "netting out" is performed by the final-demand value-added multiplier, which, as a result, does not double count and can consequently correctly calculate the change in GDP in a regional economy that results from an initial change in final demand.

In the same way, the Direct-Effect Employment Multiplier indicates by how much the total number of jobs in a region across all industries increases as a result of the initial increase in jobs in the initially impacted industry.

Table 7 defines the two direct-effect multipliers.

TABLE 7: THE RIMS II DIRECT-EFFECT MULTIPLIERS

Multiplier	Definition	Application
Direct-Effect Earnings Multiplier	Total change in household earnings in the region per $1 initial change in final-demand earnings	Initial change in final demand earnings × Direct-Effect Earnings Multiplier = Total change in household earnings in region across all industries
Direct-Effect Employment Multiplier	Total number of jobs created per 1-job initial change in final-demand jobs	Initial change in final demand jobs × Direct-Effect Employment Multiplier = Total jobs created across all industries in the region

RIMS II generates Type I and Type II multipliers for both the Direct-Effect Earnings Multiplier and the Direct-Effect Employment Multiplier. It is up to the analyst to determine whether a Type I or Type II multiplier would be more appropriate for estimating the economic impacts of any particular change in final demand.

THE 20 ROW INDUSTRIES

As noted above, RIMS II offers multipliers created from I-O models built at either of two levels of industry aggregation. At the higher level of aggregation, the U.S. economy is divided into 62 aggregated industries. At the lower level of aggregation, the U.S. economy is divided into 406 detailed industries.

Once those multipliers are calculated, however, RIMS II offers analysts a further grouping of the economy's firms into just 20 so-called "row industries" that each have their own multiplier values. The multipliers for those 20 row industries are not calculated by building a 20-industry I-O model, however. Rather, they are the result of consolidating the multipliers derived either from the RIMS II model built with 62 aggregated industries or the RIMS II model built with 406 aggregated industries.

The multipliers associated with the 20 row industries are very useful for presenting a quick and intuitive breakdown of how any given initial impact to final demand differentially affects different industry sectors. I therefore employ them liberally below to illustrate the economic impacts of the Project.

ASSURING THE CORRECT APPLICATION OF RIMS II IN THE PRESENT STUDY

Economic analysts must proceed with caution when applying RIMS II to any particular situation. Multiple errors are possible. They include incorrectly defining the physical extent of the region of analysis, incorrectly specifying the size of the initial change in final demand, violating the underlying I-O model's fixed-prices assumption, and applying a Type I multiplier when Type II multiplier would be more appropriate (or *vice versa*).

In this section, I explain the steps taken to assure that the RIMS II model is being correctly applied to the matter at hand, namely, estimating the total economic impact on the economy of the fourteen-county area of constructing the Building O Mixed-Use Project.

CORRECTLY SPECIFYING THE REGION OF ANALYSIS

RIMS II is a regional economic model. To work well, it must be applied to a geographically contiguous area that should also be a functional economic unit, meaning that the region should be large enough so that local producers supply a large share of the inputs needed to satisfy the change in final demand that is being analyzed.

In addition, the region should be large enough to capture the interdependencies between a group of related industries but small enough that the results are still economically significant. For example, the construction of a new manufacturing plant may have a large effect on economic activity in the county in which it is built but a negligible effect on economic activity in the state in which it is built.

The residence of final-demand employees is also an important consideration because RIMS II assumes that the vast majority of final-demand employees both work and reside within the local region. It also assumes that all induced impacts from household purchases occur where employees reside.

UTILIZING THE REGIONAL CENTER'S FOURTEEN-COUNTY AREA AS THE REGION OF ANALYSIS

(b)(4) For the analysis of th[redacted]Mixed-Use Project in downtown Chicago, it makes sense to specify the fourteen-county area of the Regional Center as the region of analysis.

To begin with, this fourteen-county area is a contiguous geographic area, as required by RIMS II.

In addition, the 14 counties are also a functional economic unit due to their large combined population (9,522,434 in 2012) and wide range of industries, including banking, insurance, telecommunications, manufacturing, construction, and transportation. Prominent examples include the more than two-dozen companies that are members of the Fortune 500 and which have headquarters within the Regional Center. They included McDonalds, OfficeMax, Kraft Foods, Sears, Wallgreens, Allstate, Sara Lee, Exelon, R.R. Donnelley, and Boeing.

The choice of the fourteen-county area as the region of analysis also ensures that the final-demand employees are almost all going to both work and reside within the fourteen-county area. This can be demonstrated by an examination of the most recent available data on county-to-county commuting flows, which comes from the 2005-2010 American Community Survey.[10]

Of the 4,419,046 workers residing in the fourteen-county area of the Chicago MSA, only 90,954, or 2.06 percent, commuted to other counties for work. The other 97.94 percent worked within the fourteen-county area. Thus, the RIMS II requirement that the vast majority of workers live within the region of analysis is met by using the 14 counties of the Regional Center as the region of analysis.

VERIFYING THE CONSTANT-STRUCTURE/SMALL-IMPACT ASSUMPTION

RIMS II is calibrated under the assumption that any given change in final demand will be small enough in size that it will not alter the underlying industrial structure of the region of analysis.

As a counter example, suppose that the Federal government suddenly decided to massively increase the size of the U.S. Navy's only boot camp facility, which is headquartered within the Regional Center at Naval Station Great Lakes. If the Federal government did that, it would cause a bidding war for the limited supply of local resources. With its deep pockets, the government would win that bidding war. As a result, we would see large fractions of those resources taken away from existing industries in order to supply expanded boot camp training activities.

[10] The ACS commuting data is available at the U.S. Census website: http://www.census.gov/population/metro/data/other.html. In particular, download Table 1, Residence County to Workplace County Flows for the United States and Puerto Rico Sorted by Residence Geography: 2006-2010. There also exists data on county-to-county commuting based on the decennial census. But because that data is reported with a lag, the most recent Census commuting data is from the 2000 (rather than the 2010) census. Thus, I use the ACS commuting data because it is substantially more up-to-date.

That redirection of resources would kill off some local industries and force others to contract. The industrial structure of the entire area would be permanently altered.

If so, the industrial structure assumed by RIMS II for the area would no longer be valid as it is based on historical data that would have been collected before the changes to the fourteen-county area's industrial structure caused by the expansion of boot camp activities at Naval Station Great Lakes.

The construction and operation of the [redacted] Mixed-Use Project, by contrast, should have no such structural effects on the economy of the fourteen-county area. The project is simply
(b)(4) too small a change in final demand to cause any structural changes in the local economy.

In particular, the project's qualifying hard construction costs of [redacted]hat will be spread out over at least 30 months are very small when compared to annual construction spending in the Chicago area, which totaled over $5.7 billion in 2012 according to data from McGraw Hill Construction.[11]

Thus, the construction and operation of the hypothetical Project should have no effect on the underlying economic structure of the local economy. As a result, the RIMS II multipliers for the fourteen-county area should be fully trustworthy with respect to the changes in final demand that are considered within this analysis.

VERIFYING THE FIXED-PRICES ASSUMPTION

As with other I-O models, RIMS II assumes that there is slack in the local economy so that any change in final demand that is modeled using RIMS II will not cause firms to alter their mix of inputs in response to changes in input prices.

To understand the potential problem, assume the opposite situation, one in which there is no slack in the local economy. In such a situation, every worker who wants to work has a job, all commercial real estate is occupied by paying tenants, and all factories are operating near full capacity. In such a situation, any incremental increase in final demand occurring in one industry could only be met by the affected firms in that industry bidding up the prices of the inputs necessary to produce that incremental increase in final demand. As they do so, however, other industries will respond to those increased prices by reducing their own consumption of resources.

That reallocation is economically useful because the resources that they no longer utilize can flow to the industry that is bidding up their cost. But it also means that firms throughout the local economy may be altering not only the total amount of resource inputs that they are using

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[11] Figure from "Construction contracts rise in 2012", December 3, 2012 by Micah Maidenberg, ChicagoRealEstateDaily.com.
http://www.chicagorealestatedaily.com/article/20121203/CRED02/121209989/chicago-area-construction-contracts-rise-in-2012

but also their relative amounts. For instance, if the price of labor is bid up severely throughout the region by the industry affected by the change in final demand, other firms may respond by cutting back on labor by substituting machinery.

Any such responses to changes in prices will result in an economic structure that is different from the historically based structure assumed by RIMS II. As a result, the RIMS II multipliers will not be valid.

It is extremely unlikely that the [redacted]ixed-Use Project would cause any of these sorts of
(b)(4) relative-price changes. That is because, as noted in the previous section, the project is small with respect to the overall size of the local economy. Thus, it is not capable of removing the existing, post-recessionary slack from the local economy on its own.

As a result, it is extremely unlikely that the Project will result in price changes. Thus, the RIMS II multipliers for the fourteen-county area should be fully trustworthy with respect to the construction-related changes in final demand that are considered in this analysis.

VERIFYING THE NET-CHANGES REQUIREMENT

When applying RIMS II multipliers to changes in final demand, it is extremely important to ensure that any given change in final demand is a net change and not a gross change.

As an example of what could go wrong, consider a situation in which an amusement park such as Six Flags Great America Chicago (located in within the Regional Center, north of Chicago, in the city of Gurnee, Illinois) is expanded by the installation of a new roller coaster. Further suppose that as a result of that new attraction, Six Flags' annual revenue increases by $15 million.

It would be tempting to apply that $15 million change in final demand to RIMS II multipliers in order to figure out the total economic impact felt by the local economy as a result of the ongoing operation of that new roller coaster. However, suppose that part or all of that $15 million increase in Six Flags' annual revenue was due to the new attraction drawing customers away from another amusement park in the region (such as Navy Pier in downtown Chicago). Then the new roller coaster at Six Flags will have negative as well as positive effects on the regional economy's total output.

To continue with our example, suppose that the other amusement park loses $9 million per year in revenue as the result of Six Flags' new roller coaster. Then the *net* change in final demand in the local economy would be the $15 million gross increase in final demand resulting from Six Flags' increase in revenue less the offset created by the competing park's $9 million loss of revenue. Subtracting one from the other reveals that the local economy would actually enjoy a net final demand increase each year of only $6 million (= $15 million - $9 million). It is this net change in the region's final demand that should be used in conjunction with RIMS II multipliers when calculating total economic impacts.

This line of reasoning implies that we must consider the extent to which the construction of the
(b)(4) [redacted]ixed-Use Project will represent net new final demand. We must worry about

whether some or all of the gross spending will be the result of stealing business from other firms in the area.

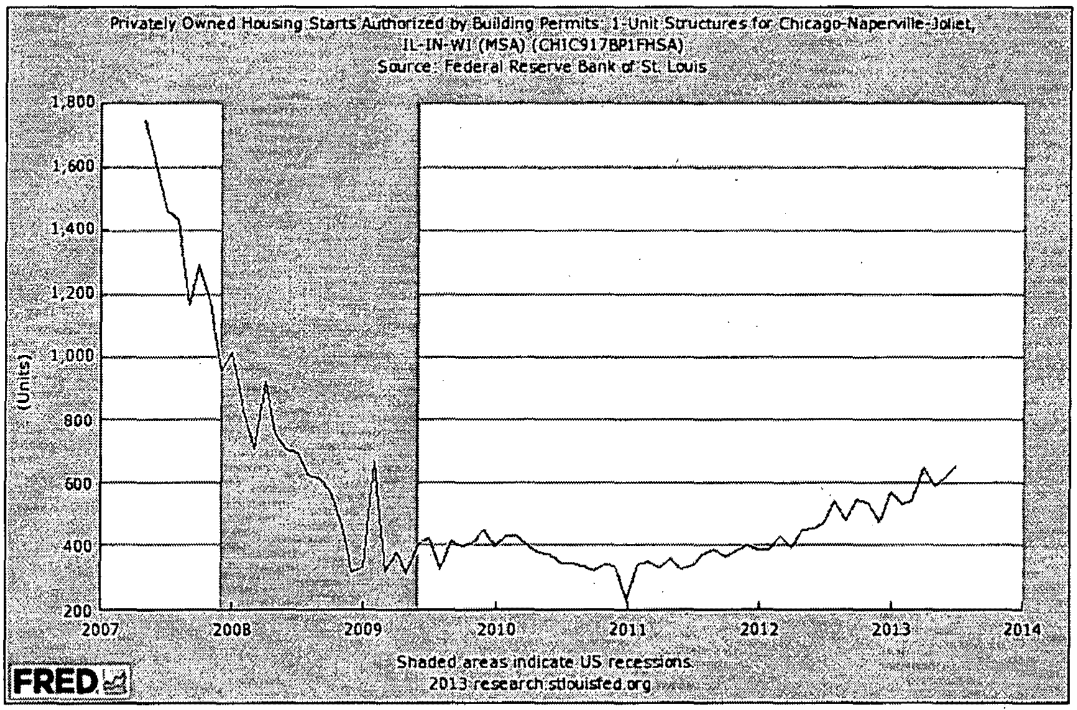
There is credible evidence on this matter. It comes from two sources.

The first is the decline in construction employment in the Chicago MSA in recent years. The number of construction jobs in Chicago fell from 284,300 to 145,400 between May 2007 and
(b)(4) May 2013. Thus, if the [redacted] Mixed-Use Project were to proceed, its construction would be done in the context of a very slack construction market. As a result, the Project would put unemployed construction workers back to work rather than diverting them from other construction projects.

The second piece of evidence indicating that the Project will provide net new demand is the decline in privately owned housing starts in the Chicago MSA in recent years. As shown in in Figure 8, there was a dramatic decline in privately owned housing starts in the Chicago MSA as a result of the 2007-2009 recession.

Housing starts fell from a monthly rate of nearly 1,800 per month in May 2007 to only about 200 per month in early 2011. Even after recovering somewhat through May 2013, the number of number of privately owned housing starts is roughly a third of what it was in May 2007. Thus,
(b)(4) again, the [redacted] Mixed-Use Project would represent net new demand for construction that will have high multiplier effects than would be the case if the Project's construction spending were merely redirecting construction resources away from other projects.

FIGURE 8: PRIVATELY OWNED HOUSING STARTS IN THE CHICAGO MSA, 2007-2013



SOURCE: FRED II, FEDERAL RESERVE BANK OF ST. LOUIS.

VERIFYING THE CORRECT TYPE OF MULTIPLIER

There is only one type of economic impact that must be estimated with respect to the Project:

(b)(4)

- The impact of constructing the hypothetical [redacted] Mixed-Use Project

To analyze that economic impact using RIMS II, we must first decide whether to utilize Type I or Type II multipliers.

The differences between Type I and Type II multipliers were discussed above. They imply that we will be able to utilize Type II multipliers for the Project's spending impacts.

(b)(4)

To understand why, consider the economic impact of constructing [redacted]

Because construction represents investment rather than household spending, we do not have to worry about the differences between Type I and Type II multipliers with regard to household expenditures. Either type of multiplier will implicitly account for induced household spending. But, by using Type II multipliers, we will be able to account for the induced spending effects and the resulting job creation. So, in the analysis below, I employ Type II multipliers when estimating the total economic impact of the Project's construction spending.

CORRECTLY ACCOUNTING FOR INFLATION

RIMS II multipliers are based upon historical measures of the input-output relationships in the United States economy. As a result, the multipliers provided by RIMS II are based upon nominal dollar values in a particular year. In the analysis presented below, that year is 2010. As a result, any nominal dollar values for initial impacts occurring in later years must be adjusted for inflation and "deflated" down to 2010 levels before they are multiplied by the year 2010 RIMS II multipliers that are employed in this analysis.

I handle inflation in the following way:

- For any prices through 2012, I utilize historical Consumer Price Index (CPI) values constructed by the Bureau of Labor Statistics to deflate down to 2010 dollars.
- For any prices from the start of 2013 onward, I deflate back to 2010 values by combining the historical CPI values for the years up through 2012 with the Cleveland Fed's December 2012 estimate that the public's consensus 10-year predicted average annual inflation rate over the next 10 years (2013-2023) was 1.52 percent per year.

THE PROJECT'S ECONOMIC IMPACT

For the purposes of EB-5 analysis, it is most important to focus on the employment impact of the hypothetical Project. I will, however, also quantify the impact of the Project on output and earnings in the fourteen-county area.

The employment, output, and earnings impacts are the result of a single initial change in final demand, namely:

(b)(4)

- The construction of the hypothetical [redacted] Mixed-Use Project

Let's examine that impact and its effects in detail.

ECONOMIC IMPACT OF CONSTRUCTION EXPENDITURES

A reproduction of the Project's pro forma hard construction costs is presented in Table 8. The RIMS II multipliers for the 20 row industry aggregate sectors are shown in Tables 9 and 10.

TABLE 8: PRO FORMA "HARD CONSTRUCTION COSTS"

Item	Hard Construction Costs
Apartments	[redacted]
Retail	
Common Space - Shared - All	
Amenity Facilities	
Hotel A	
Hotel B	
Parking	
Mechanical	
Hotel A FFE/OSE/IT	
Hotel B FFE/OSE/IT	
Retail TI	
Total Hard Construction Costs	

(b)(4)

Please note that as per USCIS guidelines, several of the items listed as hard construction costs in Table 8 may not be counted when estimating EB-5 jobs impacts. In particular, one cannot count the jobs-creation impacts of the final three items: Hotel A's FFE/OSE/IT costs, Hotel B's FFE/OSE/IT costs, and the costs of Retail TI.

Thus, we include only the first eight items, each of which qualifies under USCIS guidelines as an admissible hard construction cost. Those eight items (Apartments, Retail, Common Space, Amenity Facilities, Hotel A, Hotel B, Parking, and Mechanical) sum to [redacted] It is this

(b)(4)

number that we utilize when estimating the jobs impacts of the Project's hard construction expenditures.

Because the construction project is expected to last at least 30 months, the direct jobs (as well as the indirect and induced jobs) associated with the project's qualifying [redacted]f hard construction costs may be counted. (b)(4)

HARD CONSTRUCTION COSTS

When calculating the impact of hard construction costs, the most appropriate detailed NAICS code is 2362, "Non-residential Building Construction."

In terms of applying the 20 row industry codes used by RIMS II to make sector-by-sector employment projections, however, the most appropriate row industry code is #7, "Construction."

(b)(4) [redacted]

[12] This is a very conservative number because I used the deflator value of 0.90087497, which is the deflator for 2016, the year in which construction on the Project is to be completed. By contrast, construction is set to begin in 2014 and run through 2016. So by using the 2016 deflator value (rather than the 2014 or 2015 deflator values, which are larger), I am exaggerating the effect of expected inflation and therefore producing smaller, more conservative estimates of the economic impact of completing construction on the Project.

TABLE 9: RIMS II PROJECTIONS FOR EMPLOYMENT, OUTPUT, AND EARNINGS IN THE FOURTEEN-COUNTY AREA AS A RESULT OF THE PROJECT'S QUALIFYING HARD CONSTRUCTION EXPENDITURES

Industry Group	Employment	Output	Earnings
Agriculture, forestry, fishing, and hunting	[redacted]		
Mining			
Utilities			
Construction			
Manufacturing (b)(4)			
Wholesale trade			
Retail trade			
Transportation and warehousing			
Information			
Finance and insurance			
Real estate and rental and leasing			
Professional, scientific, and technical services			
Management of companies and enterprises			
Administrative and waste management services			
Educational services			
Health care and social assistance			
Arts, entertainment, and recreation			
Accommodation			
Food services and drinking places			
Other services			
Households			
Totals			

Source: Author calculations based on RIMS II multipliers from the Bureau of Economic Analysis

(b)(4)

As reported in Table 9, a total of [redacted] obs will be created by the Project's hard construction expenditures. This figure includes direct, indirect, and induced jobs creation.

Please note that these [redacted] of EB-5 funding that Project Lender LP seeks to utilize in this project.

Turning to output and earnings, the Project's qualifying hard construction expenditures will cause total output in the fourteen-county area across all 20 of the row industry aggregate sectors to increase by [redacted] nd total earnings in the fourteen-county area across all 20 row industry aggregate sectors to increase by [redacted]

(b)(4)

The Project's hard construction expenditures will, consequently, have a material impact on the fourteen-county economy of the Chicago MSA.

Table 10 presents those impacts in a more intuitive manner by using the figures in Table 9 to generate the per-worker amounts of output and earnings that will result in each of the 20 row industry aggregate sectors as a result of the Project's [redacted] in qualifying hard construction expenditures. (b)(4)

As reported in Table 10, output per worker will increase by an average o[redacted]and the newly created jobs will on average generate $[redacted]f earnings per worker.

TABLE 10: RIMS II PROJECTIONS FOR OUTPUT PER WORKER AND EARNINGS PER WORKER IN THE FOURTEEN-COUNTY AREA AS A RESULT OF THE PROJECT'S QUALIFYING HARD CONSTRUCTION EXPENDITURES

Industry Group	Output per worker	Earnings per worker
Agriculture, forestry, fishing, and hunting	[redacted]	
Mining		
Utilities		
Construction		
Manufacturing		
Wholesale trade		
Retail trade		
Transportation and warehousing		
Information		
Finance and insurance		
Real estate and rental and leasing		
Professional, scientific, and technical services		
Management of companies and enterprises		
Administrative and waste management services		
Educational services		
Health care and social assistance		
Arts, entertainment, and recreation		
Accommodation		
Food services and drinking places		
Other services		
Households		
Across All Groups		

(b)(4)

Source: Author calculations based on RIMS II multipliers from the Bureau of Economic Analysis

SUMMARY AND CONCLUSION

The hypothetical [redacted] Mixed-Use Project that will be built using [redacted] of EB-5 investor capital raised by Project Lender LP in downtown Chicago, Illinois will generate a total of [redacted] jobs under conservative assumptions. The [redacted] total jobs derive entirely from hard construction expenditures. (b)(4)

(b)(4)

The actual number of jobs created by the Project will almost certainly be higher than [redacted] however, because this analysis has ignored the net new demand that will be created in the local economy once the Project is completed. In particular, net new employment can be expected as the result of three factors: the spending of hotel guests in the local economy, the net new demand created by the Project's two hotels selling accommodations, and the net new demand created by the two hotels' restaurants. To the extent that these three factors create net new demand by increasing tourism, accommodation, and restaurant spending in Chicago, additional employment creation will result above and beyond that detailed here as a result of construction spending.

Thus, the jobs impact reported in this analysis should be considered to be a floor value. The actual jobs impact is likely to be substantially higher.

But even if it is not, the hypothetical Project will generate [redacted] of EB-5 immigrant-investor funding that Project Lender LP intends to utilize in the construction of the [redacted] Mixed-Use Project. [redacted]

(b)(4)

Consequently, USCIS approval of the applicant TUR Regional Center is recommended from an economic standpoint.

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The quality of a firm's management has a direct effect on the economic viability of any projects under its supervision. The financial forecasts presented in this analysis assume responsible ownership and competent management. Any departure from this assumption might have a significant impact on the analysis.

The economic analysis presented in this report is based upon assumptions, estimates, and evaluations of conditions in the local and national economy. Both may be subject to sharp rises and declines. Over the projection period considered in our analysis, wages and other operating expenses may increase or decrease due to market volatility and economic forces outside the control of individuals, businesses, or governments.

Many of the figures presented in this report were generated using sophisticated computer models that make calculations based on numbers carried out to three or more decimal places. In the interest of simplicity, most numbers have been rounded. Thus, all such figures may be subject to small rounding errors.

It is agreed that our liability to the client is limited to the amount of the fee, if any, paid as liquidated damages.

Our responsibility is limited to the client, and use of this report by third parties shall be solely at the risk of the client and/or third parties. The use of this report is also subject to the terms and conditions set forth in our engagement letter with the client.

Economic analysis is both a science and an art. Although this analysis employs various mathematical calculations to provide economic impact indications, the final forecasts are subjective and may be influenced by our experience and other factors not specifically set forth in this report.

Impact Econometrics LLC prepared this study. All opinions, recommendations, and conclusions expressed during the course of this assignment are rendered by the staff of Impact Econometrics LLC as employees, rather than as individuals.

APPENDIX I: TEA DESIGNATION LETTER

(b)(4)

The next three pages reproduce the TEA designation letter for the area of downtown Chicago that includes the location of the hypothetical [redacted] Mixed-Use Project.

The designation letter was issued o[redacted]y the Illinois Department of Employment Security.

IDES

ILLINOIS DEPARTMENT OF EMPLOYMENT SECURITY

Pat Quinn
Governor

Jay Rowell
Director

(b)(4) [redacted]

Mr. A. Joshua Strickland
Vice President
Tur Partners, LLC
900 North Michigan Ave, Suite 1720
Chicago, IL 60611

Dear Mr. Strickland:

Please be advised that the Illinois Department of Employment Security (IDES) is the designated state agency with the authority to certify that geographic areas within the State of Illinois qualify as areas of high unemployment under the Alien Entrepreneur Visa Program. (b)(4)

This is to confirm that the proposed project a[redacted]s located in an area of high unemployment as defined in Section 8 CFR 204.6(i) of the Code of Federal Regulations. The proposed project encompasses the Census Tracts shown in the attached table and map, all of which are located in Chicago. Federal regulations do not provide guidelines on how physical boundaries are to be evaluated, so IDES has made no judgment based on the physical boundaries of the area. IDES solely evaluates whether the geographic area meets the standards for a high unemployment area. Further, an area's final designation as a Targeted Employment Area will be made by U.S. Citizenship and Immigration Services.

The determination of eligibility is based on an analysis of the labor force data for the 12-month period ending December 2012 for the above mentioned Census Tracts and for the U.S. as a whole. The Census Tract data were developed by the Economic Information and Analysis Division of IDES using the census-share method, as described in the U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics Program Manual. The average national unemployment rate for the year 2012 was 8.1 percent. We have determined that the 2012 unemployment rate for the Census Tracts that comprise the high unemployment
(b)(4) area was [redacted]of the 2012 national unemployment rate.

The State of Illinois has not investigated the proposed project, nor has it made an assessment about the quality of the project, or the potential for earnings of the project at the above address. The State of Illinois verifies that the area designated is an area of high unemployment and is contiguous but does not evaluate the geographic boundaries. Projects in a TEA are not affiliated with, or sponsored by, the State of Illinois or the Illinois Department of Employment Security.

Sincerely,

Richard Reinhold
Manager, Local Area Unemployment Statistics
Economic Information and Analysis Division

(b)(4)

Source: Illinois Department of Employment Security, Economic Information and Analysis

[redacted]

Location of proposed project

(b)(4)

Legend:

Boundaries

- State
- '00 County
- '00 Census Tract

Features

- Street
- Stream/Waterbody

Your Selections

- Your Selections

Items in grey text are not visible at this zoom level

APPENDIX II: RIMS II MULTIPLIERS FOR THE FOURTEEN-COUNTY AREA

The following two pages reproduce the RIMS II multipliers at the 62-industry level of aggregation for the fourteen-county area comprised of Cook, DeKalb, DuPage, Grundy, Kane, Kendal, Lake, McHenry, and Will counties in Illinois; Jasper, Lake, Newton and Porter counties in Indiana; and Kenosha county in Wisconsin.

These multipliers were ordered from the Bureau of Economic Analysis on June 16, 2013. Due to excessive length, I am not reproducing the RIMS II multipliers for the 406-industry level of aggregation or the RIMS II multipliers for the 20 row industry aggregate sectors that were used to estimate the economic impacts presented above.

RIMS II Multipliers (2010/2010)
Table 2.5 Total Multipliers for Output, Earnings, Employment, and Value Added by Industry Aggregation
Chicago MSA (14 Counties) (Type II)

INDUSTRY	Multiplier					
	Final Demand				Direct Effect	
	Output/1/ (dollars)	Earnings/2/ (dollars)	Employment/3/ (jobs)	Value-added/4/ (dollars)	Earnings/5/ (dollars)	Employment/6/ (jobs)
1. Crop and animal production	1.9912	0.4640	13.4511	0.9495	2.3083	1.9844
2. Forestry, fishing, and related activities	2.7848	0.5558	22.1975	1.7355	2.5921	2.3031
3. Oil and gas extraction	1.6766	0.3522	10.0544	1.0220	2.4219	1.9781
4. Mining, except oil and gas	1.7339	0.4241	8.8134	0.9963	2.0240	2.6097
5. Support activities for mining	2.3919	0.6515	16.2542	1.1847	2.6891	2.5698
6. Utilities*	1.4821	0.3211	5.6319	0.9719	1.8252	3.0953
7. Construction	2.3975	0.8087	19.2679	1.3026	1.9955	2.2205
8. Wood product manufacturing	2.1613	0.5855	15.6455	1.0006	2.4227	2.2422
9. Nonmetallic mineral product manufacturing	2.2457	0.5658	13.0017	1.0869	2.7362	3.1064
10. Primary metal manufacturing	2.3654	0.5196	12.0967	0.9038	3.4890	3.8290
11. Fabricated metal product manufacturing	2.4033	0.6440	14.5551	1.1692	2.5036	2.9842
12. Machinery manufacturing	2.3040	0.6354	13.1023	1.1601	2.3930	3.2770
13. Computer and electronic product manufacturing	1.8236	0.5071	10.8546	1.1862	1.9452	2.3466
14. Electrical equipment and appliance manufacturing	2.2291	0.5442	11.5045	1.0459	2.6802	3.5262
15. Motor vehicle, body, trailer, and parts manufacturing	2.5280	0.5714	13.8329	0.9339	3.8202	3.5791
16. Other transportation equipment manufacturing	2.3341	0.5398	13.3026	1.0401	3.6092	3.2067
17. Furniture and related product manufacturing	2.2398	0.6475	15.8077	1.1817	2.1887	2.3272
18. Miscellaneous manufacturing	2.1507	0.6291	12.9396	1.2233	2.1217	2.8723
19. Food, beverage, and tobacco product manufacturing	2.1689	0.4805	11.3979	0.8816	3.0784	3.2764
20. Textile and textile product mills	1.9669	0.5113	13.5651	0.8570	2.2053	2.0851
21. Apparel, leather, and allied product manufacturing	2.0973	0.7376	22.3180	1.2776	1.7703	1.6363
22. Paper manufacturing	2.0215	0.4852	10.3718	0.9019	2.5045	3.1646
23. Printing and related support activities	2.3715	0.6759	16.4528	1.1368	2.4620	2.6442
24. Petroleum and coal products manufacturing	1.4195	0.2669	4.4969	0.4886	1.7314	2.7326
25. Chemical manufacturing	1.9599	0.4366	8.1378	0.8821	2.7045	4.5436
26. Plastics and rubber products manufacturing	2.1273	0.4756	10.8154	0.9798	2.8398	3.1010
27. Wholesale trade	2.1103	0.6524	13.8206	1.3029	2.0801	2.8401
28. Retail trade	2.1152	0.6702	23.1851	1.3165	1.9466	1.6273
29. Air transportation	2.0253	0.4807	10.8310	0.9793	2.5609	3.4369
30. Rail transportation	2.3680	0.5818	12.0586	1.1733	3.1332	5.1982
31. Water transportation	1.8634	0.4020	8.7313	0.8816	2.6458	3.6319
32. Truck transportation	2.3793	0.7083	17.8754	1.2201	2.3026	2.4655
33. Transit and ground passenger transportation*	2.1837	0.8188	27.2021	1.3519	1.6711	1.4768
34. Pipeline transportation	2.2263	0.8110	14.6476	1.3245	1.8438	3.2255
35. Other transportation and support activities*	2.1807	0.8170	19.9995	1.3692	1.7376	1.9273
36. Warehousing and storage	2.1452	0.7698	20.9944	1.4093	1.7771	1.8331
37. Publishing industries, except Internet	2.2792	0.6470	15.3639	1.2188	2.5552	3.0747
38. Motion picture and sound recording industries	2.0876	0.5725	18.4398	1.2170	2.3355	1.9706

(Continued)

Region Definition: Cook, IL; DeKalb, IL; DuPage, IL; Grundy, IL; Kane, IL; Kendall, IL; Lake, IL; McHenry, IL; Will, IL; Jasper, IN; Lake, IN; Newton, IN; Porter, IN; Kenosha, WI

*Includes Government enterprises.

1. Each entry in column 1 represents the total dollar change in output that occurs in all industries for each additional dollar of output delivered to final demand by the industry corresponding to the entry.
2. Each entry in column 2 represents the total dollar change in earnings of households employed by all industries for each additional dollar of output delivered to final demand by the industry corresponding to the entry.
3. Each entry in column 3 represents the total change in number of jobs that occurs in all industries for each additional 1 million dollars of output delivered to final demand by the industry corresponding to the entry. Because the employment multipliers are based on 2010 data, the output delivered to final demand should be in 2010 dollars.
4. Each entry in column 4 represents the total dollar change in value added that occurs in all industries for each additional dollar of output delivered to final demand by the industry corresponding to the entry.
5. Each entry in column 5 represents the total dollar change in earnings of households employed by all industries for each additional dollar of earnings paid directly to households employed by the industry corresponding to the entry.
6. Each entry in column 6 represents the total change in number of jobs in all industries for each additional job in the industry corresponding to the entry.

NOTE.–Multipliers are based on the 2010 Annual Input-Output Table for the Nation and 2010 regional data. Industry List B identifies the industries corresponding to the entries.

SOURCE.–Regional Input-Output Modeling System (RIMS II), Regional Product Division, Bureau of Economic Analysis.

RIMS II Multipliers (2010/2010)

Table 2.5 Total Multipliers for Output, Earnings, Employment, and Value Added by Industry Aggregation
Chicago MSA (14 Counties) (Type II)

INDUSTRY	Multiplier					
	Final Demand				Direct Effect	
	Output/1/ (dollars)	Earnings/2/ (dollars)	Employment/3/ (jobs)	Value-added/4/ (dollars)	Earnings/5/ (dollars)	Employment/6/ (jobs)
39. Broadcasting, except Internet	2.4473	0.7463	15.9811	1.1790	2.4387	4.0647
40. Telecommunications	1.8901	0.4139	9.1895	1.0916	2.6749	3.6480
41. Internet and other information services	2.1992	0.5536	12.5641	1.1864	2.9399	4.3912
42. Federal Reserve banks, credit intermediation and related services	2.2556	0.5543	12.8286	1.2780	3.0179	4.0114
43. Securities, commodity contracts, investments	2.7855	0.8352	20.7755	1.3872	2.7503	3.0269
44. Insurance carriers and related activities	2.1078	0.6110	13.1029	1.3127	2.1487	2.7570
45. Funds, trusts, and other financial vehicles	2.7803	0.6792	23.5474	1.3470	4.3660	2.2861
46. Real estate	1.7240	0.2712	11.4952	1.1194	3.5425	1.8284
47. Rental and leasing services and lessors of intangible assets	2.0229	0.5764	12.3483	1.3373	2.1405	2.8945
48. Professional, scientific, and technical services	2.2539	0.8776	18.6422	1.4569	1.7448	2.2979
49. Management of companies and enterprises	2.3673	0.8687	15.8253	1.4504	1.9036	3.3036
50. Administrative and support services	2.2813	0.8379	31.6311	1.4124	1.8162	1.4953
51. Waste management and remediation services	2.2472	0.6228	14.1360	1.2341	2.4614	3.1603
52. Educational services	2.2978	0.8497	26.4370	1.4197	1.7499	1.6434
53. Ambulatory health care services	2.3193	0.9161	19.7751	1.4677	1.7501	2.2371
54. Hospitals	2.4161	0.8091	19.4120	1.3776	1.9725	2.3709
55. Nursing and residential care facilities	2.2737	0.8487	28.3955	1.4266	1.7606	1.5781
56. Social assistance	2.3803	0.8789	36.8219	1.4449	1.8338	1.4434
57. Performing arts, spectator sports, museums, zoos, and parks	2.3392	0.8269	28.9231	1.3893	1.9715	1.6840
58. Amusements, gambling, and recreation	2.1636	0.7036	29.2361	1.3268	1.9123	1.4496
59. Accommodation	2.2284	0.6375	19.8020	1.2613	2.4290	2.0003
60. Food services and drinking places	2.1997	0.6557	27.9226	1.2214	2.0851	1.4775
61. Other services*	2.4836	0.8710	24.5895	1.4131	1.9862	1.9432
62. Households	1.4962	0.4334	12.6515	0.8812	0.0000	0.0000

Region Definition: Cook, IL; DeKalb, IL; DuPage, IL; Grundy, IL; Kane, IL; Kendall, IL; Lake, IL; McHenry, IL; Will, IL; Jasper, IN; Lake, IN; Newton, IN; Porter, IN; Kenosha, WI

*Includes Government enterprises.

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6. Each entry in column 6 represents the total change in number of jobs in all industries for each additional job in the industry corresponding to the entry.

NOTE.--Multipliers are based on the 2010 Annual Input-Output Table for the Nation and 2010 regional data. Industry List B identifies the industries corresponding to the entries.

SOURCE.--Regional Input-Output Modeling System (RIMS II), Regional Product Division, Bureau of Economic Analysis.

APPENDIX III: RESUME OF SEAN MASAKI FLYNN, PH.D.

Sean Masaki Flynn is an associate professor of economics at Scripps College in Claremont, California. He is the author of the international best-seller *Economics for Dummies*, which has now been translated into seven foreign languages, as well as the coauthor, along with Campbell McConnell and Stanley Brue, of the world's best-selling college economics textbook, *Economics: Principles, Problems, and Policies*. This book is also the world's best selling college textbook of any subject.

An avid martial artist, Sean is a former aikido national champion and has coached five of his students to U.S. national aikido titles. Sean's research specialties are behavioral economics and behavioral finance, with a focus on irrational investors. A recurring commentator on FOX Business, ABC News, and NPR, Sean holds a B.A. in economics from the University of Southern California and a Ph.D. in economics from UC Berkeley, where he completed his dissertation under the supervision of 2001 Nobel Laureate George Akerlof.

EDUCATION

Ph.D. in Economics, UC Berkeley	2002
BA/MA in Economics, University of Southern California	1995

RESEARCH AREAS

Behavioral Finance, Behavioral Economics, Experimental Labor Markets, Regional Economics

TEACHING AREAS

Finance, Behavioral Economics, Behavioral Finance, Macroeconomics, Microeconomics, Gender Economics

PROFESSIONAL EXPERIENCE

2009-present	*Associate Professor of Economics, Scripps College, Claremont, California.* Classes taught: Behavioral Economics, Behavioral Finance, Intermediate Macroeconomics, Introductory Microeconomics, Gender Economics, Self-Defense.
2002-2009	*Assistant Professor of Economics, Vassar College, Poughkeepsie, New York.* Classes taught: Introductory Microeconomics, Intermediate Macroeconomics, Financial Markets and Investments, Behavioral Economics, Behavioral Finance, and a special-topics class for the Cognitive Science Department titled, "Is Rational Conduct Rational?"
2001- 2002	*Head Graduate Student, Department of Economics, UC Berkeley.* In charge of hiring, training, and managing all 65

graduate student instructors as well as dealing with all undergraduate enrollment issues.

2000-2001 — *Lecturer, Department of Economics, UC Berkeley.* Introductory Economics, American Economic History.

1996-2000 — *Graduate Student Instructor, Departments of Economics and Statistics, UC Berkeley.* Introductory to Economics, Macroeconomics, Microeconomics, Economic History of the 20th Century, Introduction to Statistics.

BOOKS

Economics: Principles, Problems, and Policies. 18th edition 2009, 19th edition 2011. With co-authors Campbell McConnell and Stanley Brue. McGraw-Hill. This is the world's best-selling college textbook of any subject.

Economics for Dummies. First edition 2005, second edition 2011. Wiley Publishing. Now translated into seven foreign languages: Spanish, Chinese, Russian, Polish, German, Dutch, and Vietnamese.

Understanding Shodokan Aikido: Basics through 7th Kyu. 2000. Shodokan Press, Berkeley, California.

PEER-REVIEWED RESEARCH ARTICLES

"Noise-trading, Costly Arbitrage, and Asset Prices: Evidence from U.S. Closed-end Funds," 2012, *Journal of Financial Markets* 15(1): 108-125.

"Does Weather Actually Affect Tipping?" with Adam Greenberg, 2012, *Journal of Applied Social Psychology* 42(3): 702-716.

"Does Labor Contract Completeness Drive Unionization? Some Experimental Evidence," with Michael Donnelley, 2012, *Journal of Socio-Economics* 41(4): 445-454.

"Short Selling and Mispricings When Fundamentals are Known: Evidence from NYSE-traded Closed-end Funds," 2010, *The Journal of Financial Research* 33(4): 463–486.

"Sentiment and the Interpretation of News about Fundamentals," December 2006, *The Institute of Chartered Financial Analysts of India Journal of Behavioral Finance* 3(4): 6-28.

"Why Only Some Industries Unionize: Insights from Reciprocity Theory," 2005, *Journal of Institutional Economics* 1(1): 99-120.

SELECTED MEDIA APPEARANCES

Multiple appearances on ABC News, ABC radio, FOX Business, NPR, and various local radio stations. I am typically asked for explanations of recessions, the credit crisis, and how people should manage their investments.

- This is a 2011 podcast of me doing a 10-minute interview on the European debt crisis for KGO Radio's Bill Gross Show: http://www.kgoam810.com/Article.asp?id=2258673&spid=25697
- Here is video of me in 2009 doing a 17-minute interview on the financial crisis for TV Ontario's *The Agenda with Steve Paiken*: http://www.tvo.org/TVO/WebObjects/TVO.woa?video?TAWSP_Int_20090204_779427_0
- Here is audio of an 18-minute interview about the financial crisis that I did in 2009 for NPR's *News and Notes*: http://www.npr.org/templates/story/story.php?storyId=95518180.
- I've been a guest blogger for the *Freakonomics* blog at *The New York Times*: http://freakonomics.blogs.nytimes.com/tag/sean-masaki-flynn/
- Here's a little piece on perverse incentives that I wrote for Forbes.com. Be sure to go through the "In Pictures" slide show that accompanies the article, too. http://www.forbes.com/2009/02/19/incentives-compensation-bonuses-leadership_perverted_incentives.html?partner=whiteglove_google

AIKIDO

3rd degree black belt in the Japanese martial art of aikido. Direct student of world champion Robert Dziubla. Additional extensive training in Japan under grand masters Tetsuo Nariyama, Fumiaki Shishida, and Kenshi Uno. Five of my students—Robyn Millan, Jack McKenna, Janine Parziale, Jeff Stickle, and Tiffany Doan—have won U.S. national championships in either forms or sparring.

- Member of the Board of Directors, Tomiki Aikido of the Americas.
- Forms Champion (with partner Jeff Stickle), 2008 U.S. National Tournament.
- Forms Champion (with partner Jack McKenna), 2002 U.S. National Tournament.
- Full contact sparring champion (aikido division), 2005 Arnold Battle of Columbus.
- Full contact sparring runner up, 2006 U.S. National Tournament.

SELECTED RECENT CONSULTING PROJECTS

- Calculated the economic impact of a Hyatt hotel in San Diego, California
- Calculated the economic impact of a recycling plant in Tampa, Florida
- Calculated the economic impact of a retirement community in Peoria, Arizona.
- Calculated the economic impact of a Hilton hotel in Edmond, Oklahoma.
- Calculated the economic impact of remodeling the Herring Building in Amarillo, Texas and converting it into a hotel and condo complex.
- Calculated the economic impact of constructing and operating a women's prison in El Centro, California.
- Calculated the economic impact of constructing and operating a Kimpton hotel in downtown Sacramento, California.
- Calculated the economic impact of constructing and operating a private for-profit college in a suburb of Minneapolis, Minnesota.
- Calculated the economic impact of constructing and operating a hotel in Taft, California.

- Calculated the economic impact of constructing and operating a retirement community in Bakersfield, California.
- Calculated the economic impact of building and operating a solid-waste-to-electricity conversion plant in Desert Hot Springs, California.
- Calculated the economic impact of constructing and operating a Hyatt hotel in Oceanside, California.
- Calculated the economic impact of expanding a recreational training facility outside Las Vegas, Nevada.
- Calculated the economic impact of constructing a Marriott hotel in Omaha, Nebraska.

Exhibit 6

IDES

ILLINOIS DEPARTMENT OF
EMPLOYMENT SECURITY

Pat Quinn
Governor

Jay Rowell
Director

(b)(4) [redacted]

Mr. A. Joshua Strickland
Vice President
Tur Partners, LLC
900 North Michigan Ave, Suite 1720
Chicago, IL 60611

Dear Mr. Strickland:

Please be advised that the Illinois Department of Employment Security (IDES) is the designated state agency with the authority to certify that geographic areas within the State of Illinois qualify as areas of high unemployment under the Alien Entrepreneur Visa Program. (b)(4)

This is to confirm that the proposed project at [redacted] located in an area of high unemployment as defined in Section 8 CFR 204.6(i) of the Code of Federal Regulations. The proposed project encompasses the Census Tracts shown in the attached table and map, all of which are located in Chicago. Federal regulations do not provide guidelines on how physical boundaries are to be evaluated, so IDES has made no judgment based on the physical boundaries of the area. IDES solely evaluates whether the geographic area meets the standards for a high unemployment area. Further, an area's final designation as a Targeted Employment Area will be made by U.S. Citizenship and Immigration Services.

The determination of eligibility is based on an analysis of the labor force data for the 12-month period ending December 2012 for the above mentioned Census Tracts and for the U.S. as a whole. The Census Tract data were developed by the Economic Information and Analysis Division of IDES using the census-share method, as described in the U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics Program Manual. The average national unemployment rate for the year 2012 was 8.1 percent. We have determined that the 2012 unemployment rate for the Census Tracts that comprise the high unemployment area was [redacted] the 2012 national unemployment rate.
(b)(4)

The State of Illinois has not investigated the proposed project, nor has it made an assessment about the quality of the project, or the potential for earnings of the project at the above address. The State of Illinois verifies that the area designated is an area of high unemployment and is contiguous but does not evaluate the geographic boundaries. Projects in a TEA are not affiliated with, or sponsored by, the State of Illinois or the Illinois Department of Employment Security.

Sincerely,

Richard Reinhold
Manager, Local Area Unemployment Statistics
Economic Information and Analysis Division

Source: Illinois Department of Employment Security, Economic Information and Analysis

(b)(4)

Location of proposed project

(b)(4)

Legend:

Boundaries

- State
- '00 County
- '00 Census Tract

Features

- Street
- Stream/Waterbody

Your Selections

- Your Selections

Items in grey text are not visible at this zoom level

Exhibit 7

[redacted]

November 8, 2013

(b)(4)

Ms. Lori Healey
Chief Executive Officer
TUR PARTNERS LLC
900 N. Michigan Ave., Suite 1720
Chicago, IL 60611

Re: Proposed Building on [redacted]

Dear Lori:

[redacted]

(b)(4)

[redacted]

Enclosures

Exhibit 7A

(b)(4)

[redacted]

Preliminary Construction Schedule

[redacted]

ID	Task Name	Duration	Start	Finish	October	January	April	July	October	January	April	July	October	January	April
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Preliminary Construction Schedule

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ID	Task Name	Duration	Start	Finish	October	[redacted]	October	January	April	July	October	January	April
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Preliminary Construction Schedule

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Project: Revised Master Schedule 7.23
Date: Mon 10/28/13

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Exhibit 7B

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From: (215) 825-8608
H. Ronald Klasko
KRSS, LLP
1800 John F. Kennedy Blvd
Suite 1700
Philadelphia, PA 19103

Origin ID: REDA

FedEx Express

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Ship Date: 19NOV13
ActWgt: 3.0 LB
CAD: 101143083/INET3430

Delivery Address Bar Code

SHIP TO: (215) 825-8608 BILL SENDER

U.S. Citizenship and Immigration Se
California Service Center
Attn: EB-5 Processing Unit
24000 Avila Road, 2nd Floor
LAGUNA NIGUEL, CA 92677

Ref # 8639 Tur Partners
Invoice #
PO #
Dept #

STAMP #164
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STANDARD OVERNIGHT

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Use of this system constitutes your agreement to the service conditions in the current FedEx Service Guide, available on fedex.com.FedEx will not be responsible for any claim in excess of $100 per package, whether the result of loss, damage, delay, non-delivery,misdelivery,or misinformation, unless you declare a higher value, pay an additional charge, document your actual loss and file a timely claim.Limitations found in the current FedEx Service Guide apply. Your right to recover from FedEx for any loss, including intrinsic value of the package, loss of sales, income interest, profit, attorney's fees, costs, and other forms of damage whether direct, incidental,consequential, or special is limited to the greater of $100 or the authorized declared value. Recovery cannot exceed actual documented loss.Maximum for items of extraordinary value is $1,000, e.g. jewelry, precious metals, negotiable instruments and other items listed in our ServiceGuide. Written claims must be filed within strict time limits, see current FedEx Service Guide.

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

July 17, 2014

Lori Healey
Tur Partners Metropolitan Regional Center LLC
900 N. Michigan Avenue, Suite 1720
Chicago, IL 60611

Application:	Form I-924, Application for Regional Center under the Immigrant Investor Pilot Program
Applicant(s):	Tur Partners Metropolitan Regional Center LLC
Re:	Initial Regional Center Designation Tur Partners Metropolitan Regional Center LLC RCW1332451293/ID1332451293

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 November 20, 2013. 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 Tur Partners Metropolitan 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:

Partners Metropolitan Regional Center, LLC
ID1332451293
RCW1332451293

A. Geographic Area

State	Counties/Cities
Illinois, Indiana, Wisconsin	City of Chicago
	Illinois Counties of Cook, DeKalb, Du Page, Grundy, Kane, Kendall, McHenry, and Will
	Indiana Counties of Jasper, Lake, Newton, and Porter
	Wisconsin county of Kenosha

B. Industry Categories[1]

NAICS	Industry Name
2362	Nonresidential Building Construction

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 than 10 full-time positions. If prior to filing a form I-829, the job creation estimated in the

[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 areawill be permissible prior to filing Form I-526 petitions.

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 Partners Metropolitan 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

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

Nicholas Colucci
Chief, Immigrant Investor Program

cc: H. Ronald Klasko
Klasko Rulon Stock Seltzer, LLP
1800 John F. Kennedy Boulevard, Suite 1700
Philadelphia, PA 19103

Economist Due Diligence Summary
Prepared by EC: JOHNSTON EC0020

I. APPLICATION/PETITION REVIEWED	
I-924 Regional Center Application	**Form 1-924, Application for Regional Center with Hypothetical**
☐ I-526 Petition	

II. REGIONAL CENTER (RC) INFORMATION	
Regional Center Name	Tur Partners Metropolitan Regional Center, LLC
Regional Center ID	ID1332451293
Receipt Number	RCW1332451293
Adjudication Status	**Pending**
Date Received	**11/20/2013**
Date of latest version of this report	**2/20/2014**
Recommendation	~~RFE~~ Accept Ca 2-7-14 amended on ECA

III. NEW COMMERCIAL ENTERPRISE (NCE) INFORMATION	
NCE Name:	**Project Lender LP EB-5 formed October 2013**

IV. JOB CREATING ENTITY (JCE/Project)	
Project Name	[redacted]
Type of Project	**Residential/Commercial Construction**
Description of Project (if other, please specify)	

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~~The~~ This complex will be in downtown Chicago in the [redacted] mixed use development called [redacted] will b[redacted] gross square feet in size and will contain two hotels (tentatively identified as Hotel A and Hotel B) as well as [redacted] residential units, retail space, and a [redacted]ar parking garage. The hypothetical Project's pro forma budget includes a total of $[redacted] in expenditures over a construction period that is expected to last at least 30 months. The project hypothetically named General Partner, [redacted] LLC owned by Tur Partners will be landowner not operator. The New Commercial Enterprise will consist of up to [redacted] Limited Partners and will be managed by one General Partner, [redacted] LLC. The General Partner will either be wholly or majority-owned by Tur Partners, LLC. The General Partner will have exclusive management and control over all aspects of the Partnership's business, including the oversight and administration of the Loan made to the New Commercial Enterprise. The principals and executive management for the General Partner include Lori Healey, who also serves as the managing principal for the Regional Center, and Richard Daley, who serves as the executive chairman.

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Expected Number of Investors as claimed by applicant	[redacted]
Expected Number of Jobs as claimed by applicant	[redacted]
Expected Number of eligible jobs (as calculated by	[redacted]

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Note: This is a deliberative and pre-decisional document for USCIS internal use only.
Receipt Number: RCW1332451293

USCIS)	
Coverage Ratio: Jobs Created (USCIS projection)/Jobs Required	

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A. *Case Summary*	
This Project is funded through: [redacted] ☑ New Enterprise (established after 11/29/1990) ☐ Investment in a Distressed Business ☐ Expansion/Reorganization/Restructuring	
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 EB5 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 expansion must result in a 40% increase in either the net worth or the number of employees

Geography	Chicago Metropolitan Statistical Area ("MSA") or more formally, the Chicago-Naperville-Elgin, IL-In-WI MSA, under the regulation 8 CFR §204.6(m). The actual list of counties is contained within three Metropolitan Divisions ("MD") that includes: the Chicago-Aurora-Joliet, IL MD counties of Cook, DeKalb, Du Page, Grundy, Kane, Kendall, McHenry, and Will; the Gary, IN MD counties of Jasper, Lake, Newton, and Porter; and the Lake County-Kenosha County, IL-WI MD counties of Lake and Kenosha.
Description of the Project	Residential/Commercial Construction
Expected Duration (months)	30 months
Total Project Cost ($MM)	[redacted]
Financing	☑ Debt ☐ Equity ☐ Combination

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Summary Statement

~~The~~ This complex will be in downtown Chicago in th[redacted]acre mixed use development called [redacted]will be[redacted]gross square feet in size and will contain two hotels (tentatively identified as Hotel A and Hotel B) as well as[redacted] residential units, retail space, and a[redacted]car parking garage. The hypothetical Project's pro (b)(4)

Note: This is a deliberative and pre-decisional document for USCIS internal use only.
Receipt Number: RCW1332451293

(b)(4) forma budget includes a total of [redacted] in expenditures over a construction period that is expected to last at least 30 months. The project hypothetically named General Partner, [redacted] LLC owned by Tur Partners will be landowner not operator. The New Commercial Enterprise will consist of up to [redacted] Limited Partners and will be managed by one General Partner, [redacted] LLC. The General Partner will either be wholly or majority-owned by Tur Partners, LLC. The General Partner will have exclusive management and control over all aspects of the Partnership's business, including the oversight and administration of the Loan made to the New Commercial Enterprise. The principals and executive management for the General Partner include Lori Healey, who also serves as the managing principal for the Regional Center, and Richard Daley, who serves as the executive chairman.

B. *Regional Center Summary*

Geographical Area

Chicago Metropolitan Statistical Area ("MSA") or more formally, the Chicago-Naperville-Elgin, IL-In-WI MSA, under the regulation 8 CFR §204.6(m). The actual list of counties is contained within three Metropolitan Divisions ("MD") that includes: the Chicago-Aurora-Joliet, IL MD counties of Cook, DeKalb, Du Page, Grundy, Kane, Kendall, McHenry, and Will; the Gary, IN MD counties of Jasper, Lake, Newton, and Porter; and the Lake County-Kenosha County, IL-WI MD counties of Lake and Kenosha.

Industry/NAICS codes that will be the focus of the EB5 capital investment

- Nonresidential Building Construction (NAICS 2362)

RC/NCE Documents submitted with the application

Documents Submitted with Regional Center Designation Application
Tab 1: Regional Center and Project Business Plan for Tur Partners Metropolitan Regional Center, LLC. Includes -
Regional Center Area Description
NAICS/Industry Code Designation
Job Creation Methodology
Tab2:Regional Center Management and Operations
Incorporation Documents for Tur Partners Metropolitan Regional Center, LLC and FEIN Confirmation.
Tab3: Expenditures made by Tur Partners LLC.
Hypothetical I-526 Petition - Project Lender LP EB-5 Project
Tab4: Project Lender LP EB-5 Project's Business Plan. Includes
Appendix A- Breakdown of Use and Square Footage per Floor
Appendix B - Cost Disbursement Timeline
Appendix C - Soft Cost Disbursement Timeline
Appendix D - TEA Determination36
Appendix E - Choose Chicago - 2012 Chicago Visitation Profile
Tab 5:Economic Impact Report for the Project Lender LP EB-5 Project.
Tab 6: TEA Designation for Project Lender, LP
Tab 7 [redacted]
Appendix A - Detailed Construction Timeline fo[redacted]
Appendix B -Detailed Construction Timeline for t[redacted]
similar, previously constructed[redacted]
Project)

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Economist Due Diligence Summary
Prepared by EC: JOHNSTON EC0020

1. **RC Governance and Operational Plan**	
Administrative Oversight ☑ RC will invest EB5 capital properly ☑ EB5 foreign investor questionnaire submitted ☑ The RC (or its agent) knows how to file I-924A Supplement and guiding investors through the I-829 process and audit and manage the NCE and JCE	
Application includes a business registration document **and/or** a contract agreement (LPA or Operating Agreement)?	☑ Yes ☐ No

2. **Requirements for a Regional Center Proposal supporting an initial I-924 application (more than one selection may apply)**	
Promotes Economic Growth through: The hypothetical [redacted] Mixed-Use Project consists of the construction a major residential and hotel complex in downtown Chicago, [redacted] The complex will be [redacted] gross square feet in size and will contain two hotels (tentatively identified as Hotel A and Hotel B) as well as [redacted]esidential units, retail space, and [redacted]ar parking garage. The hypothetical Project's pro forma budget includes a total of [redacted]n expenditures over a construction period that is expected to last at least 30 months.	☐ Increased exports ☑ Regional productivity ☑ Job creation ☑ Increased domestic capital investment
Impact of the RC: Sponsorship of this and other types of major projects around the city. The hypothetical project will generat[redacted] jobs from the Project's construction, the regional economy will have a net increase o[redacted] economic output as well as a [redacted] increase in earnings, according to the EIS.	☑ Increased household earnings ☑ Creates greater supply of products/services ☑ Utilities, maintenance & repairs ☑ Construction
Proposal has detail on job creation with economical and statistical data supporting the predictions?	☑ Yes ☐ No
Source(s) of RC's operating funds:	Tur Partners LLC, owner and operator of TPMRAC
Pre-EB5 Capital Committed: $$ MM	[redacted]
Has access to capital to operate as proposed in the plan from sources apart from EB5 capital?	☑ Yes ☐ No
Describes past and future marketing and promotional activities?	☑ Yes ☐ No
Where will additional funds come from if the RC's costs exceed the planned budget? yes	

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C. *TEA Designation (only if applicant is seeking a TEA, confirm the following); Otherwise:* ☐ *N/A*	
Application includes TEA letter from the State?	☑ Yes ☐ No
Project (JCE) is within the TEA?	☑ Yes ☐ No
Unemployment data, within the TEA letter from the State, is current?	☑ Yes ☐ No
Jobs will be created in rural or high unemployment area (TEA)?	☑ Yes ☐ No

D. *Project Analysis and Approval*

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

Hypothetical project is used to support an initial I-924 application so approval requires that the application have both the required documents and evidence sought above **and** a general business proposal and job-creation predictions. If multiple projects are submitted, at least one proposal should provide an overall picture of whether it is consistent with the goals of the regional center.

2. ***To approve I-924 with Actual Project(s)—JCE(s)***

An initial I-924 application must contain both the required Regional Center documents and evidence sought above **and** a specific project business proposal that is complete and credible.

Project Documents	**Document Date** **Tab or Exhibit #** **Page #**
Organization formation documents (see footnote 1)	Tab 2
CBP including financial statements and market research & competitor analysis	Tab 1
Economic Impact Analysis	Tab 5
Proposed Financial Agreement (draft) between NCE & JCE	Tab 7

Description of the Project	Residential/Commercial Construction
Duration (months)	30 months
Total Project Cost (funds to be used)	[redacted]
Total investment amount (funds to be raised)	
Financing:	☐ Debt ☐ Equity

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[redacted]	☐ Combination
Minimum Investment from each EB5 investor	☑ $500K (TEA) ☐ $1M (not TEA)
# of EB5 investors expected to participate	[redacted]
USCIS Estimate of # of new jobs that will be created	
# of jobs required by EB5 Program	
Coverage Ratio = **(Ratio < 1 is unacceptable)**	
Total EB5 Investment = # of EB5 investors*investment per investor = $ MM	

(b)(4)

a. **BUSINESS PLAN ANALYSIS**	
i) MARKET RESEARCH & COMPETITOR ANALYSIS Preparer's (Author's) Name: Sean Flynn, Impact Econometrics	
Is the product/service offered clearly identified?	☐ Yes ☑ No
(If Yes, briefly describe the product(s)/service(s)):	
Is the size of the market identified, with actual and projected trends?	☐ Yes ☑ No
1st year revenue projected:	Not Available
5th year revenue projection:	Not Available
Are the competitors identified?	☑ Yes ☐ No
(If Yes, list some or all major competitors):	
[redacted]	
Sources of information and data? All data were supplied by the applicant with the exception of employment data from the State of Illinois and processing information from the EIS. Construction cost estimates are backed by data from James McHugh Construction, the contractor for the project, that has worked previously with the developer [redacted]	
Is data current (within the last 24 months)?	☑ Yes ☐ No
Are supply & demand estimates credible?	☑ Yes ☐ No
Comment on why Yes or No: While the data comes from the project developer, the developer [redacted] has substantial expertise and EIS agrees that assumptions seem reasonable.	
Key relevant data for PoE: Jobs come mainly from hotel construction over 30 months (so direct jobs are counted). Facility also incorporates two hotels and their operations. Tenant occupancy calculation was not used.	

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ii) CREDIBLE BUSINESS PLAN (CBP):

This complex will be in downtown Chicago in the [redacted] acre mixed use development called

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[redacted] It will be [redacted] gross square feet in size and will contain two hotels (tentatively identified as Hotel A and Hotel B) as well as [redacted] residential units, retail space, and a [redacted] r parking garage. The hypothetical Project's pro forma budget includes a total of [redacted] n expenditures over a construction period that is expected to last at least 30 months. The project hypothetically named General Partne [redacted] owned by Tur Partners will be landowner not operator. The New Commercial Enterprise will consist of up to [redacted] Limited Partners and will be managed by one General Partner [redacted] The General Partner will either be wholly or majority-owned by Tur Partners, LLC. The General Partner will have exclusive management and control over all aspects of the Partnership's business, including the oversight and administration of the Loan made to the New Commercial Enterprise. The principals and executive management for the General Partner include Lori Healey, who also serves as the managing principal for the Regional Center, and Richard Daley, who serves as the executive chairman.

Has a clear description of the Project product/services, and goals/objectives?	☑ Yes ☐ No
Is the experience of the Project managers relevant and sufficient?	☑ Yes ☐ No
Has a sufficiently detailed marketing plan, including pricing strategy?	☑ Yes ☐ No

What are the Project's strengths and weaknesses relative to competitors'?

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[redacted]

Are there competition barriers: Intellectual property, trade secrets, customer lists, etc?	☑ Yes ☐ No

(b)(4)

List barriers to competition, if any: As indicated above, project is part of a larger mixed-use development to the [redacted] where competition is selective and controlled. The site selection also gives it advantages in terms of views, proximity to venues and attractions not available at other locations. Within the complex, however, there are several hotels.

Plan offers pricing structures and levels of services to be provided?	☑ Yes ☐ No

If Yes, briefly describe the pricing strategy):

List the Transactional Documents in the record, *If any*:

This is a hypothetical. Transactional Documents have not been drafted.

Plan shows business staffing requirements, with job descriptions and draws reasonable inferences about job creation potential?	☐ Yes ☑ No
Is it Manufacturing? If so, describe the manufacturing process:	☐ Yes ☑ No
RC/NCE/JCE has a property deed/permit/license to develop the property?	☑ Yes ☐ No
DUE DILIGENCE (has the RC/NCE performed due diligence for the Project)?	☑ Yes ☐ No

iii) FINANCIAL ANALYSIS

Is the investment into the JCE/Project a loan? If No, skip to the next cell, below.	☑ Yes ☐ No
If Yes, What is the Term of the loan?	
Interest rate is:	☑ fixed ☐ variable
If fixed, what is the interest rate?	
If variable, describe the interest rate policy?	N/A
Is the interest due cumulative (i.e. interest will be accrued and deferred if the JCE has insufficient cash)?	☑ Yes ☐ No
Is there collateral or a pledge agreement? (If Yes, describe briefly):	☐ Yes ☑ No
Does the loan have a sinking fund provision?	☐ Yes ☑ No
(If Yes, describe briefly):	
Are there other debt covenants?	☐ Yes ☑ No
(If Yes, describe briefly):	
Can the final (balloon) payment be extended? (If No, check the pro forma cash flow table, below, to see if the Project is resilient.)	☑ Yes ☐ No
Is the Project likely to be able to make the final payment to the NCE as stipulated in the Loan Agreement?	☐ Yes ☑ No
Other relevant information about the Loan? (If Yes, describe briefly): (b)(4) [redacted]	☑ Yes ☐ No
Is the investment into the JCE an equity investment?	☐ Yes ☑ No
(If Yes, what fraction of JCE's profit will be shared with the NCE?)	
Does the JCE have a bridge loan outstanding? If No, skip to the next cell.	☐ Yes ☑ No
Will EB5 funds be used to reduce the bridge loan? If No, skip to the next cell.	☐ Yes ☑ No
Was EB5 funding contemplated at or near the inception of the project?	☐ Yes ☑ No
When EB5 capital is received, will the Project still be in the process of creating jobs?	☑ Yes ☐ No
Will EB5 funds go into JCE's reserve/contingency account?	☐ Yes ☑ No

If so, what fraction? N/A	

Capital Source/Use

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Sources	Amount	Pc Sources	Uses	Use Amount	Use PC
EB-5 Investors	[redacted]		Land	[redacted]	
Developers' Equity			Hard Costs		
Senior Debt			Contingencies & Consultants		
Total Sources			Soft Costs		
			Interest Expense		
			Total Uses		

PRO-FORMA ANALYSES	
Project schedule	
Start (Month/QTR/YR):	2014
End (Month/Qtr/YR)	2016
Duration in months:	30 months
Are there adequate reserves and/or retained earnings?	☑ Yes ☐ No
Does the Project contemplate Alternate/Contingent financing?	☐ Yes ☑ No
Are all fees charged disclosed within both the Business Agreement(s) and PPM?	☑ Yes ☐ No

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Pro Forma
2016

Is Net Cash Flow negative in any year?	☐ Yes ☑ No
(If Yes, what fraction of the NCF can be covered by the time EB5 capital is due?)	
If losses are expected to occur in any year, is the Project resilient/sustainable?	☐ Yes ☐ No
(If Yes, comment briefly):	
N/A Pro Forma Not Available for this Hypothetical	
Are the pro forma cash flow statement and the financial projections credible?	☐ Yes ☐ No
Is the overall business plan credible—*Matter of Ho* compliant?	☐ Yes ☑ No

How Does Cash Flow Look When EB-5 Repayments Are Due?

Cash flow is more than adequate for covering operating expenses. More funds can be obtained through refinance or sale.

iv) TENANT OCCUPANCY ANALYSIS	
Does the job creation mechanism involve jobs from tenant occupancy—e.g. malls, office space, apartments, etc.?	☐ Yes ☑ No
(If No, skip to the next section *PRO FORMA ANALYSIS*) Description of Tenant occupancy methodology used to estimate job-creation: Tenant Occupancy Analysis was not used.	
Is there evidence of market demand for specific tenant types—e.g. lack of space, evidence of rental pressures in specific sectors that are likely to attract tenants to the proposed Project site, growing demand in the market where Project will be developed)?	☑ Yes ☐ No
If Yes, describe briefly: Tenant Occupancy Method Not Used	
Is there PoE that the jobs in the Project's tenant space will be a result of expansion as opposed to displacement?	☑ Yes ☐ No
If Yes, describe how new tenants will be attracted to the RC's project-site:	
Is there PoE of a *credible* marketing plan and pricing strategy demonstrating that the leased space will fill up to the level of occupancy rate assumed in the business plan.	☑ Yes ☐ No
If Yes, briefly describe the plan and strategies: Various studies cited in the report find growing markets and rising prices for project's main focus in retail, hotels, and multi-unit rentals. These are cited at length in pages 16-19 in the legal counsel's cover letter.	

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Other evidence in the record:

b. **Economic Impact Analysis**	
result of the Project, there will a positive impact on the regional economy, including increased household earnings, demand for services, and new business relationships. For example, the jobs created by Project will subsequently create new sources of household income. The total increase in output from the Project (within the TPMRC) will be [redacted] and the increase in household earnings will be [redacted]6 See Exhibit 5, Economic Impact Report.	
Preparer's (Author's) Name	Sean Flynn, Impact Econometrics
Economic impact model used (i.e. RIMS II, IMPLAN, REMI, REDYN, Other)	RIMS II
Job creation estimates for all activities =	[redacted]
USCIS's calculation of expected job-creation =	[redacted]
Methodology–Describe the multipliers used —e.g. employment, earnings, value added and final demand multipliers —or the forecasting methodology if a non-multiplier (matrix) model is used. RIMS II	
Are all model inputs: expenditures and direct hiring supported by the business plan?	☑ Yes ☐ No
Are only the EB5 eligible expenditures used in new jobs projections (e.g., for construction, soft costs like architectural & engineering services are eligible, whereas land purchases, permit costs, capitalized interest, etc. are not)?	☑ Yes ☐ No
If intermediate goods are produced, are producer prices (not final prices) used as model inputs?	☑ Yes ☐ No
If an historical multiplier was used, were the current nominal costs (for various eligible costs) deflated correctly to the same year as the multiplier?	☑ Yes ☐ No
Do projections address leakages to other sectors and proximate geography (this depends on which model the applicant used)?	☑ Yes ☐ No
If direct construction jobs are used as an input in the job forecasting model, is the duration of construction at least two years?	☑ Yes ☐ No
Other comments and relevant information:	

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1. **NAICS Codes:**

Does the business plan show/explain how the Project will increase sales, productivity, jobs and investment?	☑ Yes ☐ No
Briefly explain:	
Jobs come mainly from hotel construction over 30 months (so direct jobs are counted). Facility also incorporates two hotels and their operations. Tenant occupancy calculation was not used.	

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Does the business plan show predictions of the positive impact the RC will have on the regional or national economy through factors such as: increased household earnings, greater demand for business services, utilities, maintenance and repair, and construction?	☑ Yes ☐ No
Briefly explain:	
Contains a detailed prediction regarding the manner in which the regional center will have a positive impact on the regional or national economy in general as reflected by such factors as increased household earnings, greater demand for business services, utilities, maintenance and repair, and construction both within and without the regional center;	
Does the business plan contain *valid* inputs for forecasting job-creation and provide sufficient detail to support various economic impact projections?	☐ Yes ☑ No
If Yes, briefly explain or describe:	
Is supported by economically or statistically valid forecasting tools, including, but not limited to, feasibility studies, analyses of foreign and domestic markets for the goods or services to be exported, and/or multiplier tables.	
Were the multipliers for the NAICS codes used verifiable from BLS or model generated reports supplied by the Preparer of the economic analysis?	☑ Yes ☐ No
If a non-multiplier model (ex. REMI, REDYN, etc.) was used, were model inputs and their resulting outputs disaggregated by industry so that a benchmark multiplier test could be used?	☐ Yes ☐ No
If No, was the information sufficient to confirm the reasonableness of overall job creation estimates?	
N/A	
Is methodology transparent correct applied and accurately represents the assumptions of the business plan?	☐ Yes ☐ No
If No, how is it deficient?	
Are the calculations correct?	☑ Yes ☐ No
If No, what are the correct calculations?	

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you have agreed and said USCIS estimate = applicant's estimate ⇒ yes

NAICS Jobs Calculation Table

NAICSJobs	Industry Group	Employment	Output	Earnings
	Agriculture, forestry, fishing and hunting			
	Mining			
	Utilities			
	Construction			
	Manufacturing			
	Wholesale Trade			

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	Retail Trade	
	Transportation and warehousing	
	Information	
	Finance and insurance	
	Real estate and rental and leasing	
	Professional, scientific and technical services	
	Management of companies and enterprisex	
	Adminitration and waste management services	
	Education services	
	Health care and social assistance	
	Arts, entertainment and recreation	
	Accomodations and dining	
	Food services and drinking	
	Other services	
	Households	
	Totals	

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2. Construction costs and Timeline –

Are construction costs provided in sufficient detail to distinguish b/w eligible and ineligible costs?	☑ Yes ☐ No
Are construction costs broken down into hard and soft costs?	☑ Yes ☐ No
Does the record contain *necessary* permits from or for:	
Environmental Protection Agency (EPA)?	☐ Yes ☑ No
City or County permit to begin construction?	☐ Yes ☑ No
Laying water, sewage, wastewater, electricity?	☐ Yes ☑ No
Safety and Health Department?	☐ Yes ☑ No

3. *To approve I-924 with Exemplar Project(s)*

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Document	**Document Date Tab or Exhibit # page #**
Offering memorandum or PPM (Private Placement Memorandum)	Not Yet Drafted

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Sample (draft) I-526 form filled out, except for the investor-specific information	Not Yet Drafted
LPA (Limited Partnership Agreement, also called the Operating Agreement)	Not Yet Drafted
Investor Subscription Agreement	Not Yet Drafted
Escrow Agreement	Not Yet Drafted
Funds In-take form with instructions of funds transfer to NCE's account	Not Yet Drafted
List other documents, if any, relevant to I-526 exemplar petition	Not Yet Drafted

Is the Project at a stage where work can begin, immediately, upon approval of I-924?	☑ Yes ☐ No
Does the PPM describe how the NCE is capitalized?	☑ Yes ☐ No
(If Yes, what are the other sources of funds that the NCE will gather and invest in the JCE(s)?) See Attached Capital Stack and Flow	
What form(s) is the investment into the NCE (equity, debt, or combination)? Equity	
What fraction of the limited partnership is owned by whom? By the investors in accordance with the size of their investment stake.	
Is any part of EB5 investment in the form of equity?	☑ Yes ☐ No
(If Yes, how will the NCE's profit be shared among the partners?) To each investor in proportion to their investment.	
<u>Is EB5 Capital at Risk and is there Potential for gain</u> (risk of loss and a chance of gain)? ☑ Yes ☐ No **Do any documents in the record offer/ provide/contain the following?:**	
Redemption clauses, hold-backs, buy-backs, etc.?	☐ Yes ☑ No
Guaranteed return on investment?	☐ Yes ☑ No
Guaranteed return of capital (through distributions, refunds, etc.)?	☐ Yes ☑ No
Contingency reserves?	☐ Yes ☑ No
Management, Service or Origination fees taken directly from EB5 capital?	☐ Yes ☑ No
Briefly explain the nature of the risk borne by EB5 investors—e.g. loan default, sector or market risk, operating risk, etc.: (b)(4) The hypothetica[redacted]ixed-Use Project consists of the construction a major residential and hotel complex in downtown Chicago, on[redacted]he complex will b[redacted]ross square feet in size and will contain two hotels (tentatively identified as Hotel A and Hotel B) as well as[redacted]esidential units, retail space, and a [redacted]ar parking garage. The hypothetical Project's pro forma budget includes a total of[redacted] expenditures over a construction period that is expected to last at least 30 months.	
Is the investment into the NCE a loan?	☐ Yes ☑ No
(If No, skip to the next cell, below).	
If Yes, is the interest rate	☑ fixed ☐ variable
If fixed, what is the rate?	
Or, describe the variable rate policy?	

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N/A	
Is the interest owed cumulative (accrued)?	☑ Yes ☐ No
Of the interest payments received by the NCE, who gets what percentage?	
Is there collateral or pledge agreement?	☐ Yes ☑ No
(If Yes, describe briefly):	
Is there a sinking fund provision?	☐ Yes ☑ No
(If Yes, describe briefly)	
Are there other loan/debt covenants?	☐ Yes ☑ No
(If Yes, describe briefly)	
Can the final (balloon) payment to the EB5 investors be deferred?	☑ Yes ☐ No
(If No, is there an alternate plan for honoring the commitment with EB5 investors?	☐ Yes ☐ No
Other relevant information about the agreement:	
Exit Strategy specifies 1) Refinance; 2) Outright Sale, or 3) Combination of sale and refinance.	
Is any part of EB5 investment held in a reserve fund?	☐ Yes ☑ No
If Yes, what fraction?	
N/A	
How will the reserve funds be used?	
N/A	
Is it likely that any part of the reserves could be returned to EB5 investors as return on capital or return of capital?	☐ Yes ☑ No
Can the funds be distributed to any stakeholder or used as fees, compensation, etc.?	☐ Yes ☑ No
Will any part of EB5 funds be returned prior to two years and the creation of the requisite number of jobs or before I-829 petitions are adjudicated?	☐ Yes ☑ No
Does the file contain a MOU with prospective EB5 Investors?	☐ Yes ☑ No
Does the file contain agreements or MOUs with agents, business partners?	☐ Yes ☑ No
Are there any Interagency Agreement(s)?	☐ Yes ☑ No
Are there any Advisory Agreement(s)?	☐ Yes ☑ No

Conclusion

This is an initial I-924 for Regional Center accreditation with two hypotheticals. The hypothetical construction projects lacks a few items addressed in the RFE below. The proposed RC appears well capitalized and run by individuals with experience and resources.

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Issues to RFE for RC

The I-924 application seems ready for approval. The hypothetical project is missing virtually all key information. No PPL, no loan agreement, no operating agreement, no JCE business plan. No description of personnel: Application states in part: "The developer has committed approximately [redacted] in both real estate equity value and additional cash equity." What was the assessed value of the land contributed to the project on which the project shall be built, excluding all other adjacent land owned by the Developer? How was that assessment made? There is no Pro Forma cash flow for the JCE. There are various calculations showing potential profit from the two hotels, apartments/condos, and parking. However, the project is a landlord, not a hotel or building operator so specifics as to rental income due to the JCE (as opposed to the hotel operators or other parties) from each activity need to be elucidated. In the business plan, EB-5 investors receive [redacted] interest, yet on page 10 of the letter in support of TPMRC final paragraph, it says that investors receive "a competitive [redacted] rate of return." Please explain discrepency

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Receipt Number: RCW1332451293

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EB5 Regional Center Checks

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

Receipt #: RCW1332451293

(b)(7)(e)

(b)(6)

PERSON NAME CHECKS (SQ11)	Principal/Applicant Name	DOB	SQ11	SQ16	SQAD	TECS Record ID or None Found	
Name and Date of Birth of the Principal of the Regional Center listed in Part 1	Lori Healey						
Name of an additional Principal(s) of the Regional Center listed in Part 3 Section D	Richard Daley	N/A					
Name of an additional Principal(s) of the Regional Center listed in Part 3 Section D	Patrick Daley						
	A. Joshua Strickland						
Name of an additional Principal(s) of the Regional Center listed in Part 3 Section D	Sourna Daneshvar						
Name of the Applicant who signed the form in Part 4	Lori Healey						

(b)(7)(e)

BUSINESS NAME CHECKS (SQ16)	Regional Center Name	SQ11	SQ16	SQAD	TECS Record ID or None Found	
Regional Center Name listed in Part 3 Section A	TUR PARTNERS METROPOLITAN REGIONAL CENTER		X			

ADDRESS CHECKS (SQAD)	Address	SQ11	SQ16	SQAD	TECS Record ID or None Found	
Address of the Principal of the Regional Center listed in Part 1	900 N Michigan Ave, Ste 1720, Chicago, IL 60611			X		
Address of the Regional Center listed in Part 3 Section A	900 N Michigan Ave, Ste 1720, Chicago, IL 60611			X		

(b)(7)(e)

TECS CHECKS COMPLETED 11/21/2013

ENDORSE CHECK HERE

X

(b)(4)

[redacted]

(b)(4)

[redacted]

FOR SECURITY PURPOSES, THE FACE OF THIS DOCUMENT CONTAINS A COLORED BACKGROUND AND MICROPRINTING IN THE BORDER

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COPY COPY

RECEIPT NUMBER RCW1332451293		CASE TYPE I924 Application for Regional Center Under the Immigrant Investor Pilot Program
RECEIVED DATE November 20, 2013	APPLICATION TYPE: A (INITIAL)	REGIONAL CENTER NAME TUR PARTNERS METROPOLITAN REGIONAL CENTER LLC
NOTICE DATE November 20, 2013	PAGE 1 of 1	REGIONAL CENTER ID ID1332451293

H RONALD KLASKO
KLASKO RULON STOCK SELTZER LLP
RE: TUR PARTNERS METROPOLITAN REGIONAL CENTER LLC
1800 JOHN F KENNEDY BLVD STE 1700
PHILADELPHIA PA 19103

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 IDxxxxxxxxx0, 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 it 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 inquires 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.
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CALIFORNIA SERVICE CENTER
P.O. BOX 30111
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