

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

**Form I-924A,
Supplement to Form I-924**

Part 1. Information About Principal of the Regional Center

| | | |
|---------------------------|-------------------|--------------|
| Name: Last MASTROIANNI | First NICHOLAS | Middle A. |
|---------------------------|-------------------|--------------|

In Care Of: U.S. IMMIGRATION FUND-NJ, LLC

Street Address/P.O. Box: 115 FRONT STREET, SUITE 300

| | | |
|---------------|-----------|-----------------|
| City: JUPITER | State: FL | Zip Code: 33477 |
|---------------|-----------|-----------------|

(b)(6)

| | | |
|-------------------------------|---|---|
| Date of Birth (mm/dd/yyyy) | Fax Number (include area code): (561) 799-0061 | Telephone Number (include area code): (561) 799-1883 |
|-------------------------------|---|---|

Web site address: www.visaeb-5.com

USCIS-assigned number for the Designated Regional Center (attach the Regional Center's most recently issued approval notice) RCW 1236250925/ I.D. 1236250925

Part 2. Application Type (check one)

- a. Supplement for the Fiscal Year Ending September 30, 2014 (YYYY)
- b. Supplement for a Series of Fiscal Years Beginning on October 1, _____ (YYYY) and Ending on September 30, _____ (YYYY)

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: U.S. IMMIGRATION FUND-NJ, LLC

| | | |
|--|---|--|
| Street Address/P.O. Box: 115 FRONT STREET, SUITE 300 | | |
| City: JUPITER | State: FL | Zip Code: 33477 |
| Web site Address: www.visaeb-5.com | Fax Number (include area code): (561) 799-0061 | Telephone (include area code): (561) 799-1883 |

B. Name of Managing Company/Agency: U.S. IMMIGRATION FUND LLC

| | | |
|--|---|--|
| Street Address/P.O. Box: 115 FRONT STREET, SUITE 300 | | |
| City: JUPITER | State: FL | Zip Code: 33477 |
| Web site Address: www.visaeb-5.com | Fax Number (include area code): (561) 799-0061 | Telephone (include area code): (561) 799-1883 |

C. Name of Other Agent: N/A

| | | |
|--------------------------|------------------------------------|-----------------------------------|
| Street Address/P.O. Box: | | |
| City: | State: | Zip Code: |
| Web site | Fax Number (include area code): | Telephone (include area code): |



RCW1434952101

egarcia2 1924A 12/15/2014

Part 3. Information About the Regional Center (Continued)

Answer the following questions for the time period identified in **Part 2** of this form. **Note:** If extra space is needed to complete any item, attach a continuation sheet, indicate the item number, and provide the response.

1. Identify the aggregate EB-5 capital investment and job creation has been the focus of EB-5 capital investments sponsored through the regional center. (**Note:** Separately identify jobs maintained through investments in “troubled businesses.”)

| | | |
|-----------------------------------|--|---------------------------|
| Aggregate EB-5 Capital Investment | Aggregate Direct and Indirect Job Creation | Aggregate Jobs Maintained |
| [REDACTED] OUT OF ESCROW | PROJECT UNDER CONSTRUCTION | N/A |

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2. Identify each industry that has been the focus of EB-5 capital investments sponsored through the Regional Center, and the resulting aggregate EB-5 capital investment and job creation. (**Note:** Separately identify jobs maintained through investments in “troubled businesses”.)

| | | |
|---|---|---|
| a. Industry Category Title: CONSTRUCTION | | NAICS Code for the Industry Category 2 3 6 2 |
| Aggregate EB-5 Capital Investment: SEE EXHIBIT 3.2 | Aggregate Direct and Indirect Job Creation: PROJECT UNDER CONSTRUCTION | Aggregate Jobs Maintained: N/A |
| b. Industry Category Title: N/A | | NAICS Code for the Industry Category _____ |
| Aggregate EB-5 Capital Investment: | Aggregate Direct and Indirect Job Creation: | Aggregate Jobs Maintained: |
| c. Industry Category Title: N/A | | NAICS Code for the Industry Category _____ |
| Aggregate EB-5 Capital Investment: | Aggregate Direct and Indirect Job Creation: | Aggregate Jobs Maintained: |

3. Provide the following information for each job creating commercial enterprise located within the geographic scope of your regional center that has received EB-5 investor capital:

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| | | | |
|--|---|---|--------------------|
| a. Name of Commercial Enterprise: 65 BAY STREET FUNDING, LLC | | Industry Category Title: NAICS 2362 & CODES IN EXHIBIT 3.3.A | |
| Address (Street Number and Name): 115 FRONT ST., STE. 300 | City: JUPITER | State: FL | Zip Code: 33477 |
| Aggregate EB-5 Capital Investment: [REDACTED] SEE EX 3.3.A | Aggregate Direct and Indirect Job Creation: PROJECT UNDER CONSTRUCTION | Aggregate Jobs Maintained: N/A | |
| Does this EB-5 commercial enterprise serve as a vehicle for investment into other business entities that have or will create or maintain jobs for EB-5 purposes? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes | | | |

Part 3. Information About the Regional Center (Continued)

If yes, then identify the name and address of each job creating business, as well as the amount of EB-5 capital investment and job creation/maintenance associated with each job creating business.

| | | | |
|---|--|--|---------------------------|
| (1) Business Name: MORGAN STREET DEVELOPERS URBAN RENEWAL CO. | | Industry Category Title: NAICS 2362 & CODES IN EXHIBIT 3.3.A | |
| Address (Street Number and Name): 666 FIFTH AVE. | City: NEW YORK | State: NY | Zip Code: 10103 |
| EB-5 Capital Investment: [REDACTED] SEE EX 3.3.A | Direct and Indirect Job Creation: PROJECT UNDER CONSTRUCTION | Jobs Maintained: N/A | |
| N/A | | Industry Category Title: | |
| Address (Street Number and Name): | City: | State: | Zip Code: |
| EB-5 Capital Investment: | Direct and Indirect Job Creation: | Jobs Maintained: | |

| | | | |
|---|--|-----------------------------------|------------------|
| b. Name of Commercial Enterprise: N/A | | Industry Category Title: | |
| Address (Street Number and Name): | City: | State: FL | Zip Code: |
| Aggregate EB-5 Capital Investment: | Aggregate Direct and Indirect Job Creation: | Aggregate Jobs Maintained: | |

Does this EB-5 commercial enterprise serve as a vehicle for investment into other business entities that have or will create or maintain jobs for EB-5 purposes? No Yes

If yes, then identify the name and address of each job creating business, as well as the amount of EB-5 capital investment and job creation/maintenance associated with each job creating business.

| | | | |
|--|---|---------------------------------|------------------|
| (1) Business Name: N/A | | Industry Category Title: | |
| Address (Street Number and Name): | City: | State: NY | Zip Code: |
| EB-5 Capital Investment | Direct and Indirect Job Creation | Jobs Maintained | |

Part 3. Information About the Regional Center (Continued)

| | | | |
|-----------------------------------|-----------------------------------|--------------------------|-----------|
| (2) Business Name: N/A | | Industry Category Title: | |
| Address (Street Number and Name): | City: | State: | Zip Code: |
| EB-5 Capital Investment: | Direct and Indirect Job Creation: | Jobs Maintained: | |

| | | | |
|---|---|----------------------------|-----------|
| c. Name of Commercial Enterprise: N/A | | Industry Category Title: | |
| Address (Street Number and Name): | City: | State: FL | Zip Code: |
| Aggregate EB-5 Capital Investment: | Aggregate Direct and Indirect Job Creation: | Aggregate Jobs Maintained: | |

Does this EB-5 commercial enterprise serve as a vehicle for investment into other business entities that have or will create or maintain jobs for EB-5 purposes? No Yes

If yes, then identify the name and address of each job creating business, as well as the amount of EB-5 capital investment and job creation/maintenance associated with each job creating business.

| | | | |
|-----------------------------------|-----------------------------------|--------------------------|-----------|
| (1) Business Name: N/A | | Industry Category Title: | |
| Address (Street Number and Name): | City: | State: NY | Zip Code: |
| EB-5 Capital Investment: | Direct and Indirect Job Creation: | Jobs Maintained: | |

| | | | |
|-----------------------------------|-----------------------------------|--------------------------|-----------|
| (2) Business Name: N/A | | Industry Category Title: | |
| Address (Street Number and Name): | City: | State: | Zip Code: |
| EB-5 Capital Investment: | Direct and Indirect Job Creation: | Jobs Maintained: | |

Part 3. Information About the Regional Center (Continued)

| | | | |
|--|---|----------------------------|-----------|
| d. Name of Commercial Enterprise: N/A | | Industry Category Title: | |
| Address (Street Number and Name): | City: | State: | Zip Code: |
| Aggregate EB-5 Capital Investment: | Aggregate Direct and Indirect Job Creation: | Aggregate Jobs Maintained: | |

Does this EB-5 commercial enterprise serve as a vehicle for investment into other business entities that have or will create or maintain jobs for EB-5 purposes? No Yes

If yes, then identify the name and address of each job creating business, as well as the amount of EB-5 capital investment and job creation/maintenance associated with each job creating business.

| | | | |
|-----------------------------------|-----------------------------------|--------------------------|-----------|
| (1) Business Name: N/A | | Industry Category Title: | |
| Address (Street Number and Name): | City: | State: | Zip Code: |
| EB-5 Capital Investment: | Direct and Indirect Job Creation: | Jobs Maintained: | |

| | | | |
|-----------------------------------|-----------------------------------|--------------------------|-----------|
| (2) Business Name: N/A | | Industry Category Title: | |
| Address (Street Number and Name): | City: | State: | Zip Code: |
| EB-5 Capital Investment: | Direct and Indirect Job Creation: | Jobs Maintained: | |

| | | | |
|--|---|----------------------------|-----------|
| e. Name of Commercial Enterprise: N/A | | Industry Category Title: | |
| Address Street Number and Name: | City: | State: | Zip Code: |
| Aggregate EB-5 Capital Investment: | Aggregate Direct and Indirect Job Creation: | Aggregate Jobs Maintained: | |

Does this EB-5 commercial enterprise serve as a vehicle for investment into other business entities that have or will create or maintain jobs for EB-5 purposes? No Yes

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

If yes, then identify the name and address of each job creating business, as well as the amount of EB-5 capital investment and job creation/maintenance associated with each job creating business.

| | | | |
|-----------------------------------|-----------------------------------|--------------------------|-----------|
| (1) Business Name: N/A | | Industry Category Title: | |
| Address (Street Number and Name): | City: | State: | Zip Code: |
| EB-5 Capital Investment: | Direct and Indirect Job Creation: | Jobs Maintained: | |
| (2) Business Name: N/A | | Industry Category Title: | |
| Address (Street Number and Name): | City: | State: | Zip Code: |
| EB-5 Capital Investment: | Direct and Indirect Job Creation: | Jobs Maintained: | |

4. Provide the total number of approved, denied and revoked Form I-526 petitions filed by EB-5 investors making capital investments sponsored by the regional center. (Note: If an adverse action was ultimately reversed and the petition was approved, then note the case as approved.)

(b)(4)

| Form I-526 Petition Final Case Actions | | |
|--|--------|---------|
| Approved | Denied | Revoked |
| | 0 | 0 |

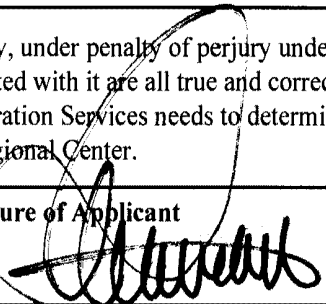
5. Provide the total number of approved, denied and revoked Form I-829 petitions filed by EB-5 investors making capital investments sponsored by the regional center. (Note: If an adverse action was ultimately reversed and the petition was approved, then note the case as approved.)

| Form I-829 Petition Final Case Actions | | |
|--|--------|---------|
| Approved | Denied | Revoked |
| 0 | 0 | 0 |

NOTE: USCIS may require case-specific data relating to individual EB-5 petitions and the job creation determination and further information regarding the allocation methodologies utilized by a regional center in certain instances in order to verify the aggregate data provided above.

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

I certify, under penalty of perjury under the laws of the United States of America, that this supplemental 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  | Printed Name of Applicant NICHOLAS A. MASTROIANNI | Date (mm/dd/yyyy) 12/10/2014 |
| Daytime Phone Number (Area/Country Codes) (561) 799-1883 | E-Mail Address NICK@USIFUND.COM | |
| Relationship to the Regional Center Entity (Managing Member, President, CEO, etc.) PRESIDENT & CEO | | |

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

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

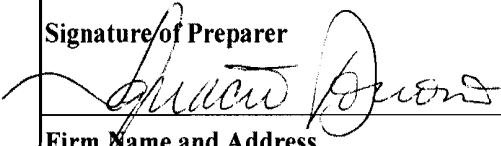
| | | |
|--|--|---|
| Signature of Preparer  | Printed Name of Preparer IGNACIO A. DONOSO | Date (mm/dd/yyyy) 12/11/14 |
| Firm Name and Address I.A. DONOSO & ASSOCIATES, LLC 4720 MONTGOMERY LANE, SUITE 430 BETHESDA, MD 20814 | | |
| Daytime Phone Number (Area/Country Codes) (301) 276-0653 | Fax Number (Area/Country Codes) | E-Mail Address IGNACIO.DONOSO@DONOSOLAW.COM |

Exhibit 3.2 – Response to Part 3, Box 2

All Industries of Focus & Aggregate EB-5 Investment

| No. | Industry Category Title | NAICS Code | Aggregate Capital Investment |
|-----|--------------------------------------|------------|------------------------------|
| 1. | Residential Building Construction | 2361 | Cumulative (Below) |
| 2. | Nonresidential Building Construction | 2362 | Cumulative (Below) |
| 3. | Architectural, Engineering & Related | 5413 | Cumulative (Below) |
| 4. | Lessors of Residential Buildings * | 5311 | Cumulative (Below) |
| 5. | Real Estate Property Managers | 5313 | Cumulative (Below) |
| 6. | Wholesale Trade | 4200 | Cumulative (Below) |

AGGREGATE EB-5 CAPITAL INVESTMENT:

| 65 Bay Street Funding LLC | Aggregate EB-5 Capital Investment |
|---------------------------|-----------------------------------|
| (b)(4) | |

* New Industry Codes added pursuant to the EB-5 Policy Memorandum of May 30, 2013 regarding investments in the 65 Bay Street Project sponsored by the U.S. Immigration Fund-NJ, LLC.

U.S. Immigration Fund-NJ, LLC
 Form I-924A – Supplement for Annual Reporting 2014
 Unique Identifier I.D. # RCW 1236250925
 Year Ending: Sept. 30, 2014

Exhibit 3.3.A – Response to Part 3, Box 3.a

65 Bay Street Funding, LLC

| No. | Industry Category Title | NAICS Code | Aggregate Capital Investment |
|--|--------------------------------------|------------|------------------------------|
| 1. | Residential Building Construction | 2361 | Cumulative (Below) |
| 2. | Nonresidential Building Construction | 2362 | Cumulative (Below) |
| 3. | Architectural, Engineering & Related | 5413 | Cumulative (Below) |
| 4. | Lessors of Residential Buildings * | 5311 | Cumulative (Below) |
| 5. | Real Estate Property Managers | 5313 | Cumulative (Below) |
| 6. | Wholesale Trade | 4200 | Cumulative (Below) |
| AGGREGATE EB-5 CAPITAL INVESTMENT | | | |

(b)(4)

* New Industry Code added pursuant to the EB-5 Policy Memorandum of May 30, 2013 regarding investments in the 65 Bay Street Project sponsored by the U.S. Immigration Fund-NJ, LLC.

** As of October 1, 2014

I.A.DONOSO
& ASSOCIATES, LLC



December 12, 2014

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

Via Federal Express

**Re: Form I-924A – Regional Center Annual Reporting – FY 2014
U.S. Immigration Fund-NJ, LLC
RCW1236250925/I.D. 1236250925**

Dear Immigration Officer,

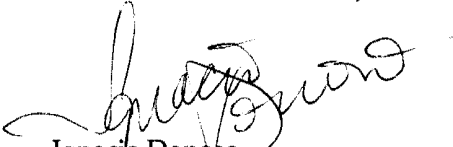
Enclosed is the completed Form I-924A, Annual Reporting Supplement, for the U.S. Immigration Fund-NJ, LLC.

Please Note: The U.S. Immigration Fund-NJ, LLC changed its address in December of 2014 to the following:

115 Front Street, Suite 300, Jupiter, Florida 33477

We trust that the enclosed Form I-924A and the accompanying evidence complies with the annual reporting requirements established by the USCIS. Please do not hesitate to contact me at (301) 276-0653 or by email at ignacio.donoso@donosolaw.com.

I.A. Donoso & Associates, LLC



Ignacio Donoso
Managing Attorney

cc: U.S. Immigration Fund-NJ, LLC

U.S. Immigration Fund-NJ, LLC
Form I-924A – Supplement for Annual Reporting 2014
Unique Identifier I.D. # RCW 1236250925
Year Ending: Sept. 30, 2014

USCIS Regional Center Approval Letter
for the
U.S. Immigration Fund-NJ, LLC



U.S. Citizenship
and Immigration
Services

Date: **MAY 29 2013**

Nicholas A. Mastroianni
U.S. Immigration Fund – NJ, LLC
1295 U.S. Highway 1, Suite 300
North Palm Beach, FL 33408

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

Applicant(s): Nicholas A. Mastroianni
Re: Initial Regional Center Designation
U.S. Immigration Fund – NJ, LLC
RCW 1236250925 / RCW 1236250925

This notice is in reference to the Form I-924, Application for Regional Center Under the Immigrant Investor Pilot Program that was filed by the applicant with the U.S. Citizenship and Immigration Services ("USCIS") on December 27, 2012. 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

1. Effective the date of this notice, USCIS approves the Form I-924 request to designate U.S. Immigration Fund – NJ, LLC as a qualifying participant in the Immigrant Investor Program.

II. Regional Center Designation

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

A. Geographic Area

| State | Counties |
|------------|--|
| New Jersey | Bergen, Essex, Hudson, Middlesex, Monmouth, Morris, Passaic, and Union |

Note: An amendment request is required if investment opportunities arise outside approved geographic area.

B. Industry Categories

| NAICS | Industry Name |
|-------|--|
| 2362 | Nonresidential Building Construction |
| 2361 | Residential Building Construction |
| 5313 | Real Estate Property Managers |
| 5413 | Architectural, Engineering, and Related Services |
| 4200 | Wholesale Trade |

Note: An amendment request is required if investment opportunities arise outside approved industry categories.

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. The job creation methodology presented in the economic impact analysis and underlying business plan is found to be reasonable based on the following inputs, when applying the RIMS II economic model:

(b)(4)

| NAICS | Industry Name | Input (\$Millions) | Multiplier | Jobs |
|-----------|--|--------------------|------------|------|
| 2361/2362 | Construction | [REDACTED] | | |
| 4200 | FF&E | | | |
| 5413 | Architectural and Engineering Services | | | |
| 53111 | Rental Income Operations | | | |
| | | | | |

* Indirect and induced jobs only

The approval of this Form I-924 application is based upon the economically and statistically valid assumptions and estimates provided in the business plan for job creation. Please refer to the input and multiplier analysis table above.

This actual 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 related to the I-924 hypothetical project approval, 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 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.

V. Guidelines for Filing Form I-526 Petitions

Each individual petition, in order to demonstrate that it is affiliated with the U.S. Immigration Fund – NJ, 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.

VI. 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.

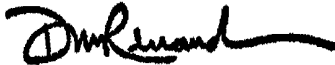
Regional centers that remain designated for participation in the Immigrant Investor Program as of September 30th of a calendar year are required to file Form I-924A Supplement in that year. The Form I-924A Supplement with the required supporting documentation must be filed on or before December 29th 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, as any changes in management of the regional center will require the approval of an amendment to the approved 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,



Daniel M. Renaud
Acting Chief, Immigrant Investor Program

cc: Ignacio A. Donoso, Esq.

From: (301) 276-0653
Ignacio Donoso

Origin ID: OBTA



4720 Montgomery Lane
Suite 430
BETHESDA, MD 20814



J142214092303uv

Ship Date: 12DEC14
ActWgt: 1.0 LB
CAD: 104983165/INET3550

Delivery Address Bar Code



CSC

AM DEC 15 2014

Ref # U.S. Immigration Fund- NJ, LLC
Invoice #
PO #
Dept #

CONVIR #163

924

SHIP TO: (800) 375-5283

BILL SENDER

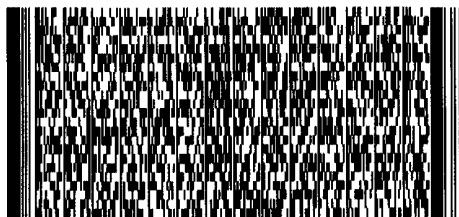
Attn: EB-5 Processing Unit
USCIS, California Service Center
24000 Avila Road, 2nd Floor

LAGUNA NIGUEL, CA 92677

MON - 15 DEC AA
STANDARD OVERNIGHT

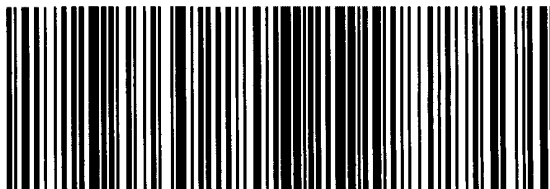
TRK# 7722 0908 1049

0201



XH JORA

92677
CA-US
SNA



522G2/D075/6AC9

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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 Service Guide. Written claims must be filed within strict time limits, see current FedEx Service Guide.

COPY

| | |
|---|---|
| RECEIPT NUMBER RCW1434952101 | CASE TYPE 1924A Supplement to Form I-924 |
| RECEIVED DATE December 15, 2014 | APPLICANT MASTROIANNI, NICHOLAS A |
| NOTICE DATE December 15, 2014 | PAGE 1 of 1 |
| IGNACIO A DONOSO I A DONOSO ASSOCIATES LLC RE: U S IMMIGRATION FUND NJ LLC 4720 MONTGOMERY LANE STE 430 BETHESDA MD 20814 | NOTICE TYPE: Receipt Notice |

Receipt Notice - This notice confirms that USCIS received your application or petition as shown above. Please reference the receipt number, above, on any correspondence with USCIS. If any of the above information is incorrect, please immediately contact us at USCIS.ImmigrantInvestorProgram@dhs.gov to let us know. This will help avoid future problems.

This notice does not grant any immigration status or benefit. It is not even evidence that this case is still pending. It only shows that the application or petition was filed on the date shown.

Processing time - Processing times vary by kind of case. You can check our website at www.uscis.gov for our current processing times for this kind of case at the particular office to which this case is or becomes assigned. If you do not receive an initial decision or update from us within our current processing time, email us at USCIS.ImmigrantInvestorProgram@dhs.gov. Save this notice, and any other notice we send you about this case, and please make and keep a copy of any papers you send us by any means along with any proof of delivery to us. Please have all these papers with you if you contact us about this case.

If your address changes - If your mailing address changes while you case is pending, notify us at USCIS.ImmigrantInvestorProgram@dhs.gov, otherwise you may not receive notice of our action on this case.

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

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



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

**Form I-924A,
Supplement to Form I-924**

Part 1. Information About Principal of the Regional Center

| | | |
|---------------------------|-------------------|--------------|
| Name: Last MASTROIANNI | First NICHOLAS | Middle A. |
|---------------------------|-------------------|--------------|

In Care Of: U.S. IMMIGRATION FUND-NJ, LLC

Street Address/P.O. Box: 115 FRONT STREET, SUITE 300

| | | |
|---------------|-----------|-----------------|
| City: JUPITER | State: FL | Zip Code: 33477 |
|---------------|-----------|-----------------|

| | | |
|--|---|---|
| Date of Birth (mm/dd/yyyy): | Fax Number (include area code): (561) 799-0061 | Telephone Number (include area code): (561) 799-1883 |
|--|---|---|

Web site address: www.visaeb-5.com

USCIS-assigned number for the Designated Regional Center (attach the Regional Center's most recently issued approval notice) RCW 1236250925/ I.D. 1236250925

Part 2. Application Type (Select one)

- a. Supplement for the Fiscal Year Ending September 30, 2015 (YYYY)
- b. Supplement for a Series of Fiscal Years Beginning on October 1, _____ (YYYY) and Ending on September 30, _____ (YYYY)

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: U.S. IMMIGRATION FUND-NJ, LLC

Street Address/P.O. Box: 115 FRONT STREET, SUITE 300

| | | |
|---------------|-----------|-----------------|
| City: JUPITER | State: FL | Zip Code: 33477 |
|---------------|-----------|-----------------|

| | | |
|---------------------------------------|---|--|
| Web site www.visaeb-5.com Address: | Fax Number (include area code): (561) 799-0061 | Telephone (include area code): (561) 799-1883 |
|---------------------------------------|---|--|

B. Name of Managing Company/Agency: U.S. IMMIGRATION FUND LLC

Street Address/P.O. Box: 115 FRONT STREET, SUITE 300

| | | |
|---------------|-----------|-----------------|
| City: JUPITER | State: FL | Zip Code: 33477 |
|---------------|-----------|-----------------|

| | | |
|---------------------------------------|---|--|
| Web site www.visaeb-5.com Address: | Fax Number (include area code): (561) 799-0061 | Telephone (include area code): (561) 799-1883 |
|---------------------------------------|---|--|

C. Name of Other Agent:

Street Address/P.O. Box:

| | | |
|-------|--------|-----------|
| City: | State: | Zip Code: |
|-------|--------|-----------|

| | |
|------------------------------------|-----------------------------------|
| Fax Number (include area code): | Telephone (include area code): |
|------------------------------------|-----------------------------------|



RCW1534453564

5338

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Part 3. Information About the Regional Center (Continued)

Answer the following questions for the time period identified in **Part 2** of this form. **Note:** If extra space is needed to complete any item, attach a continuation sheet, indicate the item number, and provide the response.

1. Identify the aggregate EB-5 capital investment and job creation that has been the focus of EB-5 capital investments sponsored through the regional center. (**Note:** Separately identify jobs maintained through investments in “troubled businesses.”)

| Aggregate EB-5 Capital Investment | Aggregate Direct and Indirect Job Creation | Aggregate Jobs Maintained |
|-----------------------------------|--|---------------------------|
| (b)(4) [REDACTED] | (Total in Progress) | N/A |

2. Identify each industry that has been the focus of EB-5 capital investments sponsored through the Regional Center, and the resulting aggregate EB-5 capital investment and job creation. (**Note:** Separately identify jobs maintained through investments in “troubled businesses.”)

| | | | |
|--------|---|--|---|
| (b)(4) | a. Industry Category Title: CONSTRUCTION | | NAICS Code for the Industry Category 2 3 6 0 |
| | Aggregate EB-5 Capital Investment: | Aggregate Direct and Indirect Job Creation: (Total in Progress) | Aggregate Jobs Maintained: N/A |
| | b. Industry Category Title: | | NAICS Code for the Industry Category |
| | Aggregate EB-5 Capital Investment: | Aggregate Direct and Indirect Job Creation: | Aggregate Jobs Maintained: |
| | c. Industry Category Title: | | NAICS Code for the Industry Category |
| | Aggregate EB-5 Capital Investment: | Aggregate Direct and Indirect Job Creation: | Aggregate Jobs Maintained: |

3. Provide the following information for each job creating commercial enterprise located within the geographic scope of your regional center that has received EB-5 investor capital:

| | | | | |
|--|--|--|--|-----------|
| (b)(4) | a. Name of Commercial Enterprise: 65 BAY STREET FUNDING LLC | | Industry Category Title: CONSTRUCTION | |
| | Address (Street Number and Name): SAME AS ABOVE | City: | State: | Zip Code: |
| | Aggregate EB-5 Capital Investment: | Aggregate Direct and Indirect Job Creation: (In Progress) | Aggregate Jobs Maintained: | |
| Does this EB-5 commercial enterprise serve as a vehicle for investment into other business entities that have or will create or maintain jobs for EB-5 purposes? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes | | | | |

Part 3. Information About the Regional Center (Continued)

If yes, then identify the name and address of each job creating business, as well as the amount of EB-5 capital investment and job creation/maintenance associated with each job creating business.

| | | | |
|---------------------------------------|-----------------------------------|--------------------------|-----------|
| (1) Business Name: SEE ATTACHMENTS | | Industry Category Title: | |
| Address (Street Number and Name): | City: | State: | Zip Code: |
| EB-5 Capital Investment: | Direct and Indirect Job Creation: | Jobs Maintained: | |
| (2) Business Name | | Industry Category Title: | |
| Address (Street Number and Name): | City: | State: | Zip Code: |
| EB-5 Capital Investment: | Direct and Indirect Job Creation: | Jobs Maintained: | |

| | | | |
|------------------------------------|---|----------------------------|-----------|
| b. Name of Commercial Enterprise: | | Industry Category Title: | |
| Address (Street Number and Name): | City: | State: | Zip Code: |
| Aggregate EB-5 Capital Investment: | Aggregate Direct and Indirect Job Creation: | Aggregate Jobs Maintained: | |

Does this EB-5 commercial enterprise serve as a vehicle for investment into other business entities that have or will create or maintain jobs for EB-5 purposes? No Yes

If yes, then identify the name and address of each job creating business, as well as the amount of EB-5 capital investment and job creation/maintenance associated with each job creating business.

| | | | |
|-----------------------------------|----------------------------------|--------------------------|-----------|
| (1) Business Name: | | Industry Category Title: | |
| Address (Street Number and Name): | City: | State: | Zip Code: |
| EB-5 Capital Investment | Direct and Indirect Job Creation | Jobs Maintained | |

Part 3. Information About the Regional Center (Continued)

| | | | |
|-----------------------------------|-----------------------------------|--------------------------|-----------|
| (2) Business Name: | | Industry Category Title: | |
| Address (Street Number and Name): | City: | State: | Zip Code: |
| EB-5 Capital Investment: | Direct and Indirect Job Creation: | Jobs Maintained: | |

| | | | |
|------------------------------------|---|----------------------------|-----------|
| c. Name of Commercial Enterprise: | | Industry Category Title: | |
| Address (Street Number and Name): | City: | State: | Zip Code: |
| Aggregate EB-5 Capital Investment: | Aggregate Direct and Indirect Job Creation: | Aggregate Jobs Maintained: | |

Does this EB-5 commercial enterprise serve as a vehicle for investment into other business entities that have or will create or maintain jobs for EB-5 purposes? No Yes

If yes, then identify the name and address of each job creating business, as well as the amount of EB-5 capital investment and job creation/maintenance associated with each job creating business.

| | | | |
|-----------------------------------|-----------------------------------|--------------------------|-----------|
| (1) Business Name: | | Industry Category Title: | |
| Address (Street Number and Name): | City: | State: | Zip Code: |
| EB-5 Capital Investment: | Direct and Indirect Job Creation: | Jobs Maintained: | |

| | | | |
|-----------------------------------|-----------------------------------|--------------------------|-----------|
| (2) Business Name: | | Industry Category Title: | |
| Address (Street Number and Name): | City: | State: | Zip Code: |
| EB-5 Capital Investment: | Direct and Indirect Job Creation: | Jobs Maintained: | |

Part 3. Information About the Regional Center (Continued)

| | | | |
|------------------------------------|---|----------------------------|-----------|
| d. Name of Commercial Enterprise: | | Industry Category Title: | |
| Address (Street Number and Name): | City: | State: | Zip Code: |
| Aggregate EB-5 Capital Investment: | Aggregate Direct and Indirect Job Creation: | Aggregate Jobs Maintained: | |

Does this EB-5 commercial enterprise serve as a vehicle for investment into other business entities that have or will create or maintain jobs for EB-5 purposes? No Yes

If yes, then identify the name and address of each job creating business, as well as the amount of EB-5 capital investment and job creation/maintenance associated with each job creating business.

| | | | |
|-----------------------------------|-----------------------------------|--------------------------|-----------|
| (1) Business Name: | | Industry Category Title: | |
| Address (Street Number and Name): | City: | State: | Zip Code: |
| EB-5 Capital Investment: | Direct and Indirect Job Creation: | Jobs Maintained: | |

| | | | |
|-----------------------------------|-----------------------------------|--------------------------|-----------|
| (2) Business Name: | | Industry Category Title: | |
| Address (Street Number and Name): | City: | State: | Zip Code: |
| EB-5 Capital Investment: | Direct and Indirect Job Creation: | Jobs Maintained: | |

| | | | |
|------------------------------------|---|----------------------------|-----------|
| e. Name of Commercial Enterprise: | | Industry Category Title: | |
| Address Street Number and Name: | City: | State: | Zip Code: |
| Aggregate EB-5 Capital Investment: | Aggregate Direct and Indirect Job Creation: | Aggregate Jobs Maintained: | |

Does this EB-5 commercial enterprise serve as a vehicle for investment into other business entities that have or will create or maintain jobs for EB-5 purposes? No Yes

Part 3. Information About the Regional Center (Continued)

If yes, then identify the name and address of each job creating business, as well as the amount of EB-5 capital investment and job creation/maintenance associated with each job creating business.

| | | | |
|-----------------------------------|-----------------------------------|--------------------------|-----------|
| (1) Business Name: | | Industry Category Title: | |
| Address (Street Number and Name): | City: | State: | Zip Code: |
| EB-5 Capital Investment: | Direct and Indirect Job Creation: | Jobs Maintained: | |
| (2) Business Name: | | Industry Category Title: | |
| Address (Street Number and Name): | City: | State: | Zip Code: |
| EB-5 Capital Investment: | Direct and Indirect Job Creation: | Jobs Maintained: | |

4. Provide the total number of approved, denied and revoked Form I-526 petitions filed by EB-5 investors making capital investments sponsored by the regional center. (Note: If an adverse action was ultimately reversed and the petition was approved, then note the case as approved.)

| Form I-526 Petition Final Case Actions | | |
|--|--------|---------|
| Approved | Denied | Revoked |
| (b)(4) <input type="text"/> | 0 | NONE |

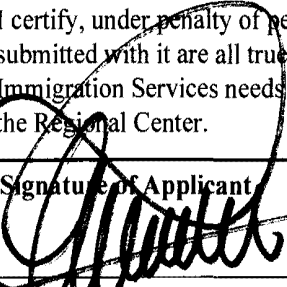
5. Provide the total number of approved, denied and revoked Form I-829 petitions filed by EB-5 investors making capital investments sponsored by the regional center. (Note: If an adverse action was ultimately reversed and the petition was approved, then note the case as approved.)

| Form I-829 Petition Final Case Actions | | |
|--|--------|---------|
| Approved | Denied | Revoked |
| NONE FILED YET | N/A | N/A |

NOTE: USCIS may require case-specific data relating to individual EB-5 petitions and the job creation determination and further information regarding the allocation methodologies utilized by a regional center in certain instances in order to verify the aggregate data provided above.

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

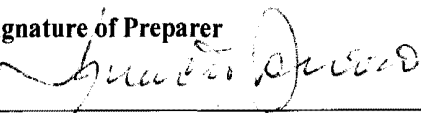
I certify, under penalty of perjury under the laws of the United States of America, that this supplemental form and the evidence submitted with it are all true and correct. I authorize the release of any information from my records that U.S. Citizenship and Immigration Services needs to determine eligibility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

| | | |
|--|---|--|
| Signature of Applicant  | Printed Name of Applicant NICHOLAS A. MASTROIANNI | Date (mm/dd/yyyy) DEC. 1, 2015 |
| Daytime Phone Number (Area/Country Codes) (561) 799-1883 | E-Mail Address NICK@USIFUND.COM | |
| Relationship to the Regional Center Entity (Managing Member, President, CEO, etc.) PRESIDENT & CEO | | |

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

I declare that I prepared this form using information provided by someone with authority to act on behalf of the Regional Center, and the answers and information are those 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 IGNACIO A. DONOSO | Date (mm/dd/yyyy) 12/03/15 |
| Firm Name and Address I.A. DONOSO & ASSOCIATES, LLC 4800 MONTGOMERY LANE, SUITE 640 BETHESDA, MD 20814 | | |
| Daytime Phone Number (Area/Country Codes) (301) 276-0654 | Fax Number (Area/Country Codes) | E-Mail Address IGNACIO.DONOSO@DONOSOLAW.COM |

I-924A Annual Reporting Supplement – 2015

U.S. Immigration Fund-NJ, LLC

Fiscal Year Ending Sept. 30, 2015

| | |
|--|-----------------------------------|
| | Offering No. 1 |
| New Commercial Enterprise Name: | 65 Bay Street Funding, LLC |
| (b)(4) TEA Project: | Yes |
| Maximum Capital Raise: | <input type="text"/> |
| Maximum Number of EB-5 Investors: | <input type="text"/> |
| Inception Date: | 07/2013 |

I-526 Processing Progress as of 09/30/2015

| | # of I-526 Petitions Filed in FY 2014 (see attached list of names and Receipt #'s) | # of I-526 Petitions Approved | # of I-526 Petitions Denied | # of I-526 Petitions Still Pending in FY 2014 |
|--------|--|--------------------------------------|------------------------------------|--|
| (b)(4) | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| | Since Inception: | Since Inception: | Since Inception: | Since Inception: |
| | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |

I-829 Processing Progress as of 09/30/2015

| | # of I-829 Petitions Filed (see attached list of names and Receipt #'s) | # of I-829 Petitions Approved | # of I-829 Petitions Denied | # of I-829 Petitions Still Pending |
|--------|---|--------------------------------------|------------------------------------|---|
| (b)(4) | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |

Financial and Job Creation Progress as of 09/30/2015

| | # of Investors Subscribed in FY 2014 | # of Investors Funded Capital to NCE in FY 2014 | Total EB-5 Capital Funded to NCE (\$) in FY 2014 | Total EB-5 Capital Loaned to Borrower (\$) | Total jobs Projected for Total Capital Raise | Total Jobs created as of 09/30 based on money borrowed under Loan |
|--------|---|--|---|---|---|--|
| (b)(4) | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | Project Under Construction |
| | Since Inception: | Since Inception: | Since Inception: | Since Inception: | | |
| | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | | |

I-924A Annual Reporting Supplement

U.S. Immigration Fund-NJ, LLC

Fiscal Year Ending Sept. 30, 2015

(b)(4)

| | |
|--|--|
| New Commercial Enterprise Name: | Offering No. 2 65 Bay Street Funding, LLC |
| TEA Project: | Yes |
| Maximum Capital Raise: | <input type="text"/> |
| Maximum Number of EB-5 Investors: | <input type="text"/> |
| Inception Date: | 05/2015 |

I-526 Processing Progress as of 09/30/2015

| # of I-526 Petitions Filed (see attached list of names and Receipt #'s) | # of I-526 Petitions Approved | # of I-526 Petitions Denied | # of I-526 Petitions Still Pending |
|---|--------------------------------------|------------------------------------|---|
| <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |

I-829 Processing Progress as of 09/30/2015

| # of I-829 Petitions Filed (see attached list of names and Receipt #'s) | # of I-829 Petitions Approved | # of I-829 Petitions Denied | # of I-829 Petitions Still Pending |
|---|--------------------------------------|------------------------------------|---|
| <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |

Financial and Job Creation Progress as of 09/30/2015

| # of Investors Subscribed | # of Investors Funded Capital to NCE | Total EB-5 Capital Funded to NCE (\$) | Total EB-5 Capital Loaned to Borrower (\$) | Total jobs Projected for Total Capital Raise | Total Jobs created as of 09/30 based on money borrowed under Loan |
|----------------------------------|---|--|---|---|--|
| <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | Project Under Construction |

(b)(4)



L.A. DONOSO & ASSOCIATES, LLC
Immigration Attorneys

December 9, 2015

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

Via Federal Express

**Re: Form I-924A – Regional Center Annual Reporting - 2015
U.S. Immigration Fund-NJ, LLC**

Dear Immigration Officer,

Enclosed is the completed Form I-924A, Annual Reporting Supplement, for the U.S. Immigration Fund-NJ, LLC for fiscal year ending September 30, 2015.

We trust that the enclosed Form I-924A and the accompanying evidence complies with the annual reporting requirements established by the USCIS. Please do not hesitate to contact me at (301) 276-0653 or by email at ignacio.donoso@donosolaw.com.

I.A. Donoso & Associates, LLC

Ignacio Donoso
Managing Attorney

4800 Montgomery Lane
Suite 640
Bethesda MD 20814
(301) 276-0653

COPY

| | | |
|---|----------------|---|
| RECEIPT NUMBER RCW1534453564 | | CASE TYPE 1924A Supplement to Form I-924 |
| RECEIVED DATE December 10, 2015 | | APPLICANT MASTROIANNI, NICHOLAS A |
| NOTICE DATE December 10, 2015 | PAGE 1 of 1 | |
| U S IMMIGRATION FUND NJ LLC 115 FRONT ST STE 300 JUPITER FL 33477 | | NOTICE TYPE: Receipt Notice |

Receipt Notice - This notice confirms that USCIS received your application or petition as shown above. Please reference the receipt number, above, on any correspondence with USCIS. If any of the above information is incorrect, please immediately contact us at USCIS.ImmigrantInvestorProgram@dhs.gov to let us know. This will help avoid future problems.

This notice does not grant any immigration status or benefit. It is not even evidence that this case is still pending. It only shows that the application or petition was filed on the date shown.

Processing time - Processing times vary by kind of case. You can check our website at www.uscis.gov for our current processing times for this kind of case at the particular office to which this case is or becomes assigned. If you do not receive an initial decision or update from us within our current processing time, email us at USCIS.ImmigrantInvestorProgram@dhs.gov. Save this notice, and any other notice we send you about this case, and please make and keep a copy of any papers you send us by any means along with any proof of delivery to us. Please have all these papers with you if you contact us about this case.

If your address changes - If your mailing address changes while your case is pending, notify us at USCIS.ImmigrantInvestorProgram@dhs.gov, otherwise you may not receive notice of our action on this case.

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

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



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

**Form I-924A,
Supplement to Form I-924**

Part 1. Information About Principal of the Regional Center

| | | |
|---------------------------|-------------------|--------------|
| Name: Last MASTROIANNI | First NICHOLAS | Middle A. |
|---------------------------|-------------------|--------------|

In Care Of: U.S. IMMIGRATION FUND-NJ, LLC

Street Address/P.O. Box: 1295 U.S. HIGHWAY ONE, SUITE 300

| | | |
|-------------------------------|-----------|-----------------|
| (b)(6) City: NORTH PALM BEACH | State: FL | Zip Code: 33408 |
|-------------------------------|-----------|-----------------|

| | | |
|-------------------------------|---|---|
| Date of Birth (mm/dd/yyyy) | Telephone Number (include area code): (561) 799-0061 | Telephone Number (include area code): (561) 799-1883 |
|-------------------------------|---|---|

Web site address: www.visaeb-5.com

USCIS-assigned number for the Designated Regional Center (attach the Regional Center's most recently issued approval notice) RCW 1236250925/ I.D. 1236250925

Part 2. Application Type (check one)

- a. Supplement for the Fiscal Year Ending September 30, 2013 (YYYY)
- b. Supplement for a Series of Fiscal Years Beginning on October 1, _____ (YYYY) and Ending on September 30, _____ (YYYY)

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: U.S. IMMIGRATION FUND-NJ, LLC

Street Address/P.O. Box: 1295 U.S. HIGHWAY ONE, SUITE 300

| | | |
|------------------------|-----------|-----------------|
| City: NORTH PALM BEACH | State: FL | Zip Code: 33408 |
|------------------------|-----------|-----------------|

| | | |
|---------------------------------------|---|--|
| Web site Address: www.visaeb-5.com | Fax Number (include area code): (561) 799-0061 | Telephone (include area code): (561) 799-1883 |
|---------------------------------------|---|--|

B. Name of Managing Company/Agency: N/A

Street Address/P.O. Box:

| | | |
|-------|--------|-----------|
| City: | State: | Zip Code: |
|-------|--------|-----------|

| | | |
|----------------------|------------------------------------|-----------------------------------|
| Web site Address: | Fax Number (include area code): | Telephone (include area code): |
|----------------------|------------------------------------|-----------------------------------|

C. Name of Other Agent:

Street Address/P.O. Box:

| | | |
|-------|--------|-----------|
| City: | State: | Zip Code: |
|-------|--------|-----------|

| | | |
|----------|------------------------------------|-----------------------------------|
| Web site | Fax Number (include area code): | Telephone (include area code): |
|----------|------------------------------------|-----------------------------------|



RCW1335051353
egarcia2 1924A 12/13/2013

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Part 3. Information About the Regional Center (Continued)

Answer the following questions for the time period identified in **Part 2** of this form. **Note:** If extra space is needed to complete any item, attach a continuation sheet, indicate the item number, and provide the response.

1. Identify the aggregate EB-5 capital investment and job creation has been the focus of EB-5 capital investments sponsored through the regional center. (**Note:** Separately identify jobs maintained through investments in “troubled businesses.”)

| | | | |
|--------|-----------------------------------|--|---------------------------|
| (b)(4) | Aggregate EB-5 Capital Investment | Aggregate Direct and Indirect Job Creation | Aggregate Jobs Maintained |
| | | PROJECT UNDER CONSTRUCTION | N/A |

2. Identify each industry that has been the focus of EB-5 capital investments sponsored through the Regional Center, and the resulting aggregate EB-5 capital investment and job creation. (**Note:** Separately identify jobs maintained through investments in “troubled businesses”.)

| | | | |
|---|---|---|--|
| a. Industry Category Title: CONSTRUCTION | | NAICS Code for the Industry Category 2 3 6 2 | |
| Aggregate EB-5 Capital Investment: SEE EXHIBIT 3.2 | Aggregate Direct and Indirect Job Creation: PROJECT UNDER CONSTRUCTION | Aggregate Jobs Maintained: N/A | |
| b. Industry Category Title: | | NAICS Code for the Industry Category _____ | |
| Aggregate EB-5 Capital Investment: | Aggregate Direct and Indirect Job Creation: | Aggregate Jobs Maintained: | |
| c. Industry Category Title: | | NAICS Code for the Industry Category _____ | |
| Aggregate EB-5 Capital Investment: | Aggregate Direct and Indirect Job Creation: | Aggregate Jobs Maintained: | |

3. Provide the following information for each job creating commercial enterprise located within the geographic scope of your regional center that has received EB-5 investor capital:

| | | | | |
|--|---|---|---|--------------------|
| (b)(4) | a. Name of Commercial Enterprise: 65 BAY STREET FUNDING, LLC | | Industry Category Title: NAICS 2362 & CODES IN EXHIBIT 3.3.A | |
| | Address (Street Number and Name): 1295 US HWY ONE, STE. 300 | City: NORTH PALM BEACH | State: FL | Zip Code: 33408 |
| | Aggregate EB-5 Capital Investment: | Aggregate Direct and Indirect Job Creation: PROJECT UNDER CONSTRUCTION | Aggregate Jobs Maintained: N/A | |
| Does this EB-5 commercial enterprise serve as a vehicle for investment into other business entities that have or will create or maintain jobs for EB-5 purposes? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes | | | | |

Exhibit 3.2 – Response to Part 3, Box 2

All Industries of Focus & Aggregate EB-5 Investment

| No. | Industry Category Title | NAICS Code | Aggregate Capital Investment |
|-----|--------------------------------------|------------|------------------------------|
| 1. | Residential Building Construction | 2361 | Cumulative (Below) |
| 2. | Nonresidential Building Construction | 2362 | Cumulative (Below) |
| 3. | Architectural, Engineering & Related | 5413 | Cumulative (Below) |
| 4. | Lessors of Residential Buildings * | 5311 | Cumulative (Below) |
| 5. | Real Estate Property Managers | 5313 | Cumulative (Below) |
| 6. | Wholesale Trade | 4200 | Cumulative (Below) |

AGGREGATE EB-5 CAPITAL INVESTMENT:

| 65 Bay Street Funding LLC | Aggregate EB-5 Capital Investment |
|---------------------------|-----------------------------------|
| (b)(4) | |

(b)(4)

* New Industry Codes added pursuant to the EB-5 Policy Memorandum of May 30, 2013 regarding investments in the 65 Bay Street Project sponsored by the U.S. Immigration Fund-NJ, LLC.

Exhibit 3.3.A – Response to Part 3, Box 3.a

65 Bay Street Funding, LLC

| No. | Industry Category Title | NAICS Code | Aggregate Capital Investment |
|-----|--|------------|------------------------------|
| 1. | Residential Building Construction | 2361 | Cumulative (Below) |
| 2. | Nonresidential Building Construction | 2362 | Cumulative (Below) |
| 3. | Architectural, Engineering and Related | 5413 | Cumulative (Below) |
| 4. | Lessors of Residential Buildings * | 53111 | Cumulative (Below) |
| | AGGREGATE EB-5 CAPITAL INVESTMENT | | |

(b)(4)

* New Industry Code added pursuant to the EB-5 Policy Memorandum of May 30, 2013 regarding investments in the 65 Bay Street Project sponsored by the U.S. Immigration Fund-NJ, LLC.

** As of October 1, 2013

Part 3. Information About the Regional Center (Continued)

If yes, then identify the name and address of each job creating business, as well as the amount of EB-5 capital investment and job creation/maintenance associated with each job creating business.

| | | | |
|---|--|--|---------------------------|
| (1) Business Name: MORGAN STREET DEVELOPERS URBAN RENEWAL CO. | | Industry Category Title: NAICS 2362 & CODES IN EXHIBIT 3.3.A | |
| Address (Street Number and Name): 666 FIFTH AVE. | City: NEW YORK | State: NY | Zip Code: 10103 |
| EB-5 Capital Investment: [REDACTED] SEE EXH 3.3.A | Direct and Indirect Job Creation: PROJECT UNDER CONSTRUCTION | Jobs Maintained: N/A | |
| (2) Business Name | | Industry Category Title: | |
| Address (Street Number and Name): | City: | State: | Zip Code: |
| EB-5 Capital Investment: | Direct and Indirect Job Creation: | Jobs Maintained: | |

(b)(4)

| | | | |
|---|--|-----------------------------------|------------------|
| b. Name of Commercial Enterprise: | | Industry Category Title: | |
| Address (Street Number and Name): | City: | State: FL | Zip Code: |
| Aggregate EB-5 Capital Investment: | Aggregate Direct and Indirect Job Creation: | Aggregate Jobs Maintained: | |

Does this EB-5 commercial enterprise serve as a vehicle for investment into other business entities that have or will create or maintain jobs for EB-5 purposes? No Yes

If yes, then identify the name and address of each job creating business, as well as the amount of EB-5 capital investment and job creation/maintenance associated with each job creating business.

| | | | |
|--|---|---------------------------------|------------------|
| (1) Business Name: | | Industry Category Title: | |
| Address (Street Number and Name): | City: | State: NY | Zip Code: |
| EB-5 Capital Investment | Direct and Indirect Job Creation | Jobs Maintained | |

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

| | | | |
|-----------------------------------|-----------------------------------|--------------------------|-----------|
| (2) Business Name: | | Industry Category Title: | |
| Address (Street Number and Name): | City: | State: | Zip Code: |
| EB-5 Capital Investment: | Direct and Indirect Job Creation: | Jobs Maintained: | |

| | | | |
|------------------------------------|---|----------------------------|-----------|
| c. Name of Commercial Enterprise: | | Industry Category Title: | |
| Address (Street Number and Name): | City: | State: FL | Zip Code: |
| Aggregate EB-5 Capital Investment: | Aggregate Direct and Indirect Job Creation: | Aggregate Jobs Maintained: | |

Does this EB-5 commercial enterprise serve as a vehicle for investment into other business entities that have or will create or maintain jobs for EB-5 purposes? No Yes

If yes, then identify the name and address of each job creating business, as well as the amount of EB-5 capital investment and job creation/maintenance associated with each job creating business.

| | | | |
|-----------------------------------|-----------------------------------|--------------------------|-----------|
| (1) Business Name: | | Industry Category Title: | |
| Address (Street Number and Name): | City: | State: NY | Zip Code: |
| EB-5 Capital Investment: | Direct and Indirect Job Creation: | Jobs Maintained: | |

| | | | |
|-----------------------------------|-----------------------------------|--------------------------|-----------|
| (2) Business Name: | | Industry Category Title: | |
| Address (Street Number and Name): | City: | State: | Zip Code: |
| EB-5 Capital Investment: | Direct and Indirect Job Creation: | Jobs Maintained: | |

Part 3. Information About the Regional Center (Continued)

| | | | |
|--|---|----------------------------|-----------|
| d. Name of Commercial Enterprise: | | Industry Category Title: | |
| Address (Street Number and Name): | City: | State: | Zip Code: |
| Aggregate EB-5 Capital Investment: | Aggregate Direct and Indirect Job Creation: | Aggregate Jobs Maintained: | |
| Does this EB-5 commercial enterprise serve as a vehicle for investment into other business entities that have or will create or maintain jobs for EB-5 purposes? <input type="checkbox"/> No <input type="checkbox"/> Yes If yes, then identify the name and address of each job creating business, as well as the amount of EB-5 capital investment and job creation/maintenance associated with each job creating business. | | | |
| (1) Business Name: | | Industry Category Title: | |
| Address (Street Number and Name): | City: | State: | Zip Code: |
| EB-5 Capital Investment: | Direct and Indirect Job Creation: | Jobs Maintained: | |
| (2) Business Name: | | Industry Category Title: | |
| Address (Street Number and Name): | City: | State: | Zip Code: |
| EB-5 Capital Investment: | Direct and Indirect Job Creation: | Jobs Maintained: | |
| e. Name of Commercial Enterprise: | | Industry Category Title: | |
| Address Street Number and Name: | City: | State: | Zip Code: |
| Aggregate EB-5 Capital Investment: | Aggregate Direct and Indirect Job Creation: | Aggregate Jobs Maintained: | |
| Does this EB-5 commercial enterprise serve as a vehicle for investment into other business entities that have or will create or maintain jobs for EB-5 purposes? <input type="checkbox"/> No <input type="checkbox"/> Yes | | | |

Part 3. Information About the Regional Center (Continued)

If yes, then identify the name and address of each job creating business, as well as the amount of EB-5 capital investment and job creation/maintenance associated with each job creating business.

| | | | |
|-----------------------------------|-----------------------------------|--------------------------|-----------|
| (1) Business Name: | | Industry Category Title: | |
| Address (Street Number and Name): | City: | State: | Zip Code: |
| EB-5 Capital Investment: | Direct and Indirect Job Creation: | Jobs Maintained: | |
| (2) Business Name: | | Industry Category Title: | |
| Address (Street Number and Name): | City: | State: | Zip Code: |
| EB-5 Capital Investment: | Direct and Indirect Job Creation: | Jobs Maintained: | |

4. Provide the total number of approved, denied and revoked Form I-526 petitions filed by EB-5 investors making capital investments sponsored by the regional center. (Note: If an adverse action was ultimately reversed and the petition was approved, then note the case as approved.)

(b)(4)

| Form I-526 Petition Final Case Actions | | |
|--|--------|---------|
| Approved | Denied | Revoked |
| | 0 | 0 |

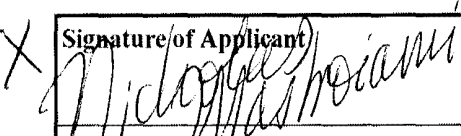
5. Provide the total number of approved, denied and revoked Form I-829 petitions filed by EB-5 investors making capital investments sponsored by the regional center. (Note: If an adverse action was ultimately reversed and the petition was approved, then note the case as approved.)

| Form I-829 Petition Final Case Actions | | |
|--|--------|---------|
| Approved | Denied | Revoked |
| 0 | 0 | 0 |

NOTE: USCIS may require case-specific data relating to individual EB-5 petitions and the job creation determination and further information regarding the allocation methodologies utilized by a regional center in certain instances in order to verify the aggregate data provided above.

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.*

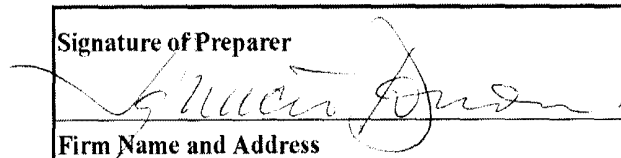
I certify, under penalty of perjury under the laws of the United States of America, that this supplemental form and the evidence submitted with it are all true and correct. I authorize the release of any information from my records that U.S. Citizenship and Immigration Services needs to determine eligibility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

| | | |
|---|---|--|
| Signature of Applicant  | Printed Name of Applicant NICHOLAS A. MASTROIANNI | Date (mm/dd/yyyy) 12/12/2013 |
| Daytime Phone Number <i>(Area/Country Codes)</i> (561) 799-1883 | E-Mail Address NICK@USIFUND.COM | |
| Relationship to the Regional Center Entity (Managing Member, President, CEO, etc.) PRESIDENT & CEO | | |

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

I declare that I prepared this form using information provided by someone with authority to act on behalf of the Regional Center, and the answers and information are those 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 IGNACIO A. DONOSO | Date (mm/dd/yyyy) 12/13/2013 |
| Firm Name and Address I.A. DONOSO & ASSOCIATES, LLC 4720 MONTGOMERY LANE, SUITE 430 BETHESDA, MD 20814 | | |
| Daytime Phone Number <i>(Area/Country Codes)</i> (301) 276-0654 | Fax Number (Area/Country Codes) | E-Mail Address IGNACIO.DONOSO@DONOSOLAW.COM |

I.A. DONOSO
& ASSOCIATES, LLC



December 12, 2013

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

Via Federal Express

**Re: Form I-924A – Annual Reporting
U.S. Immigration Fund-NJ, LLC
RCW 1236250925**

Dear Immigration Officer,

Enclosed is the completed Form I-924A, Annual Reporting Supplement, for the U.S. Immigration Fund-NJ, LLC. We also enclosed Form G-28 for the undersigned, should you require any additional information regarding this filing.

We trust that the enclosed Form I-924A and the accompanying evidence complies with the annual reporting requirements established by USCIS. Please do not hesitate to contact me at (301) 276-0654 or by email at ignacio.donoso@donosolaw.com.

I.A. Donoso & Associates, LLC

A handwritten signature in black ink, appearing to read 'Ignacio Donoso', with a stylized flourish at the end.

Ignacio Donoso
Managing Attorney

cc: U.S. Immigration Fund-NJ LLC (attention: Nicholas A. Mastroianni)

Encl. (as described above)

U.S. Immigration Fund-NJ, LLC
Form I-924A – Supplement for Annual Reporting 2012
Unique Identifier I.D. # RCW 1236250925
Year Ending: Sept. 30, 2013

FORM I-924A
FOR THE U.S. IMMIGRATION FUND-NJ, LLC

U.S. Immigration Fund-NJ, LLC
Form I-924A – Supplement for Annual Reporting 2012
Unique Identifier I.D. # RCW 1236250925
Year Ending: Sept. 30, 2013

**USCIS Regional Center Approval Letter
for the U.S. Immigration Fund-NJ, LLC**



U.S. Citizenship
and Immigration
Services

Date: MAY 29 2013

Nicholas A. Mastroianni
U.S. Immigration Fund – NJ, LLC
1295 U.S. Highway 1, Suite 300
North Palm Beach, FL 33408

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

Applicant(s): Nicholas A. Mastroianni
Re: Initial Regional Center Designation
U.S. Immigration Fund – NJ, LLC
RCW 1236250925 / RCW 1236250925

This notice is in reference to the Form I-924, Application for Regional Center Under the Immigrant Investor Pilot Program that was filed by the applicant with the U.S. Citizenship and Immigration Services ("USCIS") on December 27, 2012. 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

1. Effective the date of this notice, USCIS approves the Form I-924 request to designate U.S. Immigration Fund – NJ, LLC as a qualifying participant in the Immigrant Investor Program.

II. Regional Center Designation

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

A. Geographic Area

| State | Counties |
|------------|--|
| New Jersey | Bergen, Essex, Hudson, Middlesex, Monmouth, Morris, Passaic, and Union |

Note: An amendment request is required if investment opportunities arise outside approved geographic area.

B. Industry Categories

| NAICS | Industry Name |
|-------|--|
| 2362 | Nonresidential Building Construction |
| 2361 | Residential Building Construction |
| 5313 | Real Estate Property Managers |
| 5413 | Architectural, Engineering, and Related Services |
| 4200 | Wholesale Trade |

Note: An amendment request is required if investment opportunities arise outside approved industry categories.

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. The job creation methodology presented in the economic impact analysis and underlying business plan is found to be reasonable based on the following inputs, when applying the RIMS II economic model:

(b)(4)

| NAICS | Industry Name | Input (\$Millions) | Multiplier | Jobs |
|-----------|--|--------------------|------------|------------|
| 2361/2362 | Construction | [REDACTED] | [REDACTED] | [REDACTED] |
| 4200 | FF&E | | | |
| 5413 | Architectural and Engineering Services | | | |
| 53111 | Rental Income Operations | | | |
| | | | | |

* Indirect and induced jobs only

The approval of this Form I-924 application is based upon the economically and statistically valid assumptions and estimates provided in the business plan for job creation. Please refer to the input and multiplier analysis table above.

This actual 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 related to the I-924 hypothetical project approval, 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 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.

V. Guidelines for Filing Form I-526 Petitions

Each individual petition, in order to demonstrate that it is affiliated with the U.S. Immigration Fund – NJ, 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.

VI. 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.

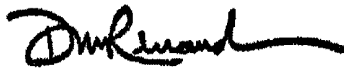
Regional centers that remain designated for participation in the Immigrant Investor Program as of September 30th of a calendar year are required to file Form I-924A Supplement in that year. The Form I-924A Supplement with the required supporting documentation must be filed on or before December 29th 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, as any changes in management of the regional center will require the approval of an amendment to the approved 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,



Daniel M. Renaud
Acting Chief, Immigrant Investor Program

cc: Ignacio A. Donoso, Esq.

COPY

| | |
|--|---|
| RECEIPT NUMBER RCW1335051353 | CASE TYPE 1924A Supplement to Form I-924 |
| RECEIVED DATE December 13, 2013 | APPLICANT MASTROIANNI, NICHOLAS A |
| NOTICE DATE December 16, 2013 | PAGE 1 of 1 |
| IGNACIO A DONOSO RE: U S IMMIGRATION FUND NJ LLC 4720 MONTGOMERY LANE STE 430 BETHESDA MD 20814 | NOTICE TYPE: Receipt Notice |

Receipt Notice - This notice confirms that USCIS received your application or petition as shown above. Please reference the receipt number, above, on any correspondence with USCIS. If any of the above information is incorrect, please immediately contact us at USCIS.ImmigrantInvestorProgram@dhs.gov to let us know. This will help avoid future problems.

This notice does not grant any immigration status or benefit. It is not even evidence that this case is still pending. It only shows that the application or petition was filed on the date shown.

Processing time - Processing times vary by kind of case. You can check our website at www.uscis.gov for our current processing times for this kind of case at the particular office to which this case is or becomes assigned. If you do not receive an initial decision or update from us within our current processing time, email us at USCIS.ImmigrantInvestorProgram@dhs.gov. Save this notice, and any other notice we send you about this case, and please make and keep a copy of any papers you send us by any means along with any proof of delivery to us. Please have all these papers with you if you contact us about this case.

If your address changes - If your mailing address changes while your case is pending, notify us at USCIS.ImmigrantInvestorProgram@dhs.gov, otherwise you may not receive notice of our action on this case.

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

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



CIS Immigrant Investor Program

From: USCIS Immigrant Investor Program
Sent: Monday, August 17, 2015 12:28 AM
To: nick@usifund.com
Cc: IDONOSO@FOSTERQUAN.COM; ignacio.donoso@donosolaw.com
Subject: Request for Clarification US Immigration Fund – NJ [ID1236250925]

Dear US IMMIGRATION FUND – NJ Principal:

US IMMIGRATION FUND – NJ ("the Regional Center") applied for designation as a regional center on 12/21/2012. On 5/29/2013, USCIS designated the Regional Center as a regional center and authorized its participation in the Immigrant Investor Program.

In reviewing the Regional Center's I-924A filing for fiscal year 2014, RCW1434952101, USCIS notes the following:

Regional center and related commercial enterprises that utilize names that contain the words "United States," "U.S.," "US" and "Federal" may falsely imply a relationship between the entity using the name, and USCIS, DHS and the United States Government. In addition, use of such names on websites, promotional and other marketing materials may be considered deceptive acts or practices and false advertisements in violation of Federal laws governing unfair trade and false advertisements. See 15 U.S.C. §§ 45 and 52. IPO may refer regional centers and related commercial enterprises with questionable naming conventions to the Federal Trade Commission for further action.

Additionally, use of the words "Federal" or "United States," in advertising by businesses engaged in the financial services sector may be a violation of 18 U.S.C. § 709, which prohibits false advertising or misuse of names to indicate Federal agency. IPO may refer regional centers and related commercial enterprises with questionable naming conventions to the Department of Justice for further action.

Due to the fact that the Regional Center's name contains the word "US" the Regional Center may be in violation of laws as described above. Please submit evidence that the regional center has adopted a name that does not contain words that may be in violation of U.S. law.

Please respond within 90 business days of the date of this email via email to: USCIS.ImmigrantInvestorProgram@uscis.dhs.gov. Should you need additional time to submit the requested evidence, please respond to this email with your time extension request.

Sincerely,

Immigrant Investor Program
U.S. Citizenship and Immigration Services

DA0018



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

Date: **MAY 29 2013**

Nicholas A. Mastroianni
U.S. Immigration Fund – NJ, LLC
1295 U.S. Highway 1, Suite 300
North Palm Beach, FL 33408

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

Applicant(s): Nicholas A. Mastroianni
Re: Initial Regional Center Designation
U.S. Immigration Fund – NJ, LLC
RCW 1236250925 / ID 1236250925

This notice is in reference to the Form I-924, Application for Regional Center Under the Immigrant Investor Pilot Program that was filed by the applicant with the U.S. Citizenship and Immigration Services (“USCIS”) on December 27, 2012. 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

1. Effective the date of this notice, USCIS approves the Form I-924 request to designate U.S. Immigration Fund – NJ, 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:

COPY

| | |
|-----------------------------------|--|
| A # | Application/Petition |
| Receipt # RCW1236250925 | 1924, Application for Regional Center under Immigrant Investor Pilot Program |
| Notice Date April 9, 2013 | Applicant/Petitioner U.S. Immigration Fund-N J |
| Page 1 of 8 | Beneficiary |

**ACTION COMPLETED
APPROVED FOR FILING**

APR 22 2013
660070

Ignacio A. Donoso
FosterQuan, LLP
RE: U.S. IMMIGRATION FUND-NJ
600 Travis St., Suite 2000
Houston, TX 77002

INITIALS: CSC
FOC: CSC
**Intent to Deny Processing
Coversheet**

Notice also sent to:

**RETURN THIS BLUE PROCESSING COVERSHEET ON TOP OF YOUR
RESPONSE TO THE INTENT TO DENY.**

Note: You are given until **May 9, 2013** in which to submit the requested information to the address at the bottom of this notice.

RESPONSE TO AN INTENT TO DENY

For more information, visit our website at **www.uscis.gov**
Or call us at **1-800-375-5283**

Telephone service for the hearing impaired: **1-800-767-1833**

**For non-US Postal Service
Attn: EB 5 RC Proposal
24000 Avila Road, 2nd Floor
Laguna Niguel, CA 92677**

CSC4639 WS25097 INVESTOR BRANCH MP

You will be notified separately about any other applications or petitions you filed. Save this notice. Please enclose a copy of it if you write to us about this case, or if you file another application based on this decision. Our address is:

USCIS - CALIFORNIA SERVICE CENTER
P.O. BOX 10590
LAGUNA NIGUEL, CA 92607-0590
800-375-5283



RCW1236250925

C30159

NOTICE OF INTENT TO DENY

This notice is in reference to the Form I-924, Application for Regional Center Under the Immigrant Investor Pilot Program, that was filed by U.S. Immigration Fund-NJ Regional Center ("applicant") at the California Service Center on December 21, 2012. The U.S. Citizenship and Immigration Services ("USCIS") has completed its review of the application for designation as a regional center under the Immigrant Investor Program ("Program"). The 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). The purpose of this notice is to notify the applicant that USCIS intends to deny its application requesting designation as a regional center.

I. Procedural History

The proposed Regional Center entity was established on December 7, 2012 in the state of Florida and is structured as a limited liability company. The applicant is requesting jurisdiction over a geographic area to include:

| Name of State | Counties |
|---------------|---|
| New Jersey | Bergen, Essex, Hudson, Middlesex, Monmouth, Morris, Passaic and Union |

Additionally, the applicant plans to offer EB-5 capital investment opportunities in affiliated new commercial enterprises, organized as limited partnerships, focusing on projects in the following industry categories:

| NAICS | Industry Category |
|-------|--|
| 2362 | Non residential Building Construction |
| 2361 | Residential Building Construction |
| 5313 | Real Estate Property Managers |
| 5413 | Architectural, Engineering, and Related Services |

The capital investment projects will involve a combination of equity investments and loans to job creating enterprises located within the proposed bounds of the Regional Center.

On December 12, 2012, the applicant filed its Form I-924 requesting regional center designation. On February 20, 2013, USCIS issued a request for additional evidence ("RFE") as the initial application did not qualify under 8 C.F.R. § 204.6(m)(3). The response to the RFE was received on March 5, 2013.

II. Regional Center – Relevant Statute and Regulations

Section 610 of the Departments of Commerce, Justice and State, the Judiciary, and Related Agencies Appropriations Act of 1993, Pub. L. 102-395, (8 USC 1153 note), as amended by Section 402 of the Visa Waiver Permanent Program Act of 2000, Pub. L. 106-396, provides:

(a) Of the visas otherwise available under section 203(b)(5) of the Immigration and Nationality Act (8 U.S.C. 1153(b)(5)), the Secretary of State, together with the Attorney General, shall set aside visas for a program to implement the provisions of such section. Such program shall involve a regional center in the United States for the promotion of economic growth, including increased export sales, improved regional productivity, job creation, and increased domestic capital investment.

(b) For purposes of the program established in subsection (a), beginning on October 1, 1992, but no later than October 1, 1993, the Secretary of State, together with the Attorney General, shall set aside 3,000 visas annually for five years to include such aliens as are eligible for admission under section 203(b)(5) of the Immigration and Nationality Act and this section, as well as spouses or children which are eligible, under the terms of the Immigration and Nationality Act, to accompany or follow to join such aliens.

(c) In determining compliance with section 203(b)(5)(A)(iii) of the Immigration and Nationality Act, and notwithstanding the requirements of 8 CFR 204.6, the Attorney General shall permit aliens admitted under the program described in this section to establish reasonable methodologies for determining the number of jobs created by the program, including such jobs which are estimated to have been created indirectly through revenues generated from increased exports, improved regional productivity, job creation, or increased domestic capital investment resulting from the program.

The regulation at 8 CFR § 204.6(m) provides:

(3) Requirements for regional centers. Each regional center wishing to participate in the Immigrant Investor 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;

(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.

(4) ***

(5) Decision to participate in the Immigrant Investor Program. The Assistant Commissioner for Adjudications shall notify the regional center of his or her decision on the request for approval to participate in the Immigrant Investor Program, and, if the petition is denied, of the reasons for the denial and of the regional center's right of appeal to the Associate Commissioner for Examinations. Notification of denial and appeal rights, and the procedure for appeal shall be the same as those contained in 8 CFR 103.3.

In reviewing this application, USCIS has to determine whether the request for regional center designation has met all of the regulatory criteria and thereby will maintain a regional center within which aliens seeking to obtain permanent resident status under section 203(b)(5) of the Act will be able to successfully establish a new commercial enterprise (as described in 8 CFR § 204.6(h)) with the qualifying investment that will benefit the United States economy and create 10 full-time jobs, including jobs indirectly created through the new commercial enterprise.

III. Issues

A. Issue 1: The applicant was requested to provide a detailed and itemized construction timeline and transparent, objective and verifiable data.

The applicant submitted a letter from Sam Gershwin, the president of Westminster Communities and the person responsible for all the project's construction-related activities. The letter indicated that the 26-month construction timeline is reasonable. The letter lists the relevant phases of the construction effort but does not provide a timeline in detailed and itemized form. Therefore, the applicant has yet to submit a detailed and itemized construction timeline.

- This issue will remain unresolved until the applicant submits an itemized construction timeline showing all relevant phases of the construction effort.
- The issue will also remain unresolved until the applicant provides transparent, objective, and verifiable data illustrating that the proposed construction timeline and budget are within a reasonable range when compared to industry standards.

B. Issue 2: The applicant was requested to clarify specific unresolved issues in the Impact Analysis.

The applicant solicited the expertise of Evans, Carroll, and Associates (Evans-Carroll) to conduct the economic impact analysis. Evans-Carroll calculates the potential economic impacts of the construction expenditures (hard and soft) and the leasing operations of the apartment building.

Economic Impact Model Used (IMPLAN, RIMS II REDYN, etc.)

RIMS II calibrated for the following counties in the State of New Jersey: Hudson, Essex, Union, Bergen, Passaic, Morris, Monmouth, and Middlesex.

Model Inputs (initial change in final demand, initial change in direct jobs, etc.) (b)(4)

1. Hard Construction: Evans-Carroll uses a hard construction expenditure estimate of as a final demand input into RIMS II.
 - a. Transparency: The parameters are based on a construction budget prepared by the Kushner Companies—the project developer—and the KABR Group—a real estate holding company. However, the construction cost budget presented on page 37 of the economic impact analysis is illegible. The applicant must provide a legible construction cost budget that is detailed and itemized.
 - b. Applicability: The parameters are applicable to the project. Please note, however, that the applicant does not provide a verifiable, detailed, and itemized construction cost timeline (see Issue 1, above). Thus, the applicant may only take credit for the indirect and induced jobs resulting from the hard construction expenditures.
 - c. Reliability: The construction cost budget is verified by Sam Gershwin, the president of Westminster Communities and person responsible for the construction of the project. Thus, the parameters are reliable.
 - d. Up-to-Date: The parameters are up-to-date.

- Issues a. and b. remain unresolved.

2. Soft Construction Costs: Evans-Carroll uses the following soft construction expenditures estimates as final demand inputs into RIMS II:

| Category | Expenditure Estimate |
|--|----------------------|
| FF&E | |
| Architectural and Engineering Services | |

(b)(4)

- a. Transparency: The parameters are based on a construction budget prepared by the Kushner Companies, the project developer and the KABR Group, a real estate holding company. However, the construction cost budget presented on page 37 of the economic impact analysis is illegible. The applicant must provide a legible construction cost budget that is detailed and itemized.
- b. Applicability: The parameters are applicable to the project.
- c. Reliability: The parameters are verified by the construction manager and are reliable.
- d. Up-to-Date: The parameters are up-to-date.

• Issue a. remains unresolved (b)(4)

3. Leasing Operations: Evans-Carroll calculates a rental income estimate of [redacted] for the first year of operations and uses this estimate as a final demand input into RIMS II.

- a. Transparency: The rental income estimate is based on a detailed and itemized pro forma financial statement provided by the Kushner Companies and the KABR Group. Thus, the parameters are transparent.
- b. Applicability: The parameters are not fully applicable because the rental income estimate includes parking revenue. It is not an acceptable methodology to include revenue derived from parking operations because parking operations do not pertain to real estate leasing activities.
- c. Reliability: The parameters are reliable.
- d. Up-to-Date: The parameters are up-to-date.

• Issue b. remains unresolved.

The table below presents a summary of the critical assumptions used to derive the model inputs.

| NAICS Code | Critical Assumption Used | Result/Model Input |
|--------------|--|--------------------|
| 2361/2362 | Hard Construction cost expenditure estimate is based on the developer's construction cost budget. | [redacted] (b)(4) |
| 53111 | (a) Rental revenue estimate of [redacted] based on the developer's pro forma (b) Deflated to 2008 dollar terms. | |
| 5413 | Soft construction cost estimates are based on the developer's | |
| Not Provided | construction cost budget | |

Multiplier(s) Used (Direct Employment, Direct Effect Earnings, Final Demand Output, etc.) and Analysis of Application of Multiplier

The results of the analysis are summarized in the table below.

| Activity | NAICS Code | Input | RIMS II Multiplier | Total Jobs |
|--------------|------------|------------|--------------------|------------|
| Construction | 2361/2362 | [redacted] | | |

(b)(4)

(b)(4)

| | | | | |
|--|--------------|------------|--|--|
| Soft Costs: | | | | |
| FF&E | Not Provided | [REDACTED] | | |
| Architectural and Engineering Services | 5413 | | | |
| Rental Income Operations | 53111 | | | |
| Total | | | | |

*Indirect and induced jobs only

It appears that RIMS II is used in an inappropriate manner. It is not an acceptable methodology to include revenue derived from parking operations because parking operations do not pertain to real estate leasing activities.

- Please calculate employment impacts from parking operations separately using the appropriate industry multiplier.
- Please provide the NAICS industry code pertaining to FF&E expenditures.

IV. Decision

This notice serves as notification of USCIS’ intention to deny the applicant's request for designation as a regional center as the Form I-924 does not meet the regulatory requirements at 8 C.F.R. § 204.6(m)(3). Therefore, the applicant is afforded thirty (30) days from the date of this notice to submit additional information, evidence or arguments in support of the application. Additionally, when USCIS serves a notice by mail, three (3) days are added to the prescribed period in which to respond. See 8 C.F.R. 103.5a(b). Any response to this notice should include a detailed analysis that rebuts the grounds for denial raised above, corroborated by credible independent documentary evidence all of which will be considered before a decision is rendered.

V. Review Board Option

Pursuant to 8 C.F.R § 103.2(b)(9), USCIS has the authority to request the applicant’s appearance for either an in-person interview at the California Service Center (CSC) or a telephonic interview. Should the applicant prefer an in-person or telephonic interview, please indicate as such in response to this notice of intent to deny.

However, be advised that USCIS will need to review any additional information, evidence, or arguments the applicant wishes to submit in support of the application before a review board may be scheduled.

Upon review of the applicant’s response, the applicant will then be contacted via the USCIS Immigrant Investor Program mailbox at USCIS.ImmigrantInvestorProgram@uscis.dhs.gov for further instructions regarding the time and date of the interview.

The interview will last approximately 60 minutes. During this time, the applicant will be given the opportunity to present additional information regarding the pending case. The CSC will issue a written decision at a later date, after full consideration of the written record and statements made during the interview.

Failure to respond to this notice of intent to deny will result in the denial of the application based on the above stated reasons.



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April 18, 2013

Ms. Rosemary Melville, Director
USCIS – California Service Center
24000 Avila Road, 2nd Floor
Laguna Niguel, California 92677

Via Federal Express

Re: Response to Notice of Intent to Deny I-924 Application
Regional Center Name: US Immigration Fund - NJ
Process: I-924 Application For Original Designation
Receipt No.: RCW 1236250925
Regional Center I.D.: 123-625-0925
Date Application Filed: December 21, 2012

EXPEDITED PROCESSING APPROVED

Dear Ms. Melville:

We are immigration counsel to the US Immigration Fund-NJ, LLC (“USIF-NJ”), in relation to the above-captioned I-924 Application (**RCW 123-625-0925**) (“Application”). This letter, its exhibit list and attached Exhibits constitutes the response of the USIF-NJ to the Notice of Intent to Deny (“NOID Response”).

A. Procedural History

On December 21, 2012, USIF filed the Application with U.S. Citizenship & Immigration Services (“USCIS”) requesting that the Application be processed with Expedited Processing.

On February 4, 2013, USCIS notified the USIF-NJ by email that the Application would be processed with **Expedited Processing**.

On February 20, 2013, USCIS issued a Request for Evidence issued in relation to the above captioned Application (“RFE”).

On March 4, 2013, USIF-NJ submitted its written response to the RFE.

On April 9, 2013, USCIS issued a Notice of Intent to Deny the Application (“NOID”).

Unless otherwise defined herein, all capitalized terms used in this NOID Response shall have the same meaning ascribed to them in the Business Plan (as defined below).

B. Timely Filed

The NOID provided USIF-NJ until May 9, 2013 to submit its response. This NOID Response, filed on April 18, 2013, is thus timely filed.

C. Response to the NOID

Brief Summary of Project

The initial sample (hypothetical) project of the USIF-NJ is the construction and operation of a 50-story, 417 unit, luxury residential condominium building at 88 Morgan Street (corner of Baytown), in Jersey City, Hudson County, New Jersey, with attached parking spaces, amenities and approximately 4,000 square feet of office space (“88 Morgan Street Project” or “Project”).

Please note that the 88 Morgan Street Project is a replica of the residential tower already built directly adjacent, and known as the “Trump Plaza I” in Jersey City, New Jersey. Reference to the residential tower previously built on the contiguous site named “Trump Plaza I” is stated in the Business Plan at pages 1, 4, 6 (with map) and 38.

Analysis of the NOID

The NOID states two (2) elements in the Application that require additional evidence: (1) the construction timeline set out in the Business Plan attached at Exhibit 19 of the original Application (“Business Plan”), and (2) the Economic Impact Analysis conducted by Evans, Carroll & Associates attached at Exhibit 20 of the original Application (“Economic Analysis”).

We analyze each of the requests for additional evidence and provide responses to each below.

1. Issue 1: Construction Timeline and Budget

(a) NOID on Construction Timeline

The NOID requests at page 4, Section A.1, that USIF-NJ submit an itemized construction timeline showing all relevant phases of the construction effort. The NOID also states that the USIF-NJ must provide “transparent, objective and verifiable data illustrating that the proposed construction timeline and budget are within a reasonable range when compared to industry standards.”

This issue in the NOID is a continued analysis of an issue raised by USCIS in the RFE. USCIS stated in the RFE that the construction timeline as set out in the Business Plan does not present “verifiable detail” that it will span 26 months, starting with excavation approximately in February or March of 2013 and ending with the acquisition of a temporary certificate of occupancy for the building in April of 2015 (“Construction Timeline”).

The RFE requested a “detailed and itemized construction timeline showing all relevant phases of the construction effort.” The RFE further requested “transparent, objective, and verifiable data illustrating that the proposed construction timeline and budget are within a reasonable range when compared to industry standards.”

In response to the NOID, and in addition to the evidence that USIF-NJ has already submitted in the Application and the Response to the RFE, USIF-NJ is submitting the following additional evidence:

- Detailed and itemized construction timeline, enclosed at **NOID Exhibit 1**.

The detailed Construction Budget Timeline enclosed at NOID Exhibit 1 shows the relevant phases of construction of the Project, the projected time period during which the budgeted expenditures will be made to complete the construction, and the estimated dollar figure for each of the budgeted construction costs.

The detailed Construction Budget Timeline at NOID Exhibit 1 is fully responsive to the NOID’s request on this issue. It breaks down major budget items such as construction hard costs into specific dollar amounts that match the phases of construction. It further explains how much of the total cost of construction is projected to be spent during each phase of construction.

- (b) Evidence that the proposed construction timeline and budget are within a reasonable range when compared to industry standards.**

Construction Timeline & Industry Standards

USCIS asks for evidence that the Construction Budget Timeline in NOID Exhibit 1 is “within a reasonable range when compared to industry standards”, as supported by “transparent, objective and verifiable data”. [emphasis added]

We have already submitted in RFE Exhibit 2, a letter dated February 28, 2013, signed by Mr. Sam Gershwin with a copy of his résumé in RFE Exhibit 3. Both of these documents are attached hereto as **NOID Exhibit 2**, for your convenience.

Mr. Gershwin is a real estate professional with over 35 years of experience in the field of construction management. He has risen to the position of President of Westminster Communities and member of the Board of Directors of the Kushner Companies, and in that position is the person responsible for all construction and construction-related activities for the

Kushner Companies – one of the largest real estate companies in the New York with assets with billions of dollars and millions of square feet of commercial real estate under its management. In the Gershwin letter of February 28, 2013, Mr. Gershwin unequivocally states:

“I have personally worked on the development of the construction budget for the 88 Morgan Street Project. Based on my experience and knowledge of industry standards, the construction timeline as set forth in the Business Plan is a reasonable projection of the time it will take to complete the construction of the apartment tower and related improvements on the property is consistent with similar current and past projected completed by Kushner Companies.”

Mr. Gershwin then confirms the phases of construction of the Project that are estimated to take 26-months to complete.

The analysis and evaluation of the Project’s estimated 26-month construction timeline by Mr. Gershwin is eminently credible and detailed. It alone should provide persuasive evidence that the 26-month construction timeline for the Project is accurate and within a reasonable range compared to industry standards.

Further evidence of the reasonableness of the estimated 26-month construction timeline for the Project comes from the real world. The evidence that USIF-NJ has submitted for the Project confirms that it is Phase II of the companion tower, Trump Plaza Residences, which is already completed as Phase I. This fact is stated in the Business Plan (at Page 4 of Exhibit 19 of the Application), and as also confirmed in the Architect’s Soft Construction Budget for the Project, submitted as RFE Exhibit 5, which refers to the Project as the “replica” tower of the Trump Plaza Residences.

Trump Plaza Residences is a 55 story residential tower with 445 units, underground parking, and retail space. Trump Plaza Residences has 5 more stories than the Project. All information about its history confirms that it took over 24 months to complete, from 2006 to 2008. Specifically, we attach in **NOID Exhibit 3** the Wikipedia web page for Trump Plaza Residences, as well as the web pages for the Trump Plaza Residences available at SkyscraperPage.com and Emporis.com, all of which confirm that the Trump Plaza Residences was started in 2006 and completed in 2008. We also attach in **NOID Exhibit 3** copies of newspaper articles from the period, which confirm that the start of construction was announced to the media on September 23, 2005 (New York Times, “*Latest Trump Venture is in Jersey City*”, September 23, 2005), and was completed and ready for occupancy by approximately April of 2008 (The Real Deal, New York City Real Estate News, “*Inside the Open Houses: Jersey City Comes a Long Way*”, January 2, 2008). The evidence of the construction time line from Trump Plaza Residences serves to confirm the accuracy and reasonableness of the construction timeline in relation to industry standards.

Finally, we surveyed publicly available information regarding the time it to complete smaller residential apartment towers in Jersey City, NJ, in recent years. Our review of publicly

available information regarding the construction of three towers: Marbella Apartments; Liberty View Towers; Hudson Green (77 Hudson Street). See **NOID Exhibit 6**. We set out the results of this survey below:

| Name of Building | Number of Floors | Completion Period |
|-------------------------------|------------------|-------------------------------|
| Liberty View Towers | 36 | 2001 to 2003 (24 months) |
| Marbella Apartments | 40 | 2001 to 2003 (24 months) |
| Hudson Greene (77 Hudson St.) | 48 | 2006 to 2009 (over 24 months) |
| Monaco | 47 | Dec. 2008 to 2011 |

In each case, the buildings had fewer floors than the Project, and required at least 2 years or more to complete.

Construction Budget & Industry Standards

The issue of whether the construction budget for the Project is within a reasonable range when compared to industry standards is squarely addressed by the letter from Sam Gershwin dated February 28, 2013, attached hereto at **NOID Exhibit 2**. The letter from Sam Gershwin unequivocally confirms that the construction budget is reasonable. It reads:

“the “hard construction cost” and the furniture, fixtures, and equipment (“FF&E”) budgeted amounts are based on the current plans and specifications for the construction. Those costs are a reasonable projection based on industry standards and my experience on comparable construction projects. The “soft cost” amount budgeted for this Project is based primarily on an agreement between the Kushner Companies and its architect. The budget from that Architectural Agreement is attached to this letter.”

We have obtained additional evidence of industry standards from the analysis of Dr. Michael Evans, who provides a revised Economic Analysis for the Project dated April 11, 2013, attached hereto at **NOID Exhibit 4** (“Revised Economic Analysis”). In the Revised Economic Analysis, at page 41, Dr. Evans confirms that publicly available industry data sources ratify the accuracy of the construction budget for the Project:

(b)(4) “USCIS has requested that these figures be related to industry standards. According to R. S. Means, Square Foot Costs, 34th Annual Edition (2013), the average construction cost per square foot for an apartment building on a national average basis is [REDACTED] the average cost for an underground parking garage is [REDACTED]. These figures should be multiplied by the regional coefficient for Jersey City, NJ, which is 1.10, hence raising these figures to about [REDACTED].”

respectively. These numbers can be compared with the cost per square foot given in the above table of [REDACTED]. The figure for the apartment building is below industry standards; the figure for the parking garage is above industry standards, but the weighted average of these two components of the building is [REDACTED] compared to the R. S. Means average figure of [REDACTED].

(b)(4)

We note that there is an apparent contradiction in the text of the NOID regarding this issue. At Section A, Issue 1, at the 2nd bullet point at the top of page 5, the NOID requests that the USIF-NJ provide “transparent, objective and verifiable data illustrating that the proposed construction timeline and budget are within a reasonable range when compared to industry standards.” [emphasis added]

In the subsequent text, at Section B, Issue 2, on page 5, the NOID clearly states that it found the evidence of the construction budget to be reliable:

“c. Reliability: The construction cost budget is verified by Sam Gershwin, the president of Westminster Communities and person responsible for the construction of the project. Thus, the parameters are reliable.”

The same statement is found at point 2.c on page 6 of the NOID regarding Soft Construction Costs.

The statement in the NOID that the construction budget verified by Sam Gershwin is “reliable” appears to be conclusive on the question of the reliability of the information provided on the construction budget and timeline. We have nevertheless provided additional evidence to support this point in relation to Section A, Issue 1.

Preponderance of the Evidence

Finally, we take this opportunity to highlight that the 88 Morgan Street Project is submitted as a sample project for the USIF-NJ. This is not an Exemplar application. The requirement by USCIS that the USIF-NJ submit the detailed Construction Budget Timeline or else face denial of the Application is far beyond the controlling standard of proof.

The preponderance of the evidence standard, as set out in the Supreme Court’s decision in Cardozo-Fonseca, 480 U.S. 421 (1987), requires proof that a fact is more likely than not (a greater than 50 percent chance that a fact is true). The evidence already submitted with the Application and the RFE Response provides reliable, detailed and objective evidence of the budget and the construction timeline. The Construction Budget Timeline submitted with this NOID Response, as well as additional new evidence such as the Revised Economic Analysis, provide substantially and indisputable evidence of the accuracy of the construction budget and construction timeline for the Project. Moreover, the evidence provided establishes the fact that the construction budget and timeline “fall within a reasonable range when compared to industry

standards” – and far exceed the standard of proving a fact on a preponderance of the evidence standard.

Additionally, the requirements stated in the NOID that the USIF-NJ submit an itemized construction timeline and that the application provide “transparent, objective and verifiable data illustrating that the proposed construction timeline and budget are within a reasonable range when compared to industry standards” are not supported by controlling Regulations at 8 C.F.R. Section 204.6(m)(3)(iii) and (v), or by the USCIS precedent decision in Matter of Ho, Interim Decision #3363 (WAC 98 0072 50493) July 31, 1998.

2. Issue 2: Clarify Unresolved Issues with the Economic Analysis

(a) Hard Costs

USCIS states in the NOID, at page 5, Section B.1, that the text of the construction budget on page 37 of the Economic Analysis previously submitted with the Application and RFE Response is not legible. Therefore, the Hard Construction Costs estimates from the Project’s construction budget are not “Transparent”. Additionally, the NOID states that the Hard Construction Costs estimates from the budget at page 27 of the Economic Analysis are applicable, but the duration of the construction is not “verified” because the construction costs timeline was not previously submitted. USCIS requests that these two issues be resolved.

In response to the NOID, these two issues have been resolved by the USIF-NJ.

First, the Project’s economist, Dr. Michael Evans, of Evans, Carroll & Associates, has prepared the Revised Economic Analysis, attached hereto at **NOID Exhibit 4**, which includes a legible copy of the Construction Costs estimates previously submitted.

(b)(4) Please note that the job creation estimates from Dr. Evans have changed slightly because he too realized that the text of the Construction Costs budget from the previous drafts was not entirely clear. Dr. Evans prepared a letter to this effect, which we attach at **NOID Exhibit 5**. For example, he states on Page 36 of the Revised Economic Analysis that: “The line items included in the hard cost are the building costs of [REDACTED] and the parking garage costs of [REDACTED] for a total of [REDACTED]. In the earlier versions of the Economic Analysis, he had previously estimated the hard costs to be [REDACTED].”

The aforesaid changes in job creation estimates are not material to this Project [REDACTED] new permanent jobs in the Revised Economic Analysis versus [REDACTED] new permanent jobs in the previous Economic Analysis – representing a difference of [REDACTED] jobs). The difference of [REDACTED] jobs is less than 1% of the Hard Construction Costs job creation estimate, and the Project continues to have an ample number of jobs in excess of the minimum job creation requirements for each EB-5 investor.

(b)(4)

Second, USIF-NJ is now submitting, in **NOID Exhibit 1**, a detailed Construction Budget Timeline, as well as additional new evidence, that, coupled with the evidence already submitted, provides USCIS with verifiable data supporting the proposed construction timeline and the fact that they fall within a reasonable range when compared to industry standards.

(b) Soft Construction Costs

USCIS states in the NOID, at page 6, Section B.2, that the text of the construction budget on page 37 of the Economic Analysis previously submitted with the Application and RFE Response is not legible. Therefore, the Soft Construction Costs estimates from the Project's construction budget are not "Transparent".

In response to the NOID, this issue has been resolved by the USIF-NJ. The Project's economist, Dr. Michael Evans, of Evans, Carroll & Associates, has prepared the Revised Economic Analysis, attached hereto at **NOID Exhibit 4**, which includes a legible copy of the construction budget estimates previously submitted.

(c) Leasing Operations

USCIS states in the NOID, at page 6, Section B.3, that the USIF-NJ overestimates the revenue from rental income because the revenue from parking is included in the dollar figures for rental income. USCIS states as follows:

"The parameters are not fully applicable because the rental income estimate includes parking revenue. It is not an acceptable methodology to include revenue derived from parking operations because parking operations do not pertain to real estate leasing activities."

In response to the NOID, USIF-NJ has removed the projected revenue from parking operations from its estimate of rental income, and applied the new lower estimate of rental income as an input in the Revised Economic Analysis. Specifically, USCIS will find this change stated in the Executive Summary of the Revised Economic Analysis, at page 3, which it states: "Parking revenue is also excluded", and states the reduced dollar figure for rental revenue to be (b)(4) Additionally, this revised dollar figure for rental revenue appears at page 47 and 48 of the Revised Economic Analysis. The impact of the lower rental revenue dollar figure results in a total decrease in job creation of (b)(4) new full-time positions (down to (b)(4) new jobs from (b)(4) new jobs).

(b)(4)

USIF-NJ has made this change to comply with the NOID. USIF-NJ, however, believes that the analysis of USCIS on this issue is, respectfully, erroneous. There are two reasons why USIF-NJ believes there is an error in the USCIS analysis of the parking revenue.

First, the Project is a residential tower and the leasing activity of its operations inherently includes parking spaces that are "leased" to tenants. As stated in the Business Plan, Private

Placement Memorandum, and the Economic Analysis and Revised Economic Analysis, the Project will be a luxury apartment building located at 88 Morgan Street in Jersey City, NJ, with 417 apartment units, 214 parking spaces, and about 4,000 square feet of retail space. The Project is not a mixed-use commercial facility, such as a shopping mall, which is open to the public and has a parking garage serving the general public. Instead, the 217 parking spaces of the building are primarily intended for the use of the residents of the Project. The revenue generated from the parking spaces of the Project will be generated from tenants and owners of the Project. This is significant because there is no factual basis to consider the rental revenue from the 217 parking spaces to be in any way different than the rental revenue generated by the leasing of apartments or the leasing of storage lockers. It is part and parcel of the same business. Moreover, it is not appropriate to consider the parking revenue to be generated from a separate business (which would require a separate and distinct NAICS code for parking activities). The NAICS code for parking activities, NAICS code 812930, is for “establishments primarily engaged in providing parking spaces for motor vehicles.” [emphasis added] This is patently not the case of a residential apartment tower with a parking garage in the basement. The revenue generated from leasing parking spaces in the Project should therefore have been unquestionably included in the revenue from leasing operations.

(b)(4)

Second, these changes in job creation estimates are not material to this Project, and thus are beyond the standard of proof as set out in the controlling Regulations for estimating job creation from the Project. The change requested by USCIS – and adopted by the USIF-NJ in the Revised Economic Analysis – caused job creation to be reduced by [redacted] new full time positions (down to [redacted] new jobs from [redacted] new jobs). This change represents an approximately 2% change in job creation of jobs resulting from operations, and less than 1% of all jobs resulting from the Project. The reduction of [redacted] jobs is not material to the job creation estimate, and the Project continues to have an ample number of jobs in excess of the minimum job creation requirements for each EB-5 investor.

(b)(4)

(d) FF&E

USCIS states in the NOID, at page 5, Section B.2, that furniture, fixtures and equipment (“FF&E”) expenses should be excluded from the Economic Analysis because they are not supported by the appropriate NAICS Codes for the Wholesale Trade Industry.

In response to the NOID, USIF-NJ has maintained the FF&E cost estimates and is hereby adding the required NAICS industry codes for the Wholesale Trade Industry to obtain approval for counting such expenditures in FF&E in the job creation estimates, as set out below:

| Industry Name | NAICS Code |
|---|------------|
| Commercial and Institutional Real Estate Construction | 2362 |
| Residential Real Estate Construction | 2361 |
| Lessors of Real Estate | 53111 |

| | |
|---|------|
| Architectural, Engineering & Related Services | 5413 |
| Furniture and Home Furnishing Merchant Wholesalers | 4232 |
| Professional and Commercial Equipment and Supplies Merchant Wholesalers | 4234 |
| Household Appliances and Electrical and Electronic Goods Merchant Wholesalers | 4236 |

The revised NAICS codes are stated in the Revised Economic Analysis attached hereto at NOID Exhibit 2. Further, we submit at **NOID Exhibit 7** a new list of the NAICS codes requested on Form I-924 for this Application.

C. Conclusion and Requested Action

The above information and attached evidence, together with the evidence set out in the Application, addresses all of the issues raised in the NOID. The new evidence submitted with this NOID Response is probative, verifiable and detailed, and clearly explains that USIF-NJ has satisfied its evidentiary burden in this I-924 application for original regional center designation.

We trust that USCIS will find the foregoing analysis and evidence in order, and we look forward to your favorable adjudication of this I-924 Application. We thank you in advance for your consideration of this NOID Response.

Should there be any questions or should USCIS require additional information, please do not hesitate to contact me at (713)335-3993 or by email at idonoso@fosterquan.com.

Sincerely,

FOSTERQUAN, LLP



Ignacio A. Donoso
Partner

cc: Nicholas Mastroianni, II
Mark Giresi

Exhibit List to Notice of Intent to Deny

I-924 Application

U.S. Immigration Fund – NJ

| DOCUMENT | TAB No. |
|---|---------|
| Detailed and itemized construction timeline for the Project. | 1. |
| Evidence of Reliability of Construction Timeline and Budget from Sam Gershwin, President of Westminster Communities: | 2. |
| <ul style="list-style-type: none"> • Industry Letter dated February 28, 2013, from Sam Gershwin, President of Westminster Communities, the affiliate of Kushner Companies, and a real estate construction professional with over 35 years of experience. • Executive Profile of Mr. Sam Gershwin from Bloomberg Business Week (businessweek.com) dated March 1, 2013 | |
| Information regarding Trump Plaza Residences, the already completed replica tower of the Project. | 3. |
| <ul style="list-style-type: none"> • Wikipedia web page for Trump Plaza Residences. • Web pages for the Trump Plaza Residences available at SkyscraperPage.com and Emporis.com. • New York Times, “<i>Latest Trump Venture is in Jersey City</i>”, September 23, 2005). • The Real Deal, New York City Real Estate News, “<i>Inside the Open Houses: Jersey City Comes a Long Way</i>”, January 2, 2008). | |
| Revised Economic Analysis prepared by Evans, Carroll & Associates for the 88 Morgan Street Project dated April 11, 2013. | 4. |
| Letter from Evans, Carroll & Associates explaining change in the dollar figure for hard costs of the Project dated April 16, 2013. | 5. |
| Publicly available information regarding the construction of three recent and comparable residential towers in Jersey City, New Jersey: Marbella | 6. |

Apartments; Liberty View Towers; Hudson Green (77 Hudson Street), and Monaco.

Revised NAICS codes for the Application and Revised Form I-924. 7.

DOCUMENT

TAB No.

Detailed and itemized construction timeline for the Project.

1.

(b)(4)

88 MORGAN STREET (a.k.a. 65 BAY STREET)
CONSTRUCTION BUDGET TIMELINE

| <u>PHASE</u> | <u>Budget</u> <u>Total</u> | <u>Feb.</u> 2013 | <u>(a)</u> | <u>Q2</u> 2013 | <u>Q3</u> 2013 | <u>Q4</u> 2013 | <u>Q1</u> 2014 | <u>Q2</u> 2014 | <u>Q3</u> 2014 | <u>Q4</u> 2014 | <u>Q1</u> 2015 | <u>TOTAL</u> |
|--|-------------------------------|---------------------|------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------|
| Summary: | | | | | | | | | | | | |
| Hard Costs | | | | | | | | | | | | |
| Parking | | | | | | | | | | | | |
| Development Fees | | | | | | | | | | | | |
| FF&E | | | | | | | | | | | | |
| Sub Total | | | | | | | | | | | | |
| Detailed Breakdown: | | | | | | | | | | | | |
| Permits | | | | | | | | | | | | |
| Excavation | | | | | | | | | | | | |
| Concrete Foundation, Waterproofing, and Pilings | | | | | | | | | | | | |
| Super Structure Framing (beginning to end) | | | | | | | | | | | | |
| Mechanicals, Electrical, Plumbing and Sprinkler Systems | | | | | | | | | | | | |
| Exterior Walls | | | | | | | | | | | | |
| Interior Framing | | | | | | | | | | | | |
| Drywall | | | | | | | | | | | | |
| Interior Finishes | | | | | | | | | | | | |
| Punch List and Temporary Certificate of Occupancy Items | | | | | | | | | | | | |
| Final Cleaning | | | | | | | | | | | | |
| Totals | | | | | | | | | | | | |
| <i>(a) - Construction Start Date estimate is subject to change based on funding.</i> | | | | | | | | | | | | |

DOCUMENT

TAB No.

Evidence of Reliability of Construction Timeline and Budget from Sam Gershwin, President of Westminster Communities:

2.

- Industry Letter dated February 28, 2013, from Sam Gershwin, President of Westminster Communities, the affiliate of Kushner Companies, and a real estate construction professional with over 35 years of experience.
- Executive Profile of Mr. Sam Gershwin from Bloomberg Business Week (businessweek.com) dated March 1, 2013



**WESTMINSTER
COMMUNITIES**

18 Columbia Turnpike
Florham Park, NJ 07932
Telephone: (973) 822-0050
Fax: (973) 360-2051

Thursday, February 28, 2013

Subject: 88 Morgan Street, Jersey City, New Jersey Project

To Whom It May Concern,

I am President of Westminster Communities, responsible for all construction and construction-related activities for Kushner Companies. Kushner Companies is a group of real estate development and management companies and is engaged in the mixed-use commercial development project located at 88 Morgan Street, Jersey City, New Jersey (the "Project").

I have worked in multiple capacities over the past 35 years in the field of construction and construction management. I have personally managed over 100 construction projects totaling more than \$25 Billion in construction costs. I have had management responsibilities for the creation of commercial construction budgets and the day-to-day management of construction budgets and activities. I am also responsible for the creation and management of the construction budget for the 88 Morgan Street Project and am personally involved on a daily basis with the present design of the construction documents and will be involved on a daily basis with the overall management of the construction activities for this Project.

I have personally worked on the development of the construction budget for the 88 Morgan Street Project. Based on my experience and knowledge of industry standards, the construction timeline as set forth in the Business Plan is a reasonable projection of the time it will take to complete the construction of the apartment tower and related improvements on the property is consistent with similar current and past projects completed by Kushner Companies. The relevant phases of construction are as follows and will take approximately 26 months to complete:

- Excavation
- Concrete Foundation and Waterproofing
- Tower Building Construction begins
- Tower Building Construction completed
- Roofing and Tower Crane Areas
- Interior Finishes
- Mechanicals, Electrical, Plumbing and Sprinkler Systems
- Punch List and Temporary Certificate of Occupancy items

In addition, the "hard construction cost" and the furniture, fixtures, and equipment ("FF&E") budgeted amounts are based on the current plans and specifications for the construction. Those costs are a reasonable projection based on industry standards and my experience on comparable construction projects. The "soft cost" amount budgeted for this Project is based primarily on an agreement between Kushner Companies and its architect. The budget from that Architectural Agreement is attached to this letter.

Based on my 35 years of experience in the field of construction and construction management and my review of the construction plans and other available information relative to the proposed construction of the 88 Morgan Street Project, it is my professional opinion that the hard cost, soft cost and FF&E budget outlined in the 88 Morgan Street Business Plan is an accurate projection of the estimated costs to complete the Project.

Sincerely,

A handwritten signature in cursive script, appearing to read "Sam Gerswhin", written over a horizontal line.

Sam Gerswhin
President
Westminster Communities

Real Estate Management and Development Company Overview of Kushner Companies, LLC

March 01, 2013 2:35 AM ET

Snapshot

Overview Board Members Committees

Executive Profile

Sam M. Gershwin

Director and President of Westminster Communities LLC, Kushner Companies, LLC

Age -- Total Calculated Compensation -- This person is connected to 1 Board Members in 1 different organizations across 1 different industries.

See Board Relationships

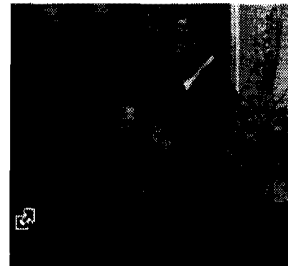
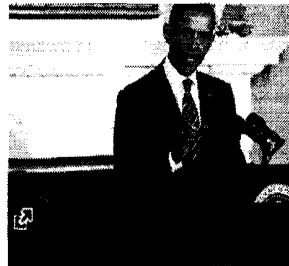
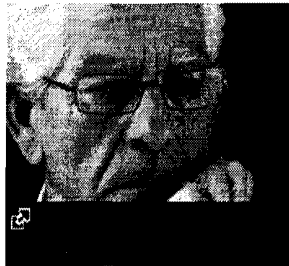
Background

Sam M. Gershwin serves as President of Westminster Communities LLC, the construction division of Kushner Companies. For the past 25 years, Mr. Gershwin served as a corporate officer and managing member of single-asset real estate development companies. Active in his community, Mr. Gershwin has Co-Chaired the Livingston Township 9/11 Memorial Committee. He serves as Director of Kushner Companies. He serves as a member of the Board of Governors for Crestmont Country Club and serves on the Board of Trustees of Temple Beth Shalom in Livingston. He holds a B.S. degree in Civil Engineering from Lafayette College in Easton, Pennsylvania, and an M.B.A. from Seton Hall University in South Orange, New Jersey.

Collapse Detail

From Around the Web

by Taboola



Corporate Headquarters

666 Fifth Avenue
New York, New York 10103

United States

Phone: 212-527-7000
Fax: 212-527-7007

Annual Compensation

There is no Annual Compensation data available.

Stocks Options

There is no Stock Options data available.

Total Compensation

There is no Total Compensation data available.

Board Members Memberships

**Director and President of Westminster
Communities LLC**
Kushner Companies, LLC

Education

BS
Lafayette College

MBA
Seton Hall University

Other Affiliations

Lafayette College
Seton Hall University

Businessweek

More About "*sam gershwin westminster
communities*"
[Lifestyle](#)

Westminster Dog Show Viewer's Guide:
The Smart Money's on Fifi the

DOCUMENT**TAB No.**

Information regarding Trump Plaza Residences, the already completed replica tower of the Project.

3.

- Wikipedia web page for Trump Plaza Residences.
- Web pages for the Trump Plaza Residences available at SkyscraperPage.com and Emporis.com.
- New York Times, "*Latest Trump Venture is in Jersey City*", September 23, 2005).
- The Real Deal, New York City Real Estate News, "*Inside the Open Houses: Jersey City Comes a Long Way*", January 2, 2008).

Trump Plaza (Jersey City)

Coordinates: 40.7195°N 74.0365°W﻿ / ﻿40.7195°N 74.0365°W﻿ / 40.7195; -74.0365

From Wikipedia, the free encyclopedia

Trump Plaza also known as **Trump Plaza Residences**, is the first of two planned apartment complex buildings to be built in Jersey City, New Jersey. Trump Plaza Residences is 532 ft tall (162 m) and has 55 floors. It was completed in 2008. The building has 1,743,760 sq ft (162,001 m) of space and 445 units. It is the tallest residential building in New Jersey.^[1] It is the third largest building in Jersey City.

The second building, Trump Plaza II, will be 484 ft tall (148 m) and have 50 floors. This building will begin construction soon. Both building are designed by DeWitt Tishman Architects LLP. The cost of the two buildings is \$415 million.

In May 2010, developer Dean Geibel retained Commercial real estate firm William Procida Inc. to assist in finding investors for Trump Plaza II.

See also

- List of tallest buildings in Jersey City

References

- ↑ "New model residence unveiled at Trump Plaza Residences in Jersey City" *The Union City Reporter*; October 17, 2010; Page 9

External links

- Emporis (<http://www.emporis.com/en/wm/cx/?id=trumpplaza-jersecity>)
- Trump Plaza 1 (<http://skyscraperpage.com/cities/?buildingID=40941>)
- Trump Plaza 2 (<http://skyscraperpage.com/cities/?buildingID=40942>)
- Trump Plaza Photos

Trump Plaza



General information

| | |
|-----------------------------|---------------------|
| Status | Complete |
| Type | Residential |
| Coordinates | 40.7195°N 74.0365°W |
| Construction started | 2006 |
| Completed | 2008 |

Height

| | |
|-------------|----------------|
| Roof | 532 ft (162 m) |
|-------------|----------------|

Technical details

| | |
|--------------------|-----------------------------|
| Floor count | 55 |
| Floor area | 1,743,760 sq ft (162,001 m) |

Design and construction

| | |
|------------------|-------------------------------|
| Architect | DeWitt Tishman Architects LLP |
|------------------|-------------------------------|

Trump Plaza II

General information

| | |
|---------------|----------|
| Status | Approved |
|---------------|----------|

| | |
|--------------------------------|-------------------------------|
| Type | Residential |
| Height | |
| Roof | 484 ft (148 m) |
| Technical details | |
| Floor count | 50 |
| Design and construction | |
| Architect | DeWitt Tishman Architects LLP |

(<http://photos.livingonthehudson.com/2009/12/10/trump-plaza-jersey-city-condos-4/>)

- Trump Plaza in The Real Deal (<http://therealdeal.com/newyork/articles/nj-developer-dean-geibel-taps-william-procida-to-find-financial-aid-for-stalled-condos>)

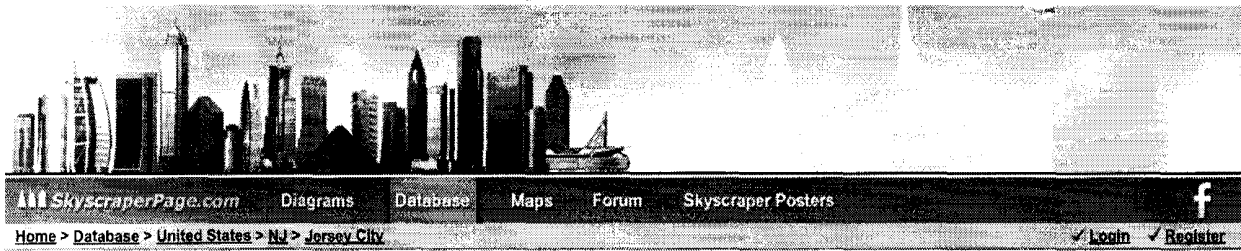
Retrieved from "[http://en.wikipedia.org/w/index.php?title=Trump_Plaza_\(Jersey_City\)&oldid=550409299](http://en.wikipedia.org/w/index.php?title=Trump_Plaza_(Jersey_City)&oldid=550409299)"

Categories: Skyscrapers in Jersey City, New Jersey | Residential buildings completed in 2008

Skyscrapers between 100 and 149 meters | Skyscrapers between 150 and 199 meters

Residential skyscrapers in the United States

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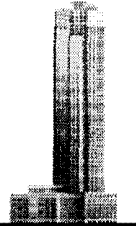
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AdChoices

Trump Plaza I
88 Morgan Street
Jersey City NJ United States

| | | |
|--------------------|------------------------|------------------------|
| Status: | built | Building Uses |
| Construction Dates | | - residential |
| Began | 2006 | Structural Types |
| Finished | 2008 | - highrise |
| Floor Count | 55 | Architectural Style |
| Floor Area | 162,001 m ² | - postmodern |
| Units / Rooms | 445 | Materials |
| | | - glass |
| | | - steel |
| | | - limestone |
| | | - concrete, reinforced |



Drawing by Antares41
© SkyscraperPage.com

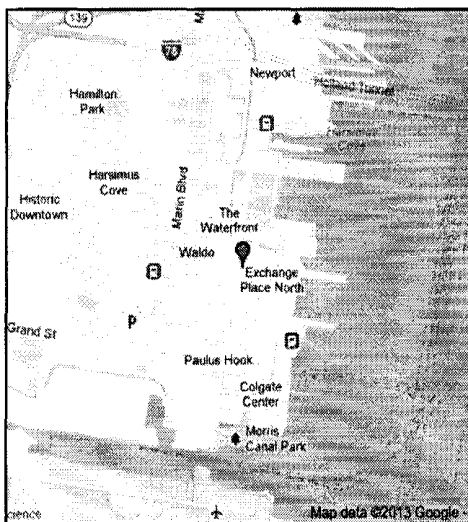
- [View All Drawings \(2\)](#)
- [View Antares41's Diagram](#)
- [View Jersey City Diagram](#)
- [View New Jersey Diagram](#)
- [View United States Diagram](#)

| Heights | Value | Source / Comments |
|---------|--------|-------------------|
| Roof | 532 ft | |

Description

- Architect: DeWitt Tishman Architects LLP.
- Constructors: AJD Construction Company, Eastern Concrete Materials Inc., Forsa Construction Company, Rempel Bros. Concrete Ltd.
- Developer: Applied Development Corporation.
- Others: Bovis Lend Lease LMB Inc., Corus Bank, Goldstein Associates PLLC, Metro Homes LLC, Panepinto Properties, The Marketing Directors Inc., The Trump Organization.
- [Google Search](#)

[Aerial View / Map](#) - Location within Jersey City Show marker



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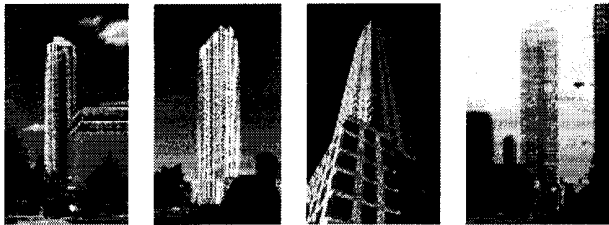


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Trump Plaza Residences

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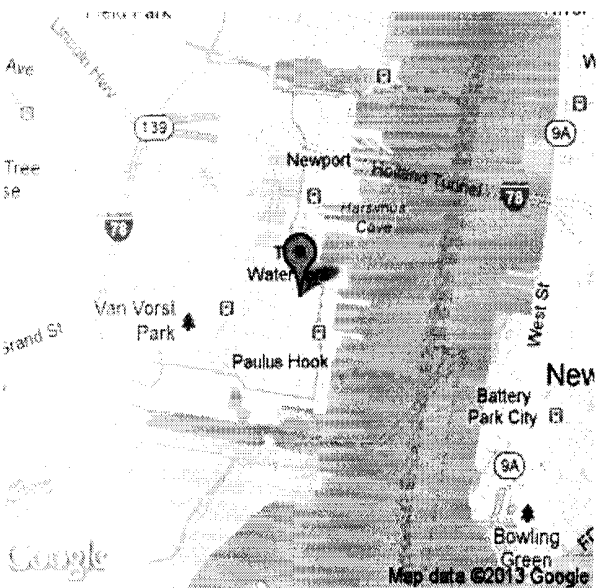


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Identification

| | |
|------|------------------------|
| Name | Trump Plaza Residences |
| EBN | 244213 |

Map



Structure in general

| | |
|---------------------|----------------------|
| Building type | skyscraper |
| Building status | existing [completed] |
| Structural material | concrete |
| Architectural style | postmodern |

Usage

| | |
|------------|-------------------------|
| Main usage | residential condominium |
|------------|-------------------------|

Location

| | |
|-----------------|-------------------------|
| Main Address | 88 <u>Morgan Street</u> |
| Address as text | 88 Morgan Street |
| ZIP | 07302 |
| Complex | <u>Trump Plaza</u> |
| City | <u>Jersey City</u> |
| State | <u>New Jersey</u> |
| Country | <u>U.S.A.</u> |

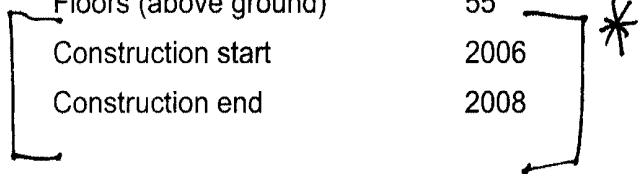
Technical Data

| | |
|------------------------|-----------|
| Height (architectural) | 532.01 ft |
|------------------------|-----------|

| | |
|-----------------------|----|
| Floors (above ground) | 55 |
|-----------------------|----|

| | |
|--------------------|------|
| Construction start | 2006 |
|--------------------|------|

| | |
|------------------|------|
| Construction end | 2008 |
|------------------|------|





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Latest Trump Venture Is in Jersey City

By TINA KELLEY
Published: September 23, 2005

JERSEY CITY, Sept. 22 - With a trio of trumpeters playing a fanfare, Donald J. Trump on Thursday helped unveil an artist's rendering of his latest project, Trump Plaza: Jersey City. The new luxury condominium development would be the tallest residential development in the state.

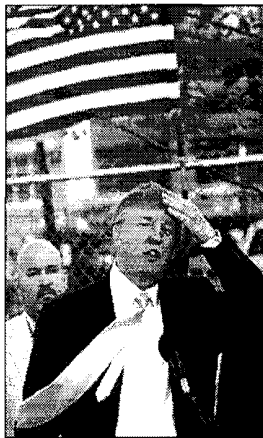
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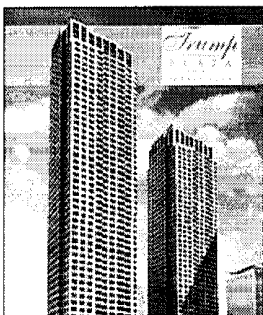


Norman Y. Lono for The New York Times

Donald J. Trump battled the wind Thursday at the unveiling of a \$415 million luxury condo project, Trump Plaza: Jersey City.

The \$415 million project will include two towers, 50 stories and 55 stories, with 862 condominium units and 23,000 square feet of retail space. The towers will be at Washington and Bay Streets, a few blocks from the Hudson River and near the Powerhouse Arts District. "It really cements Jersey City as the hottest place to be in the Northeast," said Mayor Jerramiah T. Healy. "It's a big step in the great progress Jersey City has made in the past years." Each condo unit will receive a 20-year property tax abatement, but Mr. Healy said the city would receive more money from development and building fees the developers paid than the city would have received in property taxes.

The Trump Organization will manage the complex, which



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Metro Homes, LLC

Rendering of Trump Plaza: Jersey City, near the Hudson River.

will include a business center, and amenities for residents like a movie theater, an 8,000-square-foot fitness center, and a heated outdoor rooftop pool.

Apartments will feature marble bathrooms and exotic wood floors.

The price of the units, which will range in size from 750 to 2,224 square feet, has not been determined, said Dean Scott Geibel, founder of Metro Homes L.L.C., a developer from Hoboken. He noted that the units will be cheaper than comparable condos in Manhattan. At Grandview, another of Mr. Geibel's residential projects in Jersey City, farther from the waterfront, condominiums sold for about \$600 a square foot, with a range of \$289,000 to \$906,000, and all but one unit has sold since it opened last year, a spokesman for Metro Homes said.

Mr. Geibel called the project "a poster child for smart growth," because of its proximity to PATH stations, light rail, and the ferry to Manhattan.

Barbara Netchert, the executive director of the Jersey City Redevelopment Agency, said earlier plans called for office space development on the property, which is now a parking lot and had been a warehouse and rail yards.

"It was converted to residential, as has most of the projects in the city," she said. "The office market was flat, and the economics were moving more for residential."

Mayor Healy called the project a benchmark for the city. "We've done great for the last 20 years, but this takes it to another level," he said. Mr. Trump, who three times declared himself the biggest developer in New York City, a description his competitors dispute, noted that in moving west of Manhattan, he was going against the usual developer's path, "but I've usually been pretty good at predicting trends." Construction is expected to start in two months and last two years. Mr. Trump estimated that 1,200 to 1,300 workers would be employed in the construction. At 560 feet, the tallest of the towers would still rank below the state's tallest building, the 781-foot Goldman Sachs tower nearby at 30 Hudson Street.

At one point before the project's picture was unveiled, a gust of wind flipped Mr. Trump's swooping hair.

"See, my hair is real, folks," he said. "If it weren't, with this wind, you'd have a much bigger story than these two buildings, there's no doubt in my mind."

Real hair or not, Mr. Trump impressed city leaders.

"As a New York mogul, when he crosses the river, it's a magic step," said the city council president, Mariano Vega.

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THE REAL DEAL

NEW YORK CITY REAL ESTATE NEWS

January 2008

Inside the Open Houses: Jersey City comes a long way

Young professionals in area upgrade as condo projects become more upscale

January 02, 2008

By Dustin Goot

When asked to describe the appeal of Jersey City, one condo shopper summed up his answer in one telling word: convenience.

Indeed, this is where any discussion about Jersey City inevitably begins. Query home buyers or renters on why they're considering it, or ask brokers how they market it, and their responses will almost always cite the close proximity to Manhattan, the easy access to PATH stations, and the under 30-minute commute to the city.

Based on an informal survey of open house attendees, Jersey City – which once had a reputation for corruption, crime and urban decay, and has more recently attracted some real estate trailblazers – is now seeing a critical mass of young professionals.

And those who are looking for an alternative to the high-priced co-ops and condos in New York City or an upgrade from other nearby New Jersey apartments are finding that they have options, including a soon-to-be-opened Trump building and an area with an increasing number of amenities, including new shops and cafés.

Take Adrian, the condo buyer who invoked the word "convenience" when asked at a recent Saturday afternoon open house why he was looking in Jersey City. He's an Internet technology professional who has lived in the area since 1997 and is now looking to upgrade from a one-bedroom facing the Hudson River to something even larger.

"I've had many opportunities to live in Manhattan," said Adrian, who declined to give his last name. "But I didn't want to because Jersey City is quieter, more affordable and cleaner."

On this particular day, Adrian was browsing at Dixon Mills, a 467-unit former factory complex that began a condo conversion in March 2007. The property's general manager, Jon Ha, said that 50 percent of his customers are from within Jersey City. He described Dixon Mills' vicinity, a stone's throw from Van Vorst Park, as "similar to Park Slope, Carroll Gardens or Brooklyn Heights because it has a neighborhood feel."

Ha had two open houses. One was a 1,400-square-foot, two-level, two-bedroom penthouse unit for \$675,000. The other was a 852-square-foot one-bedroom for \$362,000.

"The rental market in downtown Jersey City is sizzling hot, so it makes sense to buy," Ha added.

David and Meredith, both 26, were looking to do just that as they checked out an open house at 208 Brunswick, close to Hamilton Park. Having rented in the area – he works at a bank in downtown Manhattan, she at a law firm in western New Jersey – they are already Jersey City converts.

Meredith, who also declined to give her last name, said, "There's a lot more character in the homes" than in Hoboken, where they've also looked.

Weichert Realty agent Dan Pelosi said Jersey City's ability to retain its residents is a fairly recent phenomenon.

"People will rent or buy something here and then trade up," Pelosi said. "It's not like when they can afford a house, they move to the suburbs. That's really a change, and it shows great neighborhood stability."

Pelosi pointed to quality housing stock, as well as the city's well-known affordability, for convincing people to drop anchor there.

"They're not building any more Civil War-era brownstones," he said.

At the end of 2006, New York Magazine pronounced that Jersey City would be the next "hot" destination for hip homebuyers. A handful of cute, newly opened cafés and boutiques along Grove and Barrow streets are further signs of that ascendance.

But what may raise Jersey City's profile the most, according to Pelosi and several other realtors, is the imminent arrival of Trump Plaza Jersey City. The first apartments are expected to be available in April 2008.

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will bring nearly 1,000 luxury units to the already-developing waterfront with

Still, many brokers have predicted that it is places just like Jersey City, which are in the process of major transformations, that will be first to feel the effects of the softening market. They said there could be a real problem in filling all of the new construction that was started during the construction boom, before the subprime crisis hit.

That is less because the Jersey City market had subprime borrowers and more because it draws a lot of young professionals from the city who may have more difficulty borrowing money in this less generous credit environment [see "Jersey City market skirts the housing storm" in the November 2007 issue of *The Real Deal*].

Some are already seeing the slowdown. "It's dead across the board," said Coldwell Banker agent Laura Ann Knecht. But others had a far less gloomy take, describing more of a sense of selectivity and patience than of a lack of interest.

David and Meredith, the banker and lawyer, dismissed the 1,100-square-foot loft-style apartment they saw at 208 Brunswick as "too much like a studio" for their taste. The asking price had already been dropped to \$405,000 from \$419,000.

Another couple, both mid-20s professionals, concluded that six blocks to the PATH station was just too far for them.

"It used to be that people would look at three properties, and they were ready to sign an offer; now, they want to see over 30, and they're still not sure," said another local Coldwell agent, who asked not to be named.

Jason Rowley, a 33-year-old investor who already owns two properties in Jersey City, said he worries "every day" whether this is a bad time to buy in the area. "The risk today is in its being overbuilt," Rowley said. Nonetheless, there he was on a chilly pre-holiday Saturday scouting potential third properties.

"It's hard to believe that in the long term, this place won't retain its value," he said.



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DOCUMENT

TAB No.

Letter from Evans, Carroll & Associates explaining change in the dollar figure for hard costs of the Project dated April 16, 2013.

5.

Evans, Carroll & Associates, Inc.
2785 NW 26th St.
Boca Raton, FL 33434
561-470-9035
mevans@evanscarrollecon.com

April 16, 2013

Attention: EB-5 Unit
USCIS
California Service Center
24000 Avila Road, 2nd Floor
Laguna Niguel, CA 92677

Re: U.S. Immigration Fund – NJ, LLC
I-924 Application for Regional Center Designation
Clarification of Revised Economic Impact Analysis & Response to USCIS
Notice of April 9, 2013

Dear USCIS Officer:

At the request of the U.S. Immigration Fund – NJ, LLC (“USIF-NJ”), Evans, Carroll & Associates has prepared a revised Economic Impact Analysis dated April 11, 2013, for the sample project of the USIF-NJ known as “88 Morgan Street”. A copy of the revised Economic Impact Analysis is attached to this letter.

Please note that the revised dollar figures for hard costs, and for land, interest and contingencies are based on the same budget as before, but have been corrected. An error was previously made because the budget figures were illegible. The same budget data is found in the revised Economic Impact Analysis at Section 8, page 36 and following.

Please do not hesitate to contact Evans, Carroll & Associates should you have any questions regarding this letter or the attached Economic Impact Analysis.

Sincerely,



Michael K. Evans

DOCUMENT

TAB No.

Revised NAICS codes for the Application and Revised Form I-924.

7.

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.

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.

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

| | |
|--|--|
| <p>Industry Category Title: <div style="border: 1px solid black; padding: 2px; width: 100%;">Nonresidential building construction</div> </p> <p>NAICS Code for the Industry Category: 2 3 6 2 _ _ _ _ _</p> | <p>Is the Form I-924 application supported by an economic analysis and underlying business plan for the determination of prospective EB-5 job creation through EB-5 investments in this industry category?</p> <p><input type="checkbox"/> No - Attach an explanation <input checked="" type="checkbox"/> Yes</p> |
| <p>Industry Category Title: <div style="border: 1px solid black; padding: 2px; width: 100%;">Residential building construction</div> </p> <p>NAICS Code for the Industry Category: 2 3 6 1 _ _ _ _ _</p> | <p>Is the Form I-924 application supported by an economic analysis and underlying business plan for the determination of prospective EB-5 job creation through EB-5 investments in this industry category?</p> <p><input type="checkbox"/> No - Attach an explanation <input checked="" type="checkbox"/> Yes</p> |
| <p>Industry Category Title: <div style="border: 1px solid black; padding: 2px; width: 100%;">Lessors of Residential Buildings</div> </p> <p>NAICS Code for the Industry Category: 5 3 1 1 1 _ _ _ _ _</p> | <p>Is the Form I-924 application supported by an economic analysis and underlying business plan for the determination of prospective EB-5 job creation through EB-5 investments in this industry category?</p> <p><input type="checkbox"/> No - Attach an explanation <input checked="" type="checkbox"/> Yes</p> |

SEE ATTACHED EXHIBIT "A" FOR COMPLETE LIST OF NAICS CODES

EXHIBIT A TO FORM I-924

U.S. IMMIGRATION FUND-NJ

RESPONSE TO PART 3, QUESTION 7

NAICS Codes

The U.S. Immigration Fund - NJ's investment in new projects will focus in the following industries and economic sectors, which are described according to the North American Industry Classification System codes and titles:

| Industry Name | NAICS Code |
|---|-------------------|
| Commercial and Institutional Real Estate Construction | 2362 |
| Residential Real Estate Construction | 2361 |
| Lessors of Real Estate | 53111 |
| Architectural, Engineering & Related Services | 5413 |
| Furniture and Home Furnishing Merchant Wholesalers | 4232 |
| Professional and Commercial Equipment and Supplies Merchant Wholesalers | 4234 |
| Household Appliances and Electrical and Electronic Goods Merchant Wholesalers | 4236 |

| | | |
|-------------------------------------|--|-------------|
| A # | Application/Petition I924, Application for Regional Center under Immigrant Investor Pilot Program | |
| Receipt # RCW1236250925 | Applicant/Petitioner U.S. Immigration Fund-N J | |
| Notice Date April 9, 2013 | Page 1 of 8 | Beneficiary |

Ignacio A. Donoso
FosterQuan, LLP
RE: U.S. IMMIGRATION FUND-NJ
600 Travis St., Suite 2000
Houston, TX 77002

Intent to Deny Processing
Coversheet

Notice also sent to:

RETURN THIS BLUE PROCESSING COVERSHEET ON TOP OF YOUR RESPONSE TO THE INTENT TO DENY.

Note: You are given until **May 9, 2013** in which to submit the requested information to the address at the bottom of this notice.

RESPONSE TO AN INTENT TO DENY

For more information, visit our website at **WWW.USCIS.GOV**

Or call us at **1-800-375-5283**

Telephone service for the hearing impaired: **1-800-767-1833**

**For non-US Postal Service
Attn: EB 5 RC Proposal
24000 Avila Road, 2nd Floor
Laguna Niguel, CA 92677**

CSC4639 WS25097 INVESTOR BRANCH MP

You will be notified separately about any other applications or petitions you filed. Save this notice. Please enclose a copy of it if you write to us about this case, or if you file another application based on this decision. Our address is:

USCIS - CALIFORNIA SERVICE CENTER
P.O. BOX 10590
LAGUNA NIGUEL, CA 92607-0590
800-375-5283



RCW1236250925

COPY

NOTICE OF INTENT TO DENY

This notice is in reference to the Form I-924, Application for Regional Center Under the Immigrant Investor Pilot Program, that was filed by U.S. Immigration Fund-NJ Regional Center (“applicant”) at the California Service Center on December 21, 2012. The U.S. Citizenship and Immigration Services (“USCIS”) has completed its review of the application for designation as a regional center under the Immigrant Investor Program (“Program”). The 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). The purpose of this notice is to notify the applicant that USCIS intends to deny its application requesting designation as a regional center.

I. Procedural History

The proposed Regional Center entity was established on December 7, 2012 in the state of Florida and is structured as a limited liability company. The applicant is requesting jurisdiction over a geographic area to include:

| Name of State | Counties |
|---------------|---|
| New Jersey | Bergen, Essex, Hudson, Middlesex, Monmouth, Morris, Passaic and Union |

Additionally, the applicant plans to offer EB-5 capital investment opportunities in affiliated new commercial enterprises, organized as limited partnerships, focusing on projects in the following industry categories:

| NAICS | Industry Category |
|-------|--|
| 2362 | Non residential Building Construction |
| 2361 | Residential Building Construction |
| 5313 | Real Estate Property Managers |
| 5413 | Architectural, Engineering, and Related Services |

The capital investment projects will involve a combination of equity investments and loans to job creating enterprises located within the proposed bounds of the Regional Center.

On December 12, 2012, the applicant filed its Form I-924 requesting regional center designation. On February 20, 2013, USCIS issued a request for additional evidence (“RFE”) as the initial application did not qualify under 8 C.F.R. § 204.6(m)(3). The response to the RFE was received on March 5, 2013.

II. Regional Center – Relevant Statute and Regulations

Section 610 of the Departments of Commerce, Justice and State, the Judiciary, and Related Agencies Appropriations Act of 1993, Pub. L. 102-395, (8 USC 1153 note), as amended by Section 402 of the Visa Waiver Permanent Program Act of 2000, Pub. L. 106-396, provides:

(a) Of the visas otherwise available under section 203(b)(5) of the Immigration and Nationality Act (8 U.S.C. 1153(b)(5)), the Secretary of State, together with the Attorney General, shall set aside visas for a program to implement the provisions of such section. Such program shall involve a regional center in the United States for the promotion of economic growth, including increased export sales, improved regional productivity, job creation, and increased domestic capital investment.

(b) For purposes of the program established in subsection (a), beginning on October 1, 1992, but no later than October 1, 1993, the Secretary of State, together with the Attorney General, shall set aside 3,000 visas annually for five years to include such aliens as are eligible for admission under section 203(b)(5) of the Immigration and Nationality Act and this section, as well as spouses or children which are eligible, under the terms of the Immigration and Nationality Act, to accompany or follow to join such aliens.

(c) In determining compliance with section 203(b)(5)(A)(iii) of the Immigration and Nationality Act, and notwithstanding the requirements of 8 CFR 204.6, the Attorney General shall permit aliens admitted under the program described in this section to establish reasonable methodologies for determining the number of jobs created by the program, including such jobs which are estimated to have been created indirectly through revenues generated from increased exports, improved regional productivity, job creation, or increased domestic capital investment resulting from the program.

The regulation at 8 CFR § 204.6(m) provides:

(3) Requirements for regional centers. Each regional center wishing to participate in the Immigrant Investor 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;

(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.

(4) ***

(5) Decision to participate in the Immigrant Investor Program. The Assistant Commissioner for Adjudications shall notify the regional center of his or her decision on the request for approval to participate in the Immigrant Investor Program, and, if the petition is denied, of the reasons for the denial and of the regional center's right of appeal to the Associate Commissioner for Examinations. Notification of denial and appeal rights, and the procedure for appeal shall be the same as those contained in 8 CFR 103.3.

In reviewing this application, USCIS has to determine whether the request for regional center designation has met all of the regulatory criteria and thereby will maintain a regional center within which aliens seeking to obtain permanent resident status under section 203(b)(5) of the Act will be able to successfully establish a new commercial enterprise (as described in 8 CFR § 204.6(h)) with the qualifying investment that will benefit the United States economy and create 10 full-time jobs, including jobs indirectly created through the new commercial enterprise.

III. Issues

A. Issue 1: The applicant was requested to provide a detailed and itemized construction timeline and transparent, objective and verifiable data.

The applicant submitted a letter from Sam Gershwin, the president of Westminster Communities and the person responsible for all the project's construction-related activities. The letter indicated that the 26-month construction timeline is reasonable. The letter lists the relevant phases of the construction effort but does not provide a timeline in detailed and itemized form. Therefore, the applicant has yet to submit a detailed and itemized construction timeline.

- This issue will remain unresolved until the applicant submits an itemized construction timeline showing all relevant phases of the construction effort.
- The issue will also remain unresolved until the applicant provides transparent, objective, and verifiable data illustrating that the proposed construction timeline and budget are within a reasonable range when compared to industry standards.

B. Issue 2: The applicant was requested to clarify specific unresolved issues in the Impact Analysis.

The applicant solicited the expertise of Evans, Carroll, and Associates (Evans-Carroll) to conduct the economic impact analysis. Evans-Carroll calculates the potential economic impacts of the construction expenditures (hard and soft) and the leasing operations of the apartment building.

Economic Impact Model Used (IMPLAN, RIMS II REDYN, etc.)

RIMS II calibrated for the following counties in the State of New Jersey: Hudson, Essex, Union, Bergen, Passaic, Morris, Monmouth, and Middlesex.

(b)(4)

Model Inputs (initial change in final demand, initial change in direct jobs, etc.)

1. Hard Construction: Evans-Carroll uses a hard construction expenditure estimate of as a final demand input into RIMS II.
 - a. Transparency: The parameters are based on a construction budget prepared by the Kushner Companies—the project developer—and the KABR Group—a real estate holding company. However, the construction cost budget presented on page 37 of the economic impact analysis is illegible. The applicant must provide a legible construction cost budget that is detailed and itemized.
 - b. Applicability: The parameters are applicable to the project. Please note, however, that the applicant does not provide a verifiable, detailed, and itemized construction cost timeline (see Issue 1, above). Thus, the applicant may only take credit for the indirect and induced jobs resulting from the hard construction expenditures.
 - c. Reliability: The construction cost budget is verified by Sam Gershwin, the president of Westminster Communities and person responsible for the construction of the project. Thus, the parameters are reliable.
 - d. Up-to-Date: The parameters are up-to-date.

- Issues a. and b. remain unresolved.

2. Soft Construction Costs: Evans-Carroll uses the following soft construction expenditures estimates as final demand inputs into RIMS II:

| Category | Expenditure Estimate |
|--|----------------------|
| FF&E | |
| Architectural and Engineering Services | |

(b)(4)

- a. Transparency: The parameters are based on a construction budget prepared by the Kushner Companies, the project developer and the KABR Group, a real estate holding company. However, the construction cost budget presented on page 37 of the economic impact analysis is illegible. The applicant must provide a legible construction cost budget that is detailed and itemized.
- b. Applicability: The parameters are applicable to the project.
- c. Reliability: The parameters are verified by the construction manager and are reliable.
- d. Up-to-Date: The parameters are up-to-date.

(b)(4)

- Issue a. remains unresolved

3. Leasing Operations: Evans-Carroll calculates a rental income estimate of [redacted] for the first year of operations and uses this estimate as a final demand input into RIMS II.

- a. Transparency: The rental income estimate is based on a detailed and itemized pro forma financial statement provided by the Kushner Companies and the KABR Group. Thus, the parameters are transparent.
- b. Applicability: The parameters are not fully applicable because the rental income estimate includes parking revenue. It is not an acceptable methodology to include revenue derived from parking operations because parking operations do not pertain to real estate leasing activities.
- c. Reliability: The parameters are reliable.
- d. Up-to-Date: The parameters are up-to-date.

- Issue b. remains unresolved.

The table below presents a summary of the critical assumptions used to derive the model inputs.

| NAICS Code | Critical Assumption Used | Result/Model Input |
|--------------|--|--------------------|
| 2361/2362 | Hard Construction cost expenditure estimate is based on the developer's construction cost budget. | [redacted] |
| 53111 | (a) Rental revenue estimate of [redacted] based on the developer's pro forma (b) Deflated to 2008 dollar terms. | |
| 5413 | Soft construction cost estimates are based on the developer's | |
| Not Provided | construction cost budget | |

(b)(4)

Multiplier(s) Used (Direct Employment, Direct Effect Earnings, Final Demand Output, etc.) and Analysis of Application of Multiplier

The results of the analysis are summarized in the table below.

| Activity | NAICS Code | Input | RIMS II Multiplier | Total Jobs |
|--------------|------------|------------|--------------------|------------|
| Construction | 2361/2362 | [redacted] | | |

(b)(4)

(b)(4)

| | | | |
|--|--------------|------------|--|
| Soft Costs: | | | |
| FF&E | Not Provided | [REDACTED] | |
| Architectural and Engineering Services | 5413 | | |
| Rental Income Operations | 53111 | | |
| Total | | | |

*Indirect and induced jobs only

It appears that RIMS II is used in an inappropriate manner. It is not an acceptable methodology to include revenue derived from parking operations because parking operations do not pertain to real estate leasing activities.

- Please calculate employment impacts from parking operations separately using the appropriate industry multiplier.
- Please provide the NAICS industry code pertaining to FF&E expenditures.

IV. Decision

This notice serves as notification of USCIS’ intention to deny the applicant’s request for designation as a regional center as the Form I-924 does not meet the regulatory requirements at 8 C.F.R. § 204.6(m)(3). Therefore, the applicant is afforded thirty (30) days from the date of this notice to submit additional information, evidence or arguments in support of the application. Additionally, when USCIS serves a notice by mail, three (3) days are added to the prescribed period in which to respond. See 8 C.F.R. 103.5a(b). Any response to this notice should include a detailed analysis that rebuts the grounds for denial raised above, corroborated by credible independent documentary evidence all of which will be considered before a decision is rendered.

V. Review Board Option

Pursuant to 8 C.F.R § 103.2(b)(9), USCIS has the authority to request the applicant’s appearance for either an in-person interview at the California Service Center (CSC) or a telephonic interview. Should the applicant prefer an in-person or telephonic interview, please indicate as such in response to this notice of intent to deny.

However, be advised that USCIS will need to review any additional information, evidence, or arguments the applicant wishes to submit in support of the application before a review board may be scheduled.

Upon review of the applicant’s response, the applicant will then be contacted via the USCIS Immigrant Investor Program mailbox at USCIS.ImmigrantInvestorProgram@uscis.dhs.gov for further instructions regarding the time and date of the interview.

The interview will last approximately 60 minutes. During this time, the applicant will be given the opportunity to present additional information regarding the pending case. The CSC will issue a written decision at a later date, after full consideration of the written record and statements made during the interview.

Failure to respond to this notice of intent to deny will result in the denial of the application based on the above stated reasons.

| | |
|-----------------------------------|--|
| A # | Application/Petition |
| Receipt # RCW1236250925 | I924, Application for Regional Center under Immigrant Investor Pilot Program |
| Notice Date February 20, 2013 | Applicant/Petitioner U. S. Immigration Fund-N J |
| Page 1 of 7 | Beneficiary |

**ACTION COMPLETED
APPROVED FOR FILING**

MAR 05 2013

INITIALS: **C30070**
FOC: CSC

Request for Evidence

Ignacio A Donoso
FosterQuan, LLP
Re: U. S. IMMIGRATION FUND-NJ
600 Travis St., Suite 2000
Houston, TX 77002

Notice also sent to:

RETURN THIS NOTICE ON TOP OF THE REQUESTED INFORMATION LISTED ON THE ATTACHED SHEET.

Note: You are given until **May 15, 2013** in which to submit the requested information to the address at the bottom of this notice.

Please note the required deadline for providing a response to this Request for Evidence. The deadline reflects the maximum period for responding to this RFE. However, since many immigration benefits are time sensitive, you are encouraged to respond to this request as early as possible but no later than the date provided on the request.

Pursuant to 8 C.F.R. 103.2(b)(11) failure to submit ALL evidence requested at one time may result in the denial of your application.

For more information, visit our website at **www.uscis.gov**

Or call us at **1-800-375-5283**

Telephone service for the hearing impaired: 1-800-767-1833

CSC4639 WS25097 DIV III MP

**For non-US Postal Service
Attn: EB 5 RC Proposal
24000 Avila Road, 2nd Floor
Laguna Niguel, CA 92677**

You will be notified separately about any other applications or petitions you filed. Save this notice. Please enclose a copy of it if you write to us about this case, or if you file another application based on this decision. Our address is:

USCIS - CALIFORNIA SERVICE CENTER
P.O. BOX 10590
LAGUNA NIGUEL, CA 92607-0590
800-375-5283



RCW1236250925

Form I-797E

A13-257-3

A request for initial designation as a Regional Center under the Immigrant Investor Program (“Program”) or an amendment to an existing Regional Center designation, may involve:

1. A request for review of an exemplar Form I-526, Immigrant Petition by Alien Entrepreneur, prior to the filing of Form I-526 petitions by individual alien entrepreneurs with USCIS and/or;
2. In the case of a Regional Center amendment request, a review of a new specific capital investment project where the Regional Center designation involved a review of an exemplar capital investment project.

It appears that the applicant is requesting initial designation as a Regional Center under the Program.

I. Background:

The proposed Regional Center entity, U.S. Immigration Fund – NJ, LLC (USIFNJ), was established on December 7, 2012 in the state of New Jersey, and is structured as a Limited Liability Company. USIFNJ is requesting jurisdiction over a geographic area within the State of New Jersey, including the following counties: Bergen, Essex, Hudson, Middlesex, Monmouth, Morris, Passaic and Union Counties. USIFNJ plans to offer EB-5 capital investment opportunities in affiliated new commercial enterprises, organized as Limited Partnerships and focusing on projects in the following industry categories:

| Regional Center NAICS Codes | | | | |
|-----------------------------|--|----------|--------|---|
| NAICS Code | Industry Title | | Valid? | Applicable? |
| 2362 | Nonresidential Construction | Building | Yes | Yes, this NAICS code applies to the hard construction of the mixed-use residential and retail facility. |
| 2361 | Residential Construction | Building | Yes | Yes, this NAICS code applies to the hard construction of the mixed-use residential and retail facility. |
| 5313 | Real Estate Property Managers | | Yes | Yes, this NAICS code applies to leasing and management operations of the mixed-use residential and retail facility. |
| 5413 | Architectural, Engineering, and Related Services | | Yes | Yes, this NAICS code applies to the soft construction of the mixed-use residential and retail facility. |

The capital investment projects will involve a combination of an equity investment and loan to job creating enterprises located within the proposed bounds of the Regional Center.

The applicant’s proposed project, 88 Morgan Street Funding, LLC, involves the construction and operations of a 50-story luxury rental apartment building in Jersey City, Hudson County, New Jersey. The project will

(b)(4)

consist of 417 rental apartment units, 217 parking spaces, and approximately 4,000 square feet of retail space adjacent to Trump Plaza I. The applicant estimates that the project will cost [REDACTED] of which [REDACTED] will be from [REDACTED] immigrant investors, and generate approximately [REDACTED] jobs.

(b)(4)

II. Evidentiary Requirements for Regional Center Proposals

8 CFR 204.6 (m)(3), which is appended to this notice, describes the evidence that must be submitted in support of a Regional Center proposal. After review of the proposal, the following information, evidence and/or clarification is required. Note that in response to this notice, that it is helpful to provide a cover letter that acts as an executive summary, followed by a table of contents with sections that are tabbed at the bottom of the page.

A. Construction Timeline

The applicant asserts that construction will span 26 months, beginning with excavation in February or March, 2013 and ending with the acquisition of a temporary certificate of occupancy in April 2015. However, the timeline lacks verifiable detail.

- Please present a detailed and itemized construction timeline showing all relevant phases of the construction effort.
- Also, please provide transparent, objective, and verifiable data illustrating that the proposed construction timeline and budget are within a reasonable range when compared to industry standards.

B. Economic Impact Analysis.

The applicant solicited the expertise of Evans, Carroll & Associates (Evans-Carroll) to conduct the economic impact analysis. Evans-Carroll calculates the potential economic impacts of the construction and operations of a 417-unit luxury apartment tower in Jersey City, Hudson County, New Jersey.

The Economic Impact Model used is RIMS II calibrated for the counties of Hudson, Essex, Union, Bergen, Passaic, Morris, Monmouth, and Middlesex.

Model Inputs (initial change in final demand, initial change in direct jobs, etc.) are as follows:

(b)(4)

1. Hard Construction: Evans-Carroll uses [REDACTED] in estimated hard construction costs from the pro forma financial section of the business plan as an input into the RIMS II model.
 - a. Transparency: The parameters are transparent. They are clearly sourced from the pro forma financial section of the business plan.
 - b. Applicability: The parameters are not applicable. The hard construction costs are inflated due to the inclusion of contingency costs and police fees.

- c. Reliability: The parameters are not reliable. They are not supported by verifiable data and analysis or a comparison to industry standards.
- d. Up-to-Date: The parameters appear up-to-date.

(b)(4) • Please resolve Issues b. and c.

- 2. FF&E: Evans-Carroll uses [REDACTED] in estimated FF&E costs from the pro forma financial section of the business plan as an input into the RIMS II model
 - a. Transparency: The parameters are transparent. They are clearly sourced from the pro forma financial section of the business plan.
 - b. Applicability: The parameters are applicable.
 - c. Reliability: The parameters are not reliable. They are not supported by verifiable data and analysis or a comparison to industry standards.
 - d. Up-to-Date: The parameters appear up-to-date.

(b)(4) • Please resolve Issue c.

- 3. Operations: Evans-Carroll uses [REDACTED] in estimated annual apartment rental income from the pro forma financial section of the business plan costs as an input into the RIMS II model
 - a. Transparency: The parameters are transparent. They are clearly sourced from the market analysis and pro forma financial section of the business plan.
 - b. Applicability: The parameters are applicable.
 - c. Reliability: The parameters are reliable. The market analysis presents competing developments that substantiate most of the revenue assumptions used in the analysis.
 - d. Up-to-Date: The parameters appear up-to-date. (b)(4)

- 4. Soft Construction: Evans-Carroll uses [REDACTED] in estimated soft construction costs from the pro forma financial section of the business plan as an input into the RIMS II model
 - a. Transparency: The parameters are transparent. They are clearly sourced from the pro forma financial section of the business plan.
 - b. Applicability: The parameters are applicable.
 - c. Reliability: The parameters are not reliable. They are not supported by verifiable data and analysis or a comparison to industry standards.
 - d. Up-to-Date: The parameters appear up-to-date.

• Please resolve Issue c.

III. General issues

Translations:

Any document containing a foreign language submitted to USCIS shall be accompanied by a full English translation that the translator has certified as complete and accurate, and by the translator's certification that he or she is competent to translate from the foreign language into English.

Copies:

Unless specifically required that an original document be filed with an application or petition, an ordinary legible photocopy may be submitted. Original documents submitted when not required will remain part of the record, even if the submission was not required.

NOTES:

Any document submitted to the USCIS containing a foreign language, must be accompanied by a full English language translation that has been certified by the translator as complete and accurate, and that the translator is competent to translate from the foreign language into English. Submit clear and legible copies of all requested evidence. If clear and legible copies are not possible, submit the original documents. These originals will be returned, if requested.

Please provide an index of any submitted evidence and include corresponding tabs for each section of evidence.

IV. Regulatory References

The regulation at 8 CFR 103.2(a)(3) provides the following definitions:

(3) Representation. An applicant or petitioner may be represented by an attorney in the United States, as defined in 1.1(f) of this chapter, by an attorney outside the United States as defined in 292.1(a)(6) of this chapter, or by an accredited representative as defined in 292.1(a)(4) of this chapter. A beneficiary of a petition is not a recognized party in such a proceeding. An application or petition presented in person by someone who is not the applicant or petitioner, or his or her representative as defined in this paragraph, shall be treated as if received through the mail, and the person advised that the applicant or petitioner, and his or her representative, will be notified of the decision. Where a notice of representation is submitted that is not properly signed, the application or petition will be processed as if the notice had not been submitted.

The regulation at 8 CFR 204.6(e) provides the following definitions:

Qualifying employee means a United States citizen, a lawfully admitted permanent resident, or other immigrant lawfully authorized to be employed in the United States including, but not limited to, a conditional resident, a temporary resident, an asylee, a refugee, or an alien remaining in the United States under suspension of deportation. This definition does not include the alien entrepreneur, the alien entrepreneur's spouse, sons, or daughters, or any nonimmigrant alien.

Regional center means any economic unit, public or private, which is involved with the promotion of economic growth, including increased export sales, improved regional productivity, job creation, and increased domestic capital investment.

The regulation at 8 CFR 204.6(j)(4) provides:

Job creation --

(i) General. To show that a new commercial enterprise will create not fewer than ten (10) full-time positions for qualifying employees, the petition must be accompanied by:

(A) Documentation consisting of photocopies of relevant tax records, Form I-9, or other similar documents for ten (10) qualifying employees, if such employees have already been hired following the establishment of the new commercial enterprise; or

(B) A copy of a comprehensive business plan showing that, due to the nature and projected size of the new commercial enterprise, the need for not fewer than ten (10) qualifying employees will result, including approximate dates, within the next two years, and when such employees will be hired.

(ii) Troubled business. To show that a new commercial enterprise which has been established through a capital investment in a troubled business meets the statutory employment creation requirement, the petition must be accompanied by evidence that the number of existing employees is being or will be maintained at no less than the pre-investment level for a period of at least two years. Photocopies of tax records, Forms I-9, or other relevant documents for the qualifying employees and a comprehensive business plan shall be submitted in support of the petition.

(iii) Immigrant Investor Pilot Program. To show that the new commercial enterprise located within a regional center approved for participation in the Immigrant Investor Pilot Program meets the statutory employment creation requirement, the petition must be accompanied by evidence that the investment will create full-time positions for not fewer than 10 persons either directly or indirectly through revenues generated from increased exports resulting from the Pilot Program. Such evidence may be demonstrated by reasonable methodologies including those set forth in paragraph (m)(3) of this section.

The regulation at 8 CFR 204.6(m)(1) provides:

(1) Scope. The Immigrant Investor Pilot Program is established solely pursuant to the provisions of section 610 of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriation Act, and subject to all conditions and restrictions stipulated in that section. Except as provided herein, aliens seeking to obtain immigration benefits under this paragraph continue to be subject to all conditions and restrictions set forth in section 203(b)(5) of the Act and this section.

The regulation at 8 CFR 204.6(m)(3) provides:

(3) Requirements for regional centers. 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;
- (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.

Note that promoting economic growth through increased export sales is no longer a requirement.

The regulation at 8 CFR 204.6(m)(6) provides:

(6) Termination of participation of regional centers. To ensure that regional centers continue 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, or increased domestic capital investment in the approved geographic area. Such information must be submitted to USCIS on an annual basis, on a cumulative basis, and/or as otherwise requested by USCIS, using a form designated for this purpose. USCIS will issue a notice of intent to terminate the participation of a regional center in the pilot program if a regional center fails to submit the required information or upon a determination that the regional center no longer serves the purpose of promoting economic growth, including increased export sales, improved regional productivity, job creation, and increased domestic capital investment. The notice of intent to terminate shall be made upon notice to the regional center and shall set forth the reasons for termination. The regional center must be provided 30 days from receipt of the notice of intent to terminate to offer evidence in opposition to the ground or grounds alleged in the notice of intent to terminate. If USCIS determines that the regional center's participation in the Pilot Program should be terminated, USCIS shall notify the regional center of the decision and of the reasons for termination. As provided in 8 CFR 103.3, the regional center may appeal the decision to USCIS within 30 days after the service of notice



600 Travis Street
Suite 2000
Houston, TX 77002
713.229.8733 office
713.228.1303 fax
www.fosterquan.com

February 28, 2013

Ms. Rosemary Melville
Director
USCIS – California Service Center
24000 Avila Road, 2nd Floor
Laguna Niguel, California

Via Federal Express

Re: Response to Request for Evidence on Pending I-924 Application
Regional Center Name: US Immigration Fund - NJ
Process: I-924 Application For Original Designation
Receipt No.: RCW 1236250925
Regional Center I.D.: 123-625-0925
Date Application Filed: December 21, 2012

EXPEDITED PROCESSING APPROVED

Dear Ms. Melville:

We are immigration counsel to the US Immigration Fund-NJ, LLC (“USIF-NJ”), in relation to the above-captioned I-924 Application (**RCW 123-625-0925**) (“Application”).

On February 4, 2013, USCIS notified the USIF-NJ by email that the Application would be processed with **Expedited Processing**. Should USCIS approved this Application, investors in the first project of the USIF-NJ (the 88 Morgan Street project) will shortly begin filing I-526 visa petitions and we understand that such I-526 visa petitions will similarly be granted expedited processing.

USF-NJ has reviewed the Request for Evidence issued by U.S. Citizenship & Immigration Services on February 20, 2013 (“RFE”), in relation to the above captioned Application.

This letter, its exhibit list and attached Exhibits constitutes the response of the USF-NJ to the RFE (“RFE Response”). Unless otherwise defined herein, all capitalized terms used in this RFE Response shall have the same meaning ascribed to them in the Business Plan (as defined below).

A. Timely Filed

The RFE provided USIF-NJ until May 15, 2013 to submit its response. This response, filed on February 28, 2013, is thus timely filed.

B. Response to the RFE

Brief Summary of Project

The initial sample (hypothetical) project of the USIF-NJ is the construction and operation of a 50-story, 417 unit, luxury residential condominium building at 88 Morgan Street (corner of Baytown), in Jersey City, Hudson County, New Jersey, with attached parking spaces, amenities and approximately 4,000 square feet of office space (“88 Morgan Street Project”).

Please note that the 88 Morgan Street Project is a replica of the residential tower already built directly adjacent, and known as the “Trump Plaza I” in Jersey City, New Jersey. Reference to the residential tower previously built on the contiguous site named “Trump Plaza I” is stated in the Business Plan at pages 1, 4, 6 (with map) and 38.

Analysis of the RFE

The RFE states two (2) elements in the Application that require additional evidence: (1) the construction timeline set out in the Business Plan attached at Exhibit 19 of the original Application (“Business Plan”), and (2) the Economic Impact Analysis conducted by Evans, Carroll & Associates attached at Exhibit 20 of the original Application (“Economic Analysis”).

We analyze each of the requests for additional evidence and provide responses to each below.

1. Construction Timeline

(a) RFE on Construction Timeline

The RFE states that the construction timeline as set out in the Business Plan does not present “verifiable detail” that it will span 26 months, starting with excavation approximately in February or March of 2013 and ending with the acquisition of a temporary certificate of occupancy for the building in April of 2015 (“Construction Timeline”).

The RFE requests the following documents to be provided in response to the questions regarding the Construction Timeline:

- “Please present a detailed and itemized construction timeline showing all relevant phases of the construction effort.”
- “Also, please provide transparent, objective, and verifiable data illustrating that the proposed construction timeline and budget are within a reasonable range when compared to industry standards.”

(b) Response to RFE on Construction Timeline

In response to the RFE regarding the Construction Timeline, USIF-NJ is submitting new evidence to support the Business Plan originally submitted in the Application. We note that the Business Plan stated, at page 35, that the Owner of the Property and the Project provided the Construction Timeline. We also note that the Business Plan, at page 35, included a list of phases of the 88 Morgan Street Project.

As stated in page 38 of the Business Plan, the Owner is 88 Morgan Street LLC, a joint venture company owned by some of the most highly regarded developers of apartment buildings and commercial real estate in New Jersey and New York. The Business Plan reads as follows:

“In February of 2012, the KABR Group and Kushner Companies (the “Ownership”) established a Joint Venture to manage the entitlement, development, and operation of a 50 story rental apartment building, consisting of 417 rental apartments, 217 parking spaces, and approximately 4,000 sq.ft. of retail space adjacent to Trump Plaza I.

Kushner Companies is a diversified real estate organization headquartered in New York with extensive experience in the ownership, management, development, and redevelopment of properties, owning over 13,000 multi-family apartments nationwide. Historically, the company has developed, acquired and successfully managed over 30,000 apartments, half of which was sold to AIG in 2007 for \$2 billion.

KABR Group is a diversified real estate investment company dedicated to the timely and opportunistic purchase of real estate assets in the New York metro region. The group currently owns and operates a diverse portfolio of properties in several states.”

We attach in **RFE Exhibit 1** background information on the history and business of the Owner (both as to the Kushner Companies and the KABR Group). The superlative track record of success of the Kushner Companies and KABR Group is a genuine American success story. The vast experience of these two companies in the New York and New Jersey residential real estate development market is un-matched. Together, the Kushner Companies and the KABR Group have decades of experience in the residential construction industry in New York and New Jersey, and have several billion dollars worth of completed construction work. The evidence enclosed in RFE Exhibit 1 from the 2012 Yearly Report of the Kushner Companies confirms that it alone owns over 2,500,000 square feet of commercial and residential real estate in New York and New Jersey, and manages over 15,000 apartments (after acquiring over 6,000 residential apartments in 2012). The affiliated companies of Kushner Companies include Westminster

Capital, Westminster Management, Westminster Communities and Westminster Hotels. The evidence attached at RFE Exhibit 1 establishes the Owner's long track record of success in the construction industry and confirms its expertise and knowledge of residential real estate construction costs in the relevant target market.

We attach in **RFE Exhibit 2** a letter dated February 28, 2013, written by Sam Gershwin, who is the President of Westminster Communities, and is the person responsible for all construction and construction related activities for the Kushner Companies ("Construction Manager's Letter"). Mr. Gershwin is a construction management professional with over 35 years of experience in the construction industry in New York and New Jersey. The Construction Manager's Letter confirms that the Construction Timeline enclosed in RFE Exhibit 1 is accurate based on the years of experience in comparable construction projects that Mr. Gershwin and the Owner have completed. Mr. Gershwin states unequivocally in the Developer's Letter as follows:

"I have personally worked on the development of the construction budget for the 88 Morgan Street Project. Based on my experience and knowledge of industry standards, the construction timeline as set forth in the Business Plan is a reasonable projection of the time it will take to complete the construction of the apartment tower and related improvements on the property is consistent with similar current and past projects completed by The Kushner Companies."

The Construction Manager's Letter continues:

"The relevant phases of construction are as follows and will take approximately 26 months to complete:

- Excavation
- Concrete Foundation and Waterproofing
- Tower Building Construction begins
- Tower Building Construction completed
- Roofing and Tower Crane Areas
- Interior Finishes
- Mechanicals, Electrical, Plumbing and Sprinkler Systems
- Punch List and Temporary Certificate of Occupancy items."

These phases are exactly the same as those stated in the Business Plan because they are standard for developments of the Kushner Companies and part of its know-how for successful project development.

We further enclose in **RFE Exhibit 3** a copy of the "Executive Profile" of Mr. Sam Gershwin publicly available from the internationally renowned business information provider, Bloomberg Business Week (businessweek.com), where it confirms his decades of experience and senior role as President of Westminster Communities, LLC and member of the Board of Directors of the Kushner Companies.

Based on the evidence already submitted in the Application, and the new evidence attached to this RFE Response, we believe that USIF-NJ has provided detailed evidence supported by verifiable information that confirm the accuracy of the Construction Timeline for the 88 Morgan Street Project.

2. Economic Analysis

(a) RFE on Economic Analysis

The RFE finds three (3) areas of the Economic Analysis that require additional evidence:

1. **Hard Construction Costs.** The RFE states as follows: “Evans, Carroll uses [redacted] in estimated hard construction costs from the pro forma financial section of the business plan as an input into the RIMS II model.” The RFE then states two deficiencies with this amount of estimated hard construction costs. First, they were “not applicable” because the [redacted] in hard construction costs included “contingency costs and police fees”. Second, the hard construction costs amount was not “reliable” because it is “not supported by verifiable data and analysis or a comparison to industry standards.” (b)(4)
2. **FF&E Costs.** The amount of [redacted] in estimated FF&E costs from the pro forma financial section of the Business Plan were considered by USCIS not to be “reliable” because it is “not supported by verifiable data and analysis or a comparison to industry standards.” (Please Note: “FF&E” means “Furniture, Fixtures & Equipment”).
3. **Soft Construction Costs.** The amount of [redacted] in estimated soft construction costs from the pro forma financial section of the Business Plan were considered by USCIS not to be “reliable” because it is “not supported by verifiable data and analysis or a comparison to industry standards.”

(b) Response to RFE on Economic Analysis

In response to the RFE on the Economic Analysis, we are pleased to attach in **RFE Exhibit 4** a revised Economic Analysis completed by Evans, Carroll & Associates and which is dated February 28, 2013 (“Revised Economic Analysis”).

USIF-NJ has not revised the pro forma for the 88 Morgan Street Project as stated in the Business Plan. The Revised Economic Analysis does not change the job creation estimates from the original Economic Analysis dated December 7, 2012, because they original job creation estimates were accurate and based only on the EB-5 eligible hard construction costs.

The Revised Economic Analysis includes clarifying text that better explains the figures used in the calculations. The Revised Economic Analysis is fully responsive to the concerns raised by USCIS in the RFE. We discuss each of these issues raised by the RFE below.

- (b)(4) 1. **Hard Construction Costs.** The Economic Analysis originally submitted with the Application did not include in its calculation of job creation impacts the entire amount of the [redacted] in hard construction costs. Rather, the Economic Analysis prepared by Evans, Carroll subtracted the amount of the construction contingency of [redacted] and the amount of [redacted] for Jersey City Police, from the estimated hard construction costs used in the RIMS II analysis (together with other hard construction costs not eligible for job creation estimates under the EB-5 program). This was stated in the original Economic Analysis at various points. For example, it can be found on Page 3, at the Executive Summary; at page 4, Table A – “Summary of Employment and Revenue Estimates”, and at page 36, at the first paragraph of Section 8. We cite the literal text of the Economic Analysis at page 36, Section 8, below:

(b)(4) “Table 8-1 shows the total development budget of [redacted]. Of this amount, about [redacted] is EB-5 eligible hard construction costs. [redacted] is architectural, engineering, and related fees, and [redacted] is purchases of furniture, fixtures, and equipment (FF&E). The remaining [redacted] consists primarily of land costs, interest costs, contingencies, and fees.” [emphasis added]

Thus, the Economic Analysis removed from the total [redacted] estimate of construction hard costs the amount of the construction contingency of [redacted] and the amount of [redacted] for Jersey City Police.

Dr. Michael Evans, of Evans, Carroll & Associates, prepared the Revised Economic Analysis, dated February 28, 2013, which confirms that the Economic Analysis did not include the full estimated amount of [redacted] in hard construction costs. The revision confirms that the Revised Economic Analysis subtracted the amount of the construction contingency of [redacted] and the amount [redacted] for Jersey City Police (together with other hard and soft construction costs not eligible for job creation estimates under the EB-5 program) from the total estimate of [redacted] in hard construction costs, to arrive at the lower estimate of [redacted] in eligible EB-5 hard construction costs. The Revised Economic Analysis now literally reads, at page 36, as follows:

(b)(4) “Table 8-1 shows the total development budget of [redacted]. Of this amount, about [redacted] is EB-5 eligible hard construction costs. [redacted] is architectural, engineering, and related fees, and [redacted] is purchases of furniture, fixtures, and equipment (FF&E). The remaining [redacted] consists primarily of land costs, interest costs, contingencies, and fees. The total of [redacted] in EB-5 eligible hard

construction costs used in the RIMS II calculation expressly excludes, the following figures stated in the Detailed Construction Budget set out in Table 8-2: (i) [REDACTED] in Construction Contingency; (ii) [REDACTED] for Bond Completion, and (iii) [REDACTED] for Jersey City Police.” [emphasis added]
(b)(4)

2. **FF&E Costs.** The estimated cost amount for FF&E in the pro forma remains used in the Revised Economic Analysis. To provide verifiable detail of the FF&E expenses for the 88 Morgan Street Project, we refer to the Construction Manager’s Letter, which confirms the accuracy of this expenditure amount for FF&E as stated in the pro forma budget. The Construction Manager’s Letter (attached in **RFE Exhibit 2**) confirms that the amount of all budget estimates is reasonable, and conforms to both industry parameters and many years of experience in similar construction projects.
3. **Soft Construction Costs.** The estimated cost amount for soft construction costs in the pro forma remains used in the Revised Economic Analysis. To provide verifiable detail of the soft construction costs expenses for the 88 Morgan Street Project, we have obtained evidence from the Owner that confirms the accuracy of this expenditure amount for soft construction costs as stated in the pro forma. The Construction Manager’s Letter attached in **RFE Exhibit 2** confirms that the amount of all budget estimates is reasonable, and conforms to both industry parameters and the previous projects completed by the Kushner Companies in the recent past. Further, the USIF-NJ provides the soft cost budget from the architect for the 88 Morgan Street Project, which is attached in **RFE Exhibit 5**. Please note that the architect’s soft construction costs budget is based on the replica tower “Trump JC” that is on the same site neighboring the 88 Morgan Street Project. The architect goes so far as to note that “full release will be given from original architect to use plans”. Reference to the residential tower previously built on the contiguous site named “Trump Plaza I” is stated in the Business Plan at pages 1, 4, 6 (with map) and 38.

Thus, USIF-NJ has provided an Economic Analysis and new and detailed documentary evidence with this RFE Response that, together with the evidence in the Application, respond completely to the issues raised by USCIS in the RFE regarding the Economic Analysis.

C. Conclusion and Requested Action

The above information and attached evidence, together with the evidence set out in the Application, addresses all of the issues raised in the RFE. The new evidence submitted with this RFE Response is probative, verifiable and detailed, and clearly explains that USIF-NJ has satisfied its evidentiary burden in this I-924 application for original regional center designation.

We trust that USCIS will find the foregoing analysis and evidence in order, and we look forward to your favorable adjudication of this I-924 Application. We thank you in advance for your consideration of this RFE Response.

Should there be any questions or should USCIS require additional information, please do not hesitate to contact me at (713)335-3993 or by email at idonoso@fosterquan.com.

Sincerely,

FOSTERQUAN, LLP

A handwritten signature in black ink, appearing to read "Ignacio A. Donoso". The signature is fluid and cursive, with a large initial "I" and "D".

Ignacio A. Donoso
Partner

cc: Nicholas Mastroianni, II
Mark Giresi

Exhibit List to Request For Evidence

I-924 Application

U.S. Immigration Fund – NJ

| DOCUMENT | TAB No. |
|--|----------------|
| Background evidence regarding the superlative business experience and lengthy track record of success of the Kushner Companies and KARB Group, the two companies that are Owners of the 88 Morgan Street Project through their affiliate, 88 Morgan Street, LLC. | 1. |
| Letter dated February 28, 2013, from Sam Gershwin, President of Westminster Communities, the affiliate of Kushner Companies, and a real estate construction professional with over 35 years of experience. | 2. |
| Executive Profile of Mr. Sam Gershwin from Bloomberg Business Week (businessweek.com) dated March 1, 2013. | 3. |
| Revised Economic Analysis prepared by Evans, Carroll & Associates for the 88 Morgan Street Project dated February 28, 2013. | 4. |
| Architect's Soft Construction Cost Budget for 88 Morgan Street Project | 5. |

DOCUMENT

TAB No.

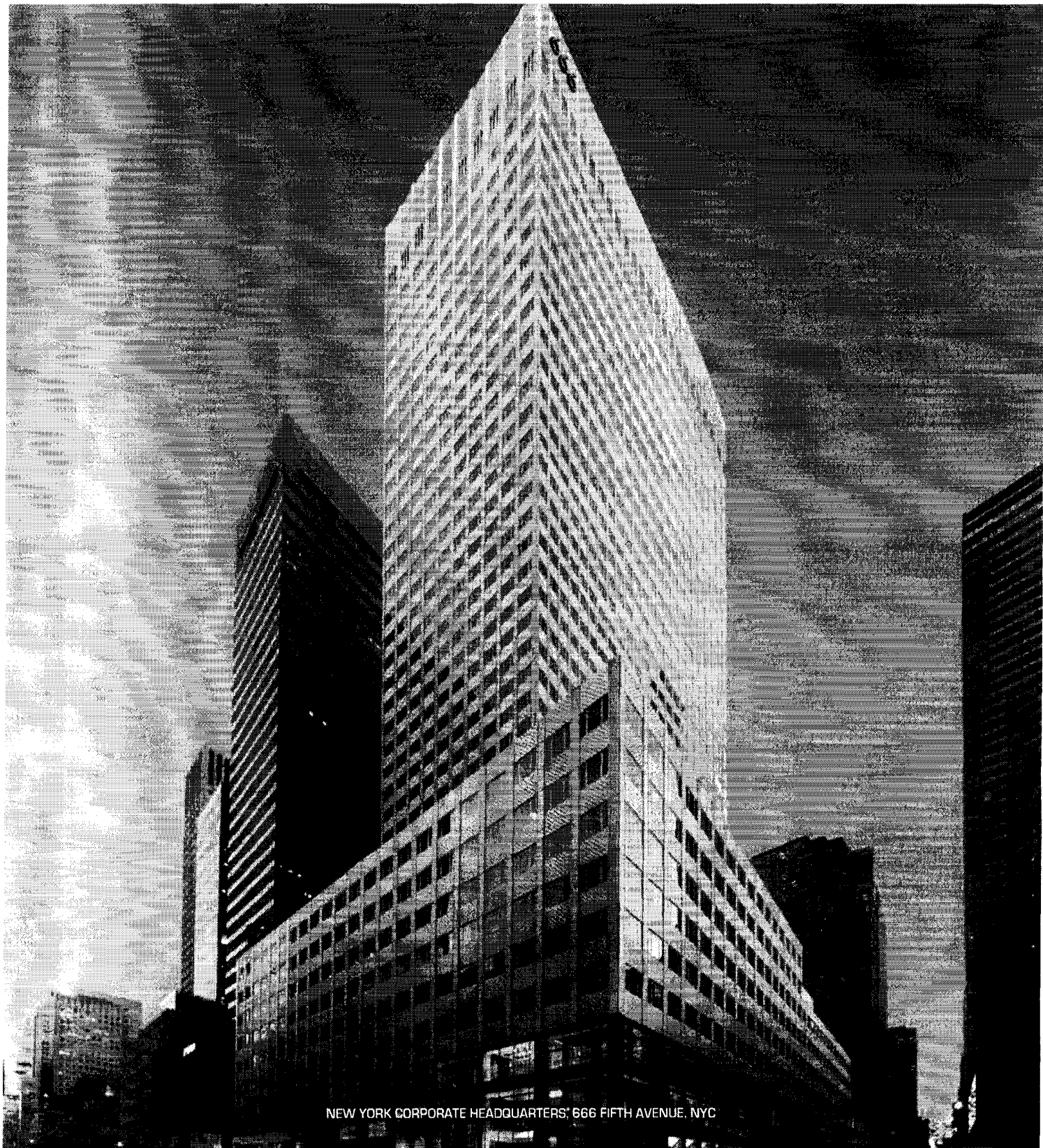
Background evidence regarding the superlative business experience and lengthy track record of success of the Kushner Companies and KARB Group, the two companies that are Owners of the 88 Morgan Street Project through their affiliate, 88 Morgan Street, LLC.

1.



KUSHNER
COMPANIES

2012



NEW YORK CORPORATE HEADQUARTERS, 666 FIFTH AVENUE, NYC

A LETTER FROM THE PRESIDENT

Kushner Companies is a diversified real estate organization headquartered in New York City. Our Company is responsible for the ownership, management, development and redevelopment of numerous properties. Our national reach consists of more than 20,000 multifamily apartments, as well as 8 million square feet of office, industrial and retail space throughout New York, New Jersey, Pennsylvania, Maryland, Ohio and Illinois.

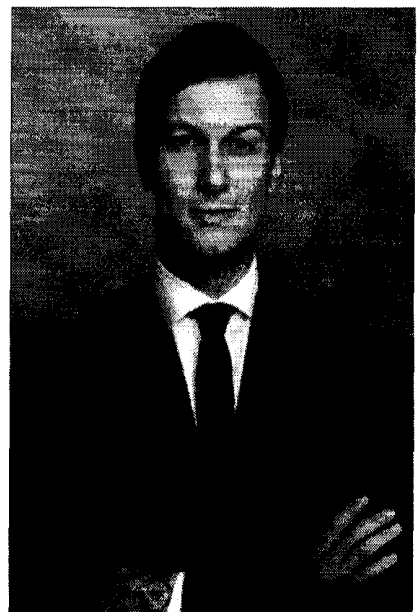
2012 was another busy year. We acquired over \$1 billion of properties in addition to signing some record-breaking leases. In conjunction with our partners, we also sold a portion of our 666 Fifth Avenue retail for more than \$700 million. We are pleased with our strategic and measured growth and plan to continue to make acquisitions as the market presents opportunities.

Our company remains guided by its experience and ability to create long-term value in strategically focused markets. We continue to attract the best talent in the industry and remain focused on growing our organization with talented professionals along with our assets. I am pleased to report that Kushner Companies is stronger than ever, and we stand poised for continued growth with our valued partners.

Sincerely,

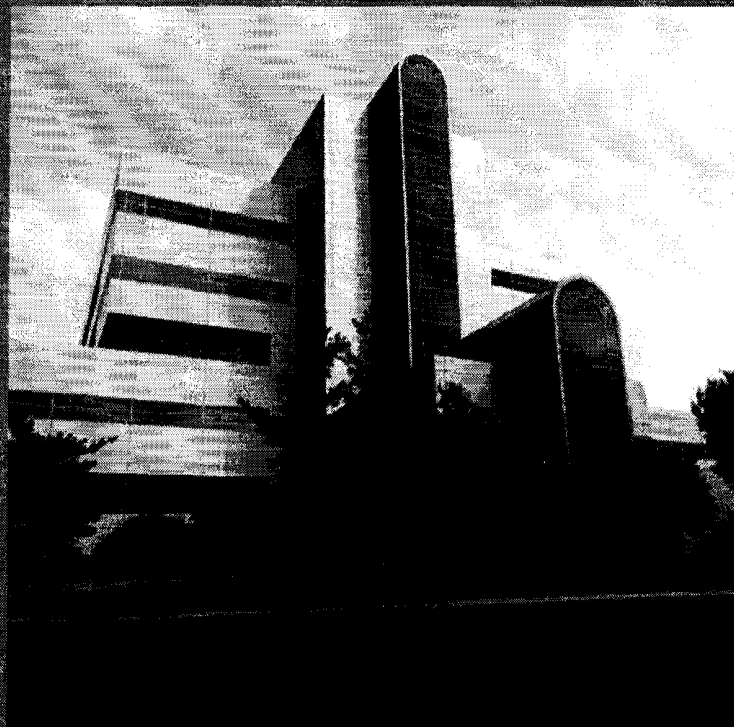


Jared Kushner
President and CEO



COMMERCIAL ACQUISITIONS

In 2012, Kushner Companies acquired almost one million square feet of commercial properties in New York City and New Jersey. Most notable is the acquisition of 122,000 square feet at 200 Lafayette Street, which was leased in its entirety to JCPenney shortly after taking title. The premises were improved and delivered in a very short time frame while completing a complex historic renovation. This is an example of Kushner Companies' ability to be a value-added partner.



55 CHALLENGER, RIDGEFIELD PARK, NJ - 305,000 SF



200 LAFAYETTE STREET, NYC - 122,000 SF

RESIDENTIAL ACQUISITIONS

In 2012, Kushner Companies acquired over 6,000 multifamily apartments in New York City, New Jersey, and Maryland. Kushner Companies' proven track record is based on experience and market knowledge. This provides the company with the ability to value any given property accurately. The company recognizes value that others do not immediately perceive or understand. Kushner Companies has successfully executed several joint ventures with institutional partners and continues to expand its presence in this arena.



GEORGETOWN VILLAGE, TOLEDO, OHIO - 365 APTS

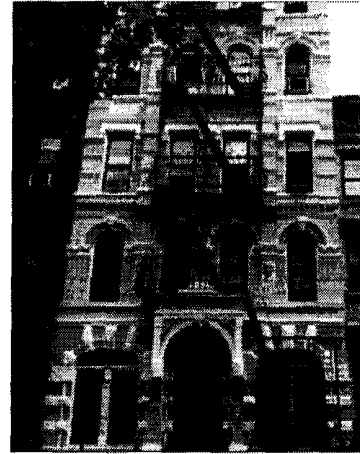
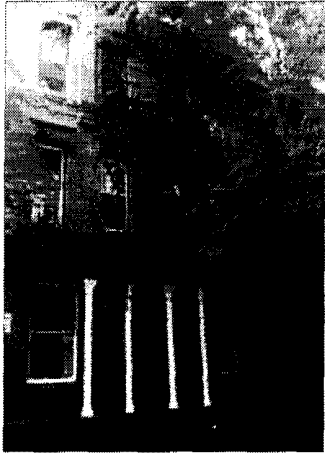
6,000 MULTIFAMILY APARTMENTS ACQUIRED IN NEW YORK CITY, NEW JERSEY, AND MARYLAND



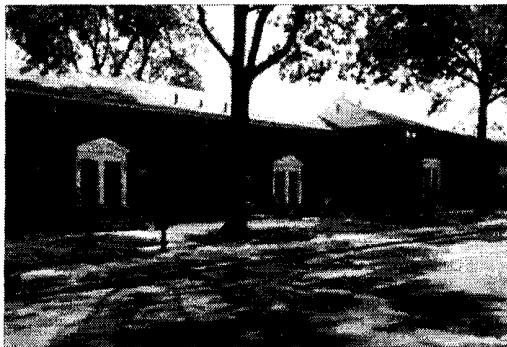
COMMONS AT WHITE MARSH, MIDDLE RIVER, MD - 1,212 APTS



HIGHLAND VILLAGE TOWNHOMES, HALETHORPE, MD - 1,098 APTS



BENCHMARK PORTFOLIO, GREENWICH VILLAGE, NYC - 150 APTS



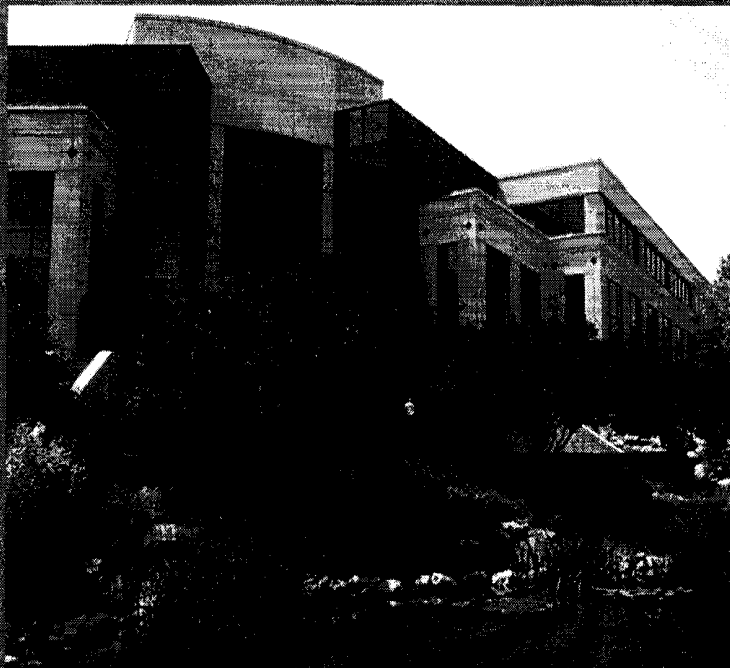
BOULEVARD APARTMENTS, HASERCLOCK HEIGHTS, NJ - 214 APTS



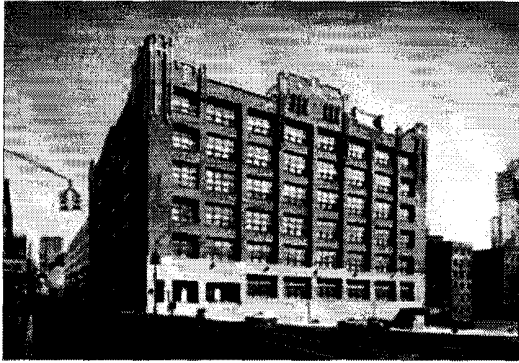
SKYLINE APARTMENTS, HASERCLOCK HEIGHTS, NJ - 124 APTS

WESTMINSTER MANAGEMENT

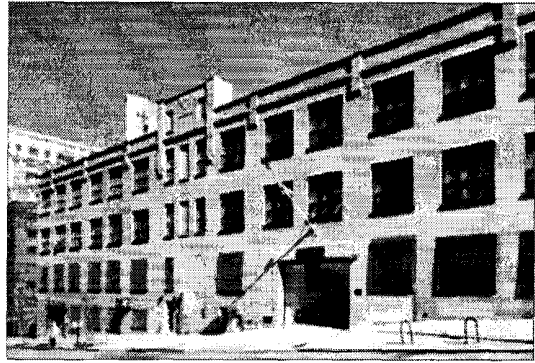
Kushner Companies' property management division, Westminster Management, currently manages 15,000 apartments along with millions of square feet of commercial space. In New York City alone, Kushner Companies owns over 2.5 million square feet as well as many residential buildings. Economies of scale are employed to reduce operating costs, and benchmark performance ratings are applied across the portfolio to maintain quality and cost efficiencies. Marketing, pricing, tenant relations, amenities, maintenance and other management issues are carefully scrutinized to ensure accurate and efficient property operations.



18 COLUMBIA TURNPIKE, FLORHAM PARK, NJ



80 WEST END, NYC



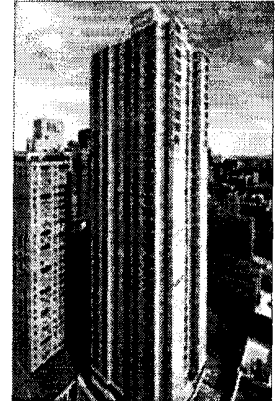
227 WEST 61ST STREET, NYC



240 WEST END, NYC



321 WEST 44TH STREET, NYC



115 EAST 87TH STREET, NYC



WHISPERING WOODS, MIDDLE RIVER, MD



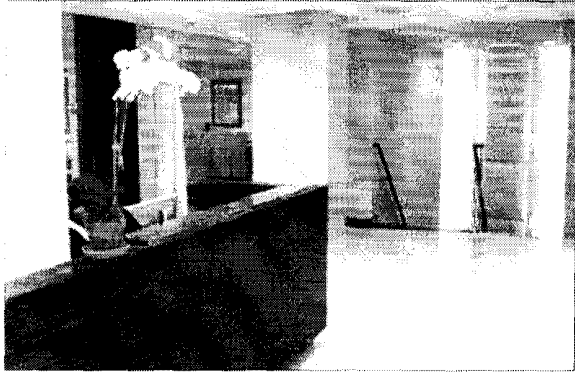
HARBOR POINT ESTATES, ESSEX, MD

COMMERCIAL LEASING

A strong tenant base and broker network is the foundation of Kushner Companies' commercial real estate operations. Record-breaking leases executed by Kushner Companies this year include JCPenney leasing 122,000 square feet at 200 Lafayette Street in the heart of SoHo. In addition to ensuring high rates of occupancy across the entire commercial portfolio, the in-house leasing group is responsible for the complete range of tenant matters. From working directly with the tenants to dealing with brokers, bankers and contractors, the leasing group skillfully carries out every aspect of leasing in the most efficient and professional way.



PUOK BUILDING, 235 LAFAYETTE STREET, NYC



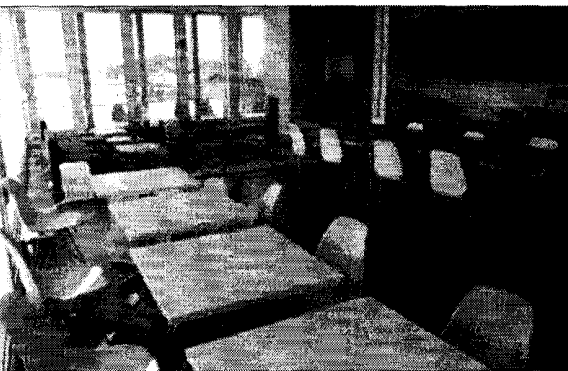
ROCKEFELLER LEASES 46,000 SF AT 666 FIFTH AVENUE, NYC



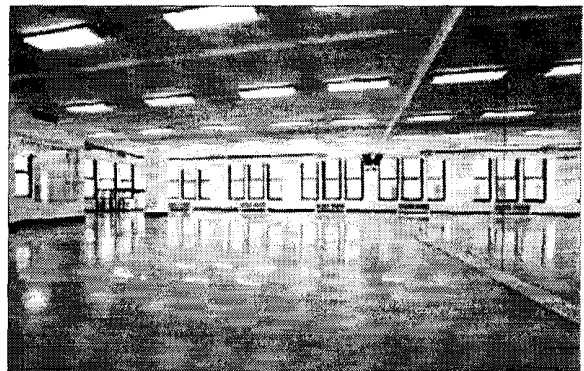
JCPENNEY LEASES 122,000 SF AT 200 LAFAYETTE STREET, NYC



BOSCOV'S LEASES 265,000 SF OF 1.5 MILLION SF AT MONMOUTH MALL, EATONTOWN, NJ



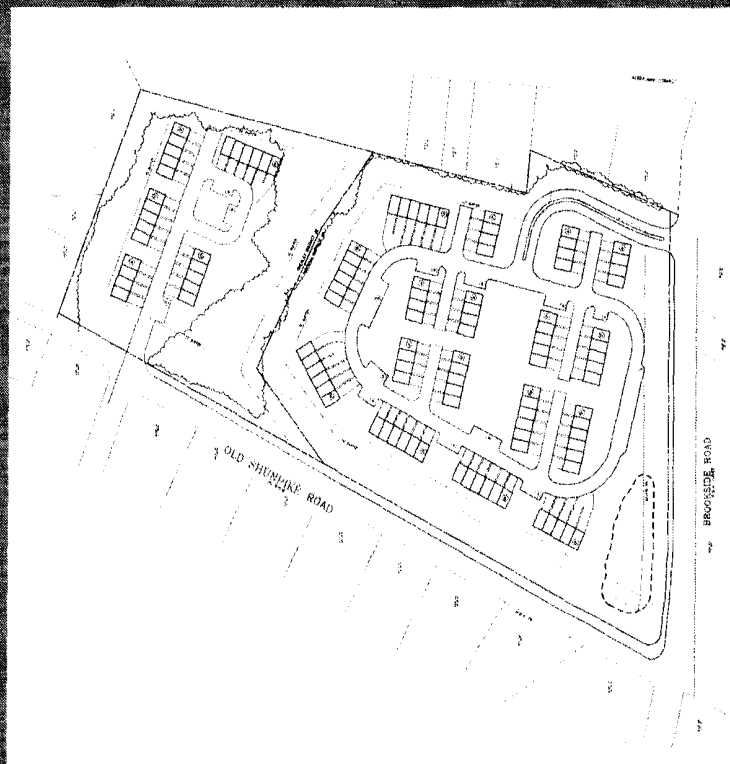
WATRY LEASES 21,000 SF AT 25 COLUMBIA TURNPIKE, FLORHAM PARK, NJ



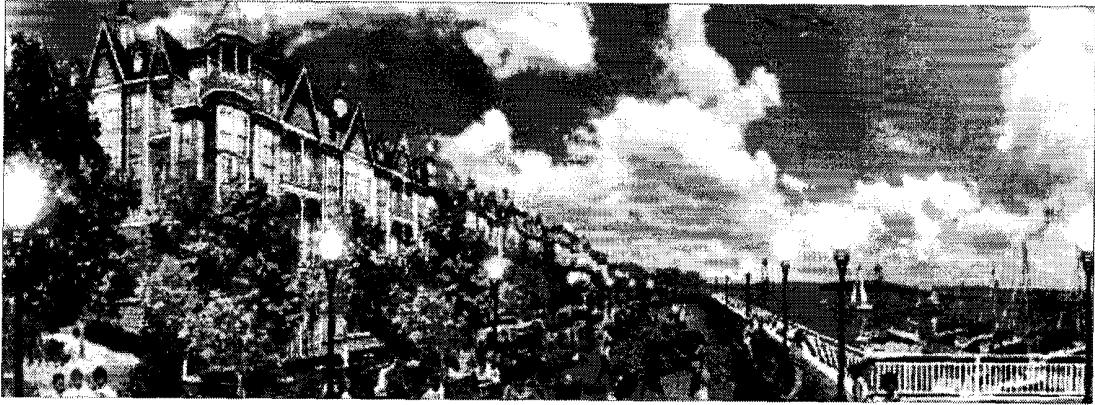
BROADWAY DANCE STUDIO LEASES 30,000 SF AT 321 W 44TH STREET, NYC

DEVELOPMENT

Kushner Companies understands the value of purchasing raw land and developing it into quality residential and commercial projects. The company currently has over 3,000 rental apartments in various stages of the approval process. The land acquisition team possesses the expertise and staff required to navigate through the complex maze of rules, regulations, approval and zoning processes necessary to bring a project from raw land to the construction stage.



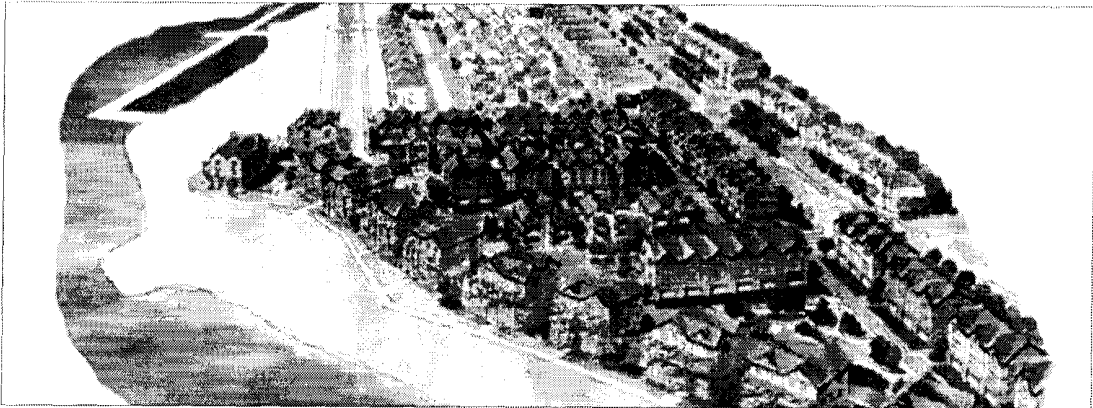
PANDOLPH RIDGE, RANDOLPH, NJ - 111 TOWNHOMES



LANDINGS AT HARBOR SIDE, PERTH AMBOY, NJ - 576 APARTMENTS



THE MANORS, COLTS NECK, NJ - 48 HOMES



LANDINGS AT CASPIAN POINTE, ATLANTIC CITY, NJ - 92 TOWNHOMES

CONSTRUCTION

The construction division of Kushner Companies is dedicated to producing the highest quality projects at the most competitive prices. The division is known for its diversity of product mix whether it be single-family housing, sprawling multifamily complexes, active adult communities, hotels, commercial office buildings or urban shopping centers. This expertise enables Kushner Companies to take advantage of undervalued properties as well as take on the challenge of unbuilt or partially completed projects.



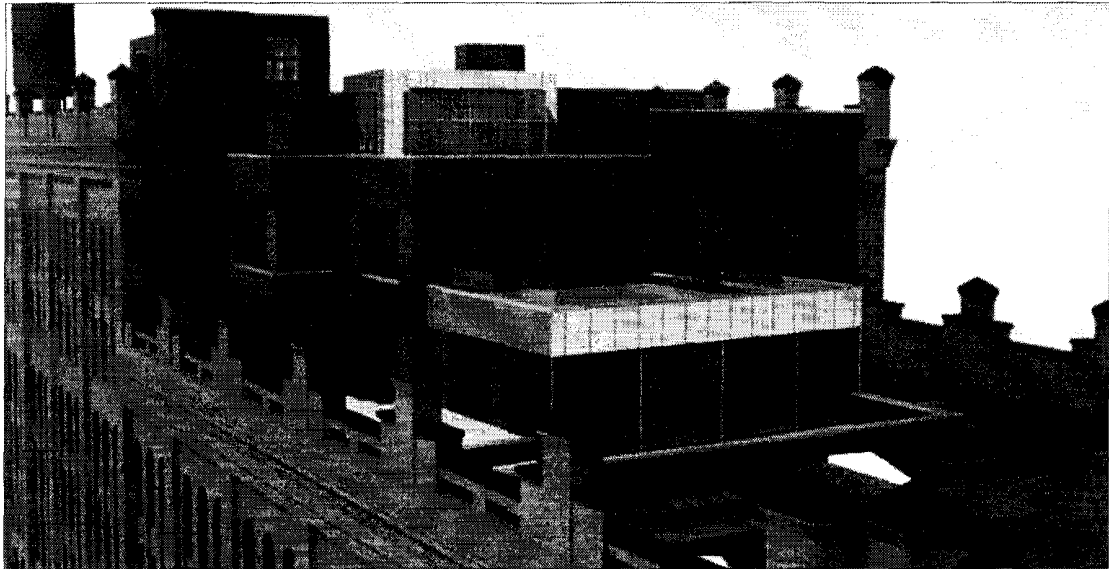
WESTMINSTER HOTEL, LIVINGSTON, NJ



REEVES, RIVERHEAD, NY-130 HOMES



CEDAR GATE, LIVINGSTON, NJ-54 TOWNHOMES



PUCK RESIDENTIAL, NYC

AFFILIATES

Kushner Companies is involved with many affiliated companies that provide a diverse array of products and services. The integrated structure enables Kushner Companies to work collaboratively and leverage its experience and resources. These diversified companies encompass a full spectrum of services.



OBSERVER Media Group

GalleristNY

THE HOME OBSERVER

SCENE

THE COMMERCIAL OBSERVER

NEW YORK  OBSERVER

BETABEAT
The Lowdown on High Tech


LUO

THE MORTGAGE OBSERVER


YUE

THE NEW YORK
SCOOTER
MAGAZINE

- very
- short
- list

Politicker


STATE STREET WIRE

The **COLLECTOR**

Living 
There

PolitickerNJ

VEGAS seven
THIS WEEK BY NEAR CITY

NEW JERSEY RENEWABLE POWER

New Jersey Renewable Power is committed to providing environmentally clean energy. The company generates solar energy for office, industrial and retail buildings in the Kushner Companies' vast portfolio. Kushner Companies is very proud to be a "green" company and a leader in solar energy.

GALLANT FUNDING

Gallant Funding offers bridge loans and mezzanine financing for multifamily, office and retail properties located in the New York and New Jersey metropolitan areas. The company is privately funded and can act with the speed necessary to close complex transactions.

WESTMINSTER CAPITAL

Westminster Capital is the vehicle through which Kushner Companies often gains access to various sources of capital to fund activities within its real estate portfolios. This company is responsible for establishing and maintaining relationships with national and regional sources of debt and equity. The sophistication and reach of the group has given Kushner Companies the depth to explore complex and substantial transactions with certainty.

WESTMINSTER

One of the six top-rated hotels in the state, the Westminster Hotel is an independent Four-Diamond luxury hotel located in Livingston, New Jersey. Designed in a classic contemporary style, the Westminster Hotel brand successfully combines luxurious lodging with a refined mix of amenities to meet any traveler's needs. The Westminster Hotel brand caters to the unique tastes of today's traveler.

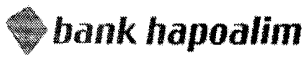
FAWN VENTURES

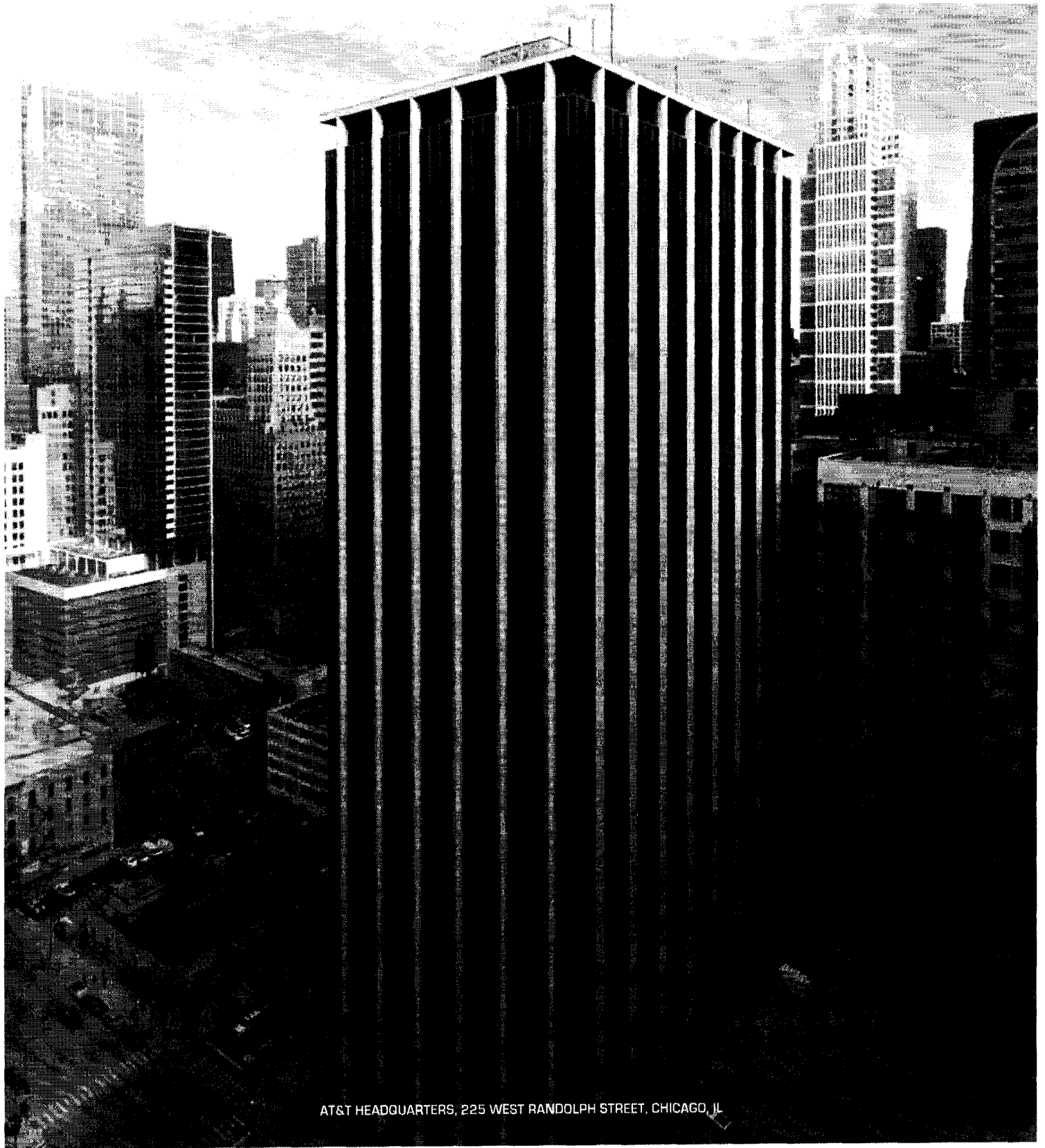
Fawn Ventures is an early stage investment vehicle providing capital to entrepreneurs with compelling business ideas. While the Kushner family is the largest investor, this fund is also comprised of high net worth individuals.

FRITO INSURANCE

Frito Insurance oversees the comprehensive risk management requirements for both Kushner Companies and a wide range of independent businesses and outside entities. The agency provides Kushner Companies' internal departments and affiliated businesses with a variety of coverages. Areas such as workers' compensation, OSHA, construction bonding and builders risk all present specialized insurance needs managed by Frito Insurance.

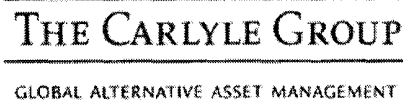
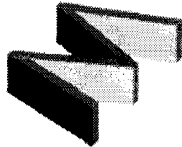
KUSHNER COMPANIES THANKS OUR **LENDERS** FOR A GREAT 2012

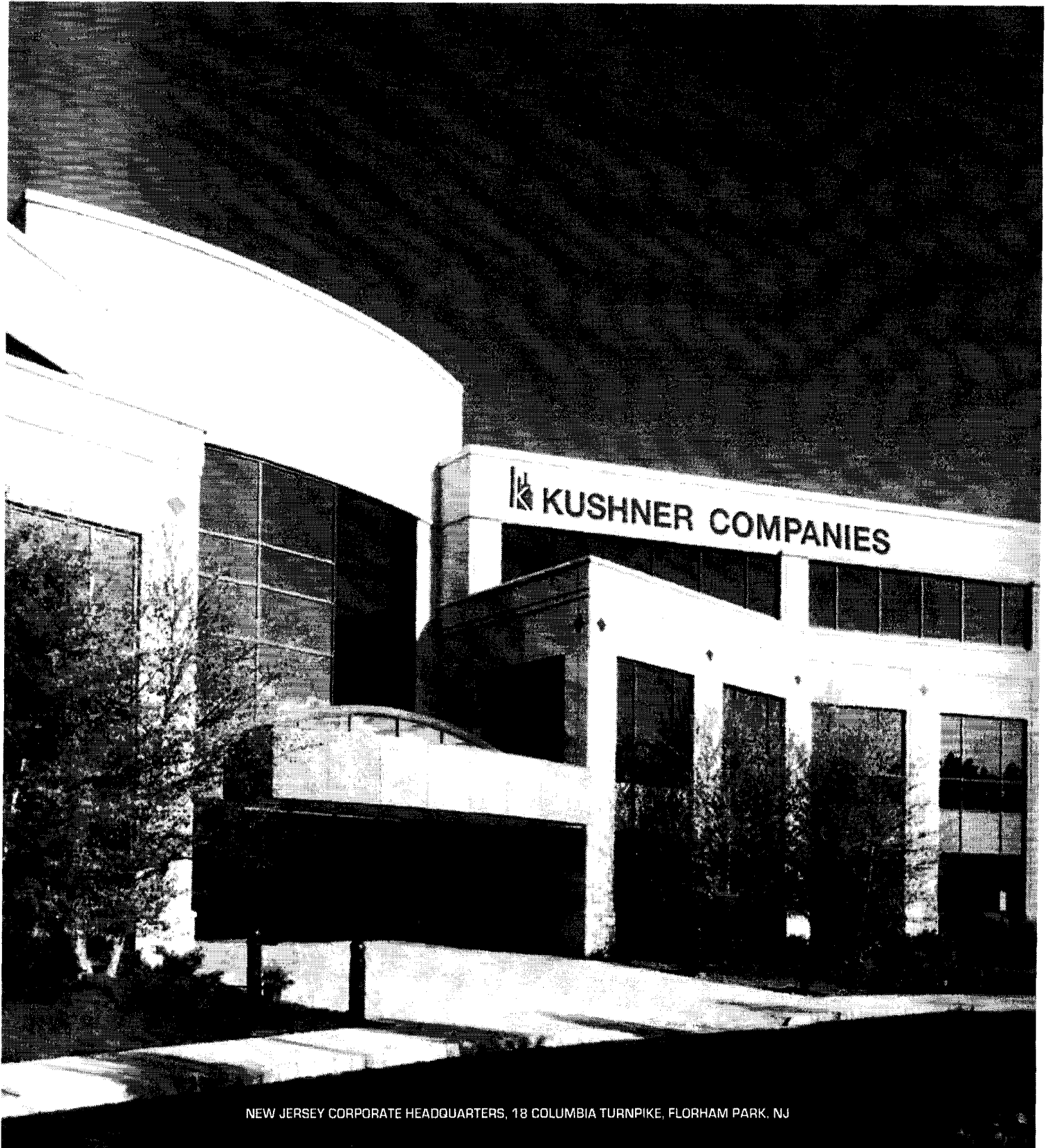




AT&T HEADQUARTERS, 225 WEST RANDOLPH STREET, CHICAGO, IL

KUSHNER COMPANIES THANKS OUR PARTNERS FOR A GREAT 2012





NEW JERSEY CORPORATE HEADQUARTERS, 18 COLUMBIA TURNPIKE, FLORHAM PARK, NJ



666 FIFTH AVENUE • NEW YORK, NY 10103

T: 212.527-7000 F: 212.527-7007

www.KushnerCompanies.com

Real Estate Management and Development Company Overview of Kushner Companies, LLC

March 01, 2013 3:03 AM ET

People

Company Overview

Kushner Companies, LLC, a diversified real estate company, engages in the ownership, management, development, and redevelopment of multifamily apartments, as well as office, industrial, and retail spaces in New York, New Jersey, Pennsylvania, and Illinois. Its management services include scrutinizing marketing, pricing, tenant relations, amenities, and maintenance issues for property operations; and development services include purchasing raw land, and developing commercial and residential properties. The company also engages in acquisitions by executing joint ventures with various institutional partners; leasing activities through a tenant base and a broker network to deal with brokers, bankers, and contractors for commercial real estate operations; and finance activities. In addition, it constructs single-family housings, multifamily complexes, active adult communities, commercial office buildings, and urban shopping centers. Kushner Companies, LLC was founded in 1954 and is based in New York, New York.

[Hide Detailed Description](#)

666 Fifth Avenue
New York, NY 10103
United States
Founded in **1954**

Phone: 212-527-7000
Fax: 212-527-7007
www.kushnercompanies.com

Key Executives For Kushner Companies, LLC

Mr. Charles Ramat
Chief Executive Officer and President

Mr. Jeffrey Freireich
Vice Chairman

Mr. Richard Stadtmauer
Vice Chairman

Mr. Charles F. McClafferty
Chief Financial Officer

Mr. Sam M. Gershwin
Director and President of Westminster Communities LLC

Compensation as of Fiscal Year 2012.

From Around the Web

by [Taboola](#)



Kushner Companies, LLC Key Developments

Kushner Companies, LLC Presents at CRE's Inaugural Gold Coast Investment Summit, Feb-26-2013

Feb 6 13

Kushner Companies, LLC Presents at CRE's Inaugural Gold Coast Investment Summit, Feb-26-2013. Venue: Maritime Parc, Jersey City, New Jersey, United States. Presentation Date & Speakers: Feb-26-2013, Darin Raiken, Director of Acquisitions, James Block, Director of Finance.

CIT Group Inc. Provides Financing for Kushner Companies, LLC

Jan 14 13

CIT Group Inc. announced that CIT Real Estate Finance arranged a first lien term loan for Kushner Companies, LLC. The financing will be used to renovate a 1,000-unit residential apartment complex in the Northeast. Financing was provided by CIT Bank, the U.S. commercial bank subsidiary of CIT. Terms of the transaction were not disclosed.

Kushner And Rockpoint Reportedly To Acquire 10 Maryland Apartment Complexes

Aug 7 12

Kushner Companies, LLC and Rockpoint Group, L.L.C. are buying 10 Maryland apartment complexes in a transaction valued at \$500 million, GlobeSt.com reports.

Similar Private Companies By Industry

| Company Name | Region |
|-------------------------------------|---------------|
| Boston Design Center | United States |
| River Distribution Sub Inc | United States |
| Zuckerman Gravely Development, Inc. | United States |
| Hannay Investment Properties, Inc. | United States |
| The Continental Group, Inc. | United States |

Recent Private Companies Transactions

| Type Date | Target |
|---|--|
| Merger/Acquisition February 7, 2013 | Piazza at Schmidt's and Liberties Walk at Schmidt's |
| Merger/Acquisition August 30, 2012 | Portfolio of Eight Walk-Ups in The East Village, West Village and SoHo |
| Merger/Acquisition July 20, 2012 | Skyline Apartments and Boulevard Apartments in Hasbrouck Heights |

Report Data Issue



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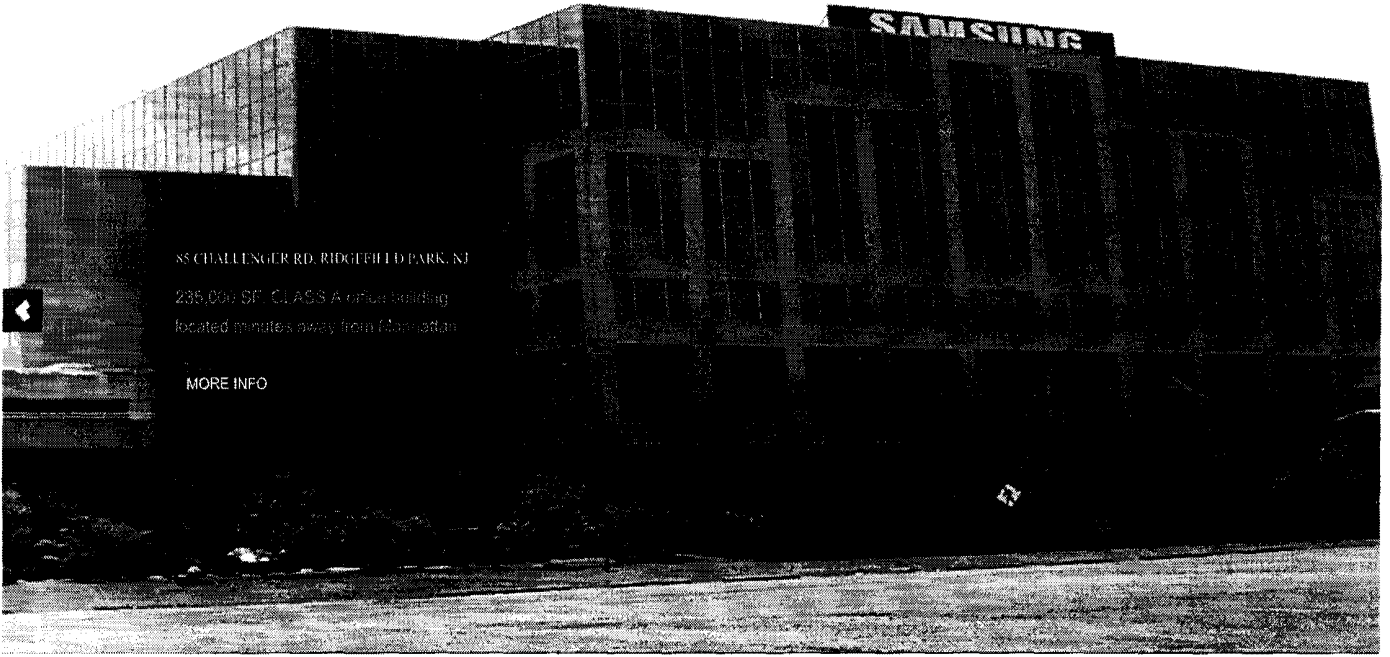
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85 CHALLENGER RD. RIDGEFIELD PARK, NJ

235,000 SF, CLASS A office building
located minutes away from Manhattan

[MORE INFO](#)

Building Opportunity

THE KABR GROUP is dedicated to the opportunistic purchase of select real estate assets. Throughout the past several years, the company has been extremely active in acquiring value-add properties.

[Learn more >](#)

Email: info@kabrgroup.com
Phone: 201.845.2555
Fax: 201.843.0745



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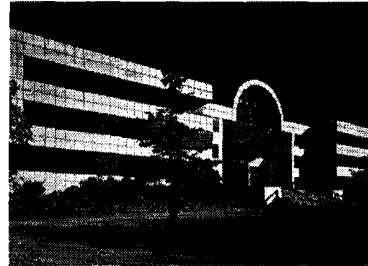
The KABR Group

The KABR Group was founded by Kenneth Pasternak, Laurence Rappaport, and Adam Altman in 2008. They are experienced real estate professionals and entrepreneurs who have a successful and proven track record as owners and operators of Real Estate.

Headquartered in Ridgefield Park, NJ, the first two funds sponsored by the KABR Group raised approximately \$45,000,000 each, of which in excess of 50% of the monies raised was equity contributed by the sponsor. The initial fund was launched at the end of 2008 as a response to the impending real estate crisis.

The KABR Group has opportunistically acquired select real estate assets through the market cycle bottom. It has achieved success from its ability to identify, purchase and manage properties from highly motivated sellers at discounts to their intrinsic value. KABR targets returns in excess of 18%. Unencumbered by the typical "market peak" purchases, KABR employs a fresh balance sheet to acquire and work through distressed, mismanaged and over-leveraged properties.

KABR is expected to raise its third fund in 2013. For more information, please email us at info@kabrgroup.com.



[OUR TEAM >](#)

Email: info@kabrgroup.com
Phone: 201.845.2555
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KENNETH PASTERNAK

CHAIRMAN OF KABR INVESTMENT COMMITTEE

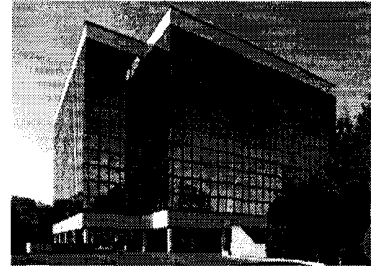
Mr. Pasternak has over 25 years of experience investing in real estate. The Pasternak Family Office currently owns and/or operates approximately \$100 million worth of real estate assets.

Mr. Pasternak began his career at Spear, Leeds & Kellogg in 1979 and eventually became the head of all capital markets. In 1995, Mr. Pasternak co-founded Knight Trading Group, a publicly traded multi-billion dollar financial services company. Mr. Pasternak served as Knight's Chairman and CEO from its founding through 2002. While there, Mr. Pasternak engaged in more than \$1 billion of capital transactions and managed a \$5 billion balance sheet. Under his leadership, Knight's market capitalization exceeded \$5 billion. After retiring from Knight Trading Group, Mr. Pasternak founded Chestnut Ridge Capital, LLC, a Northern New Jersey family office with over \$300 million in assets under management.

KABR was formed in 2008 when Mr. Pasternak conducted a capital raise among family and friends. In addition to serving on the boards of publicly traded as well as private institutions, Mr. Pasternak is currently serving as the Chairman of the KABR Company. Mr. Pasternak is also a General Partner in the development of the Belleayre Resort in upstate New York, a two hotel, 1,400 acre resort with over 1 million square feet of planned construction.

For more information, please visit: http://en.wikipedia.org/wiki/Kenneth_Pasternak

KENNETH PASTERNAK | LAURENCE RAPPAPORT | ADAM ALTMAN



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LAURENCE RAPPAPORT

CHIEF EXECUTIVE OFFICER

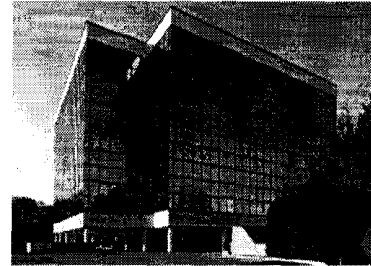
Laurence J. Rappaport, Esq., has over 25 years of experience as an owner, developer and practicing lawyer. As early as 1979, Mr. Rappaport purchased, rehabilitated and sold approximately 18 apartments buildings in Hoboken, New Jersey.

Later he obtained approvals for, developed, constructed and/or sold in excess of 600,000 square feet of shopping centers, apartments, office buildings and industrial facilities, as well as developed, built and operated manufactured home communities, townhouse communities and single family sub-divisions.

Over the last two decades, Mr. Rappaport has also served as legal counsel to numerous developers, managers and investors involved in real estate transactions and operations. Currently, Mr. Rappaport owns and manages approximately 500 residential units in the New York/New Jersey area as well as significant office and industrial assets totaling over 250,000 square feet.

Additionally, Mr. Rappaport is developing an industrial park in East Windsor, New Jersey, which will consist of 225,000 square feet of flex office/warehouse space.

KENNETH PASTERNAK | LAURENCE RAPPAPORT | ADAM ALTMAN



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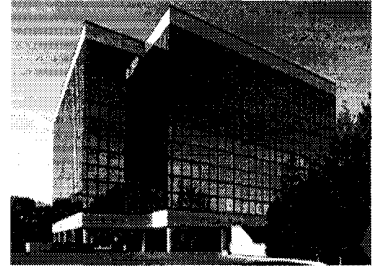
ADAM ALTMAN

MANAGING DIRECTOR

Mr. Altman is a real estate investor and entrepreneur with over 10 years of experience on both the buy and sell-side of the business.

Before joining KABR, Mr. Altman was a senior member of the Acquisitions and Development group for a multi-billion healthcare company. In that capacity, Altman managed and sold troubled assets within the firm's real estate portfolio and identified real estate sites on which to build and operate healthcare facilities.

Mr. Altman also served as a portfolio manager and analyst for Chestnut Ridge Capital and the Pasternak Family Office.



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KENNETH PASTERNAK | LAURENCE RAPPAPORT | ADAM ALTMAN

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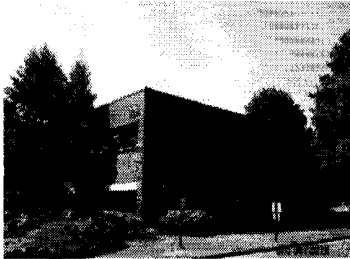
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198 ROUTE 9 N

MANALAPAN, NJ

40,000 square foot building includes onsite parking, newly renovated lobby, upgraded bathrooms and new building conference room.

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207-5 UNION STREET

JERSEY CITY, NJ

16 Unit apartment rental building located in Jersey City, NJ

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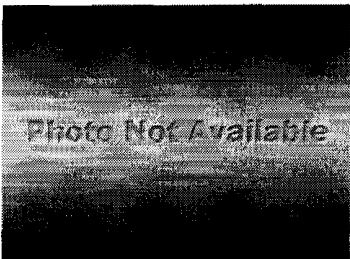


2263 MORRIS AVENUE

BRONX, NY

32 Unit apartment rental building located at 2263 Morris Avenue in the Bronx, NY

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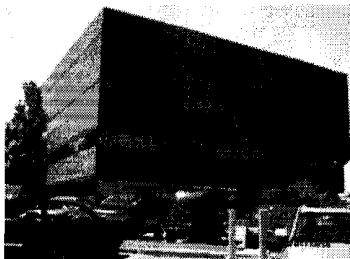


2342 RYER AVENUE

BRONX, NY

32 Unit apartment rental building located at 2342 Ryer Avenue in the Bronx, NY

[READ MORE](#)

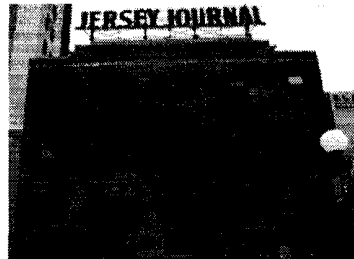


3 ADP BOULEVARD

ROSELAND, NJ

Four-story office building on 5 acres located in the highly desirable Roseland sub-market. The building is approximately 77,000 RSF.

[READ MORE](#)



30 JOURNAL SQUARE

JERSEY CITY, NJ

KABR along with Kushner Companies acquired historical Jersey Journal building located one block from the Journal Square PATH station.

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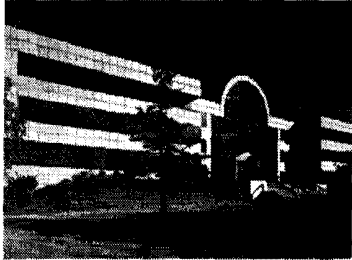


3131 APPLING ROAD

BARTLETT, TN

The facility consist of 263,000 square feet currently used as assembly, distribution, warehouse and offices.

[READ MORE](#)

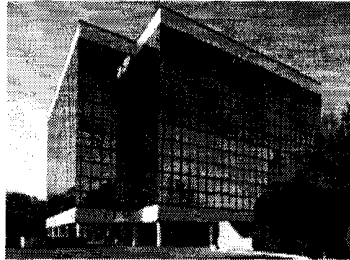


3210 RIVERDALE AVENUE

BRONX, NY

3210 Riverdale Avenue, Bronx NY is a high-end residential property which is located in the desirable Riverdale section of the Bronx.

[READ MORE](#)



330, 350, 352 MOTOR PARKWAY

HAUPPAUGE, NY

130,000 square foot office building, property amenities include on-site cafe, a bank branch, 24/7 access, and ample parking.

[READ MORE](#)



465 COLUMBUS AVE

VALHALLA, NY

Located on Columbus Ave in Valhalla, NY the building is setback and secluded from the normal noise and congestion of an office park.

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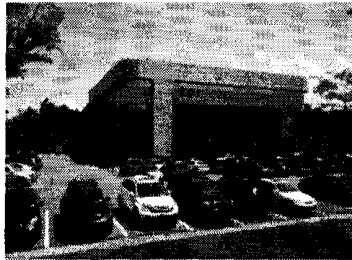


535 CONNECTICUT AVE

NORWALK, CT

The 175,000 square foot, class A suburban office building is newly renovated and located directly off of I-95, offering excellent visibility.

[READ MORE](#)

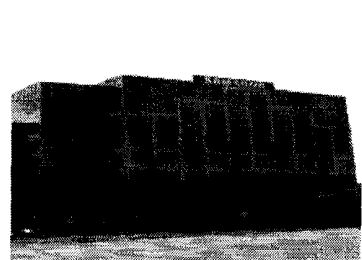


55 CHALLENGER ROAD

RIDGEFIELD PARK, NJ

KABR along with Kushner Companies acquired the debt collateralized by 55 Challenger Road in Ridgefield Park, NJ.

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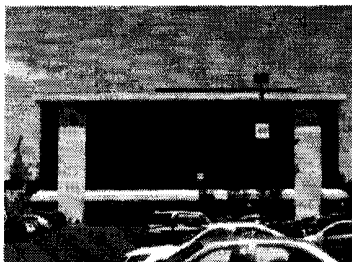


611 ROUTE 46

HASBROUCK HEIGHTS, NJ

611 Route 46 is a 138,000 square foot Class B office building purchased by KABR in 2009.

[READ MORE](#)



7 BECKER FARM ROAD

ROSELAND, NJ

Four-story office building on 5 acres located in the highly desirable Roseland sub-market. The building features include full service café...

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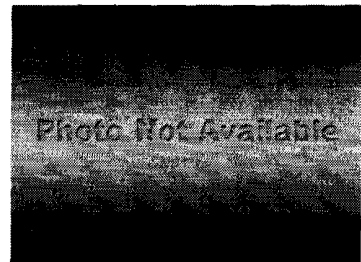


85 CHALLENGER ROAD

RIDGEFIELD PARK, NJ

85 Challenger Road is a 235,000 square foot Class A office building purchased by KABR in 2009.

[READ MORE](#)



ALLWOOD ATRIUM

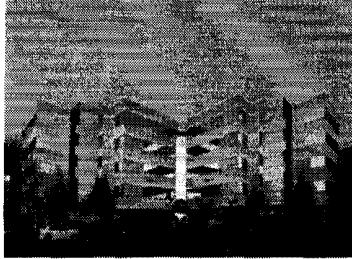
ARLINGTON APARTMENTS

BAY STREET DEVELOPMENT

CLIFTON, NJ

The Allwood Atrium consist of two newly renovated 1st class four story office buildings with 17,200 SF per floor.

READ MORE



JACKSONVILLE, FL

KABR II purchased the 220+ residential units comprise a gated community in the Jacksonville area.

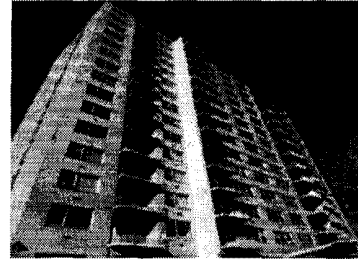
READ MORE



JERSEY CITY, NJ

In 2011, The KABR Group acquired the land and development rights to the 2nd phase of the Trump Jersey City complex.

READ MORE



FRANKLIN AVE PLAZA

GARDEN CITY, NY

Franklin Avenue Plaza, located in Garden City, NY, consists of four Class A office buildings, together with structured parking.

READ MORE



LIVINGSTON SHOPPING CENTER

LIVINGSTON, NJ

The 120,000 square feet center is a 2 big-box-store strip mall that enjoys a privileged location in one of the main corridors of the area.

READ MORE

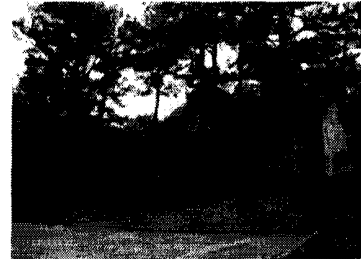


MOUNT PROSPECT TOWERS

NEWARK, NJ

Located at 380 and 402 Mt. Prospect Avenue. Beautifully renovated spacious apartments in two vintage Forest Hill high-rise towers.

READ MORE



PARK AT BOULDERCREST

ATLANTA, GA

Park at Bouldercrest - 288 unit Garden Style Apartment community located at the Perimeter intersection of I-295 in Dekalb

READ MORE



TANGLEWOOD

WARREN ROBIN, GA

Tanglewood - 159 unit Garden Style Apartment community located in Warner Robbins, GA. For leasing information

READ MORE



THE PARK AT CHANDLER

DECATUR, GA

Park at Candler - 275 unit Garden Style Apartment community located at the erimeter intersection of Dekalb.

TOP

READ MORE



WEST CHASE

AUSTELL, GA

WILLOW LAKE APARTMENTS

JACKSONVILLE, FL

West Chase is a 288 unit Garden Style
Apartment community located minutes from the
Perimeter intersection of I-20 and I-295.

[READ MORE](#)

[READ MORE](#)



DOCUMENT

TAB No.

Letter dated February 28, 2013, from Sam Gershwin, President of Westminster Communities, the affiliate of Kushner Companies, and a real estate construction professional with over 35 years of experience.

2.



**WESTMINSTER
COMMUNITIES**

18 Columbia Turnpike
Florham Park, NJ 07932
Telephone: (973) 822-0050
Fax: (973) 360-2051

Thursday, February 28, 2013

Subject: 88 Morgan Street, Jersey City, New Jersey Project

To Whom It May Concern,

I am President of Westminster Communities, responsible for all construction and construction-related activities for Kushner Companies. Kushner Companies is a group of real estate development and management companies and is engaged in the mixed-use commercial development project located at 88 Morgan Street, Jersey City, New Jersey (the "Project").

I have worked in multiple capacities over the past 35 years in the field of construction and construction management. I have personally managed over 100 construction projects totaling more than \$25 Billion in construction costs. I have had management responsibilities for the creation of commercial construction budgets and the day-to-day management of construction budgets and activities. I am also responsible for the creation and management of the construction budget for the 88 Morgan Street Project and am personally involved on a daily basis with the present design of the construction documents and will be involved on a daily basis with the overall management of the construction activities for this Project.

I have personally worked on the development of the construction budget for the 88 Morgan Street Project. Based on my experience and knowledge of industry standards, the construction timeline as set forth in the Business Plan is a reasonable projection of the time it will take to complete the construction of the apartment tower and related improvements on the property is consistent with similar current and past projects completed by Kushner Companies. The relevant phases of construction are as follows and will take approximately 26 months to complete:

- Excavation
- Concrete Foundation and Waterproofing
- Tower Building Construction begins
- Tower Building Construction completed
- Roofing and Tower Crane Areas
- Interior Finishes
- Mechanicals, Electrical, Plumbing and Sprinkler Systems
- Punch List and Temporary Certificate of Occupancy items

In addition, the "hard construction cost" and the furniture, fixtures, and equipment ("FF&E") budgeted amounts are based on the current plans and specifications for the construction. Those costs are a reasonable projection based on industry standards and my experience on comparable construction projects. The "soft cost" amount budgeted for this Project is based primarily on an agreement between Kushner Companies and its architect. The budget from that Architectural Agreement is attached to this letter.

Based on my 35 years of experience in the field of construction and construction management and my review of the construction plans and other available information relative to the proposed construction of the 88 Morgan Street Project, it is my professional opinion that the hard cost, soft cost and FF&E budget outlined in the 88 Morgan Street Business Plan is an accurate projection of the estimated costs to complete the Project.

Sincerely,

A handwritten signature in black ink, appearing to read "Sam Gerswhin", written over a horizontal line.

Sam Gerswhin
President
Westminster Communities

DOCUMENT

TAB No.

Executive Profile of Mr. Sam Gershwin from Bloomberg Business Week
(businessweek.com) dated March 1, 2013.

3.

Real Estate Management and Development Company Overview of Kushner Companies, LLC

March 01, 2013 2:35 AM ET

Snapshot



- Overview
- Board Members
- Committees

Executive Profile

Sam M. Gershwin

Director and President of Westminster Communities LLC, Kushner Companies, LLC

| | | |
|-----|-------------------------------|---|
| Age | Total Calculated Compensation | This person is connected to 1 Board Members in 1 different organizations across 1 different industries. |
| -- | -- | |

See Board Relationships

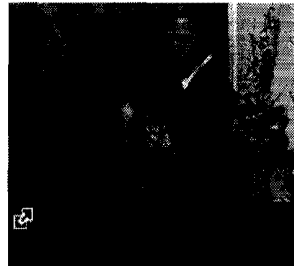
Background

Sam M. Gershwin serves as President of Westminster Communities LLC, the construction division of Kushner Companies. For the past 25 years, Mr. Gershwin served as a corporate officer and managing member of single-asset real estate development companies. Active in his community, Mr. Gershwin has Co-Chaired the Livingston Township 9/11 Memorial Committee. He serves as Director of Kushner Companies. He serves as a member of the Board of Governors for Crestmont Country Club and serves on the Board of Trustees of Temple Beth Shalom in Livingston. He holds a B.S. degree in Civil Engineering from Lafayette College in Easton, Pennsylvania, and an M.B.A. from Seton Hall University in South Orange, New Jersey.

Collapse Detail

From Around the Web

by Taboola



Corporate Headquarters

666 Fifth Avenue
New York, New York 10103

United States

Phone: 212-527-7000
Fax: 212-527-7007

Annual Compensation

There is no Annual Compensation data available.

Stocks Options

There is no Stock Options data available.

Total Compensation

There is no Total Compensation data available.

Board Members Memberships

**Director and President of Westminster
Communities LLC**
Kushner Companies, LLC

Education

BS
Lafayette College

MBA
Seton Hall University

Other Affiliations

Lafayette College
Seton Hall University

Businessweek

More About "*sam gershwin westminster
communities*"
[Lifestyle](#)

Westminster Dog Show Viewer's Guide:
The Smart Money's on Fifi the

DOCUMENT

TAB No.

Revised Economic Analysis prepared by Evans, Carroll & Associates for the
88 Morgan Street Project dated February 28, 2013.

4.

**Economic Impact of Developing a Luxury Apartment Building
Located in Jersey City, NJ, for the US Immigration Fund, LLC
and its New EB-5 Regional Center in Northern New Jersey**

Prepared for:

The U. S. Immigration Fund

Prepared by:

Michael K. Evans

Evans, Carroll & Associates, Inc.

2785 NW 26th St.

Boca Raton, FL 33434

561-470-9035

mevans@evanscarrollecon.com

February 28, 2013

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1. Executive Summary

- The U.S. Immigration Fund, LLC plans to open a new EB-5 regional center in northern New Jersey. The first project will be a luxury apartment building located at 88 Morgan Street in Jersey City, NJ. The building will have 417 apartment units, 214 parking spaces, and about 4,000 square feet of retail space.
- The economic impact results are calculated using the RIMS II input/output model for the following 8 counties in New Jersey: Hudson, Essex, Union, Bergen, Passaic, Morris, Monmouth, and Middlesex. These counties are chosen based on commuting patterns, as explained later in this report.

(b)(4)



2. Tabulation of Principal Results

Table A shows the annual revenue, the final demand multiplier, and the total number of jobs created by the construction and operations of the apartment building. Since the construction will take more than two years, the economic impact figures for the hard construction costs and appropriate soft costs include direct as well as indirect and induced jobs. All figures are permanent jobs.

Table A. Summary of Employment and Revenue Estimates

(b)(4)

| |
|--|
| |
|--|

Table B1 shows the NAICS codes for each type of economic activity. The descriptions are taken from:

<http://www.census.gov/cgi-bin/sssd/naics/naicsrch?chart=2012>

Table B1. NAICS Codes for Each Type of Activity

| |
|---|
| <p>2362 _Nonresidential Building Construction 2361 _Residential Building Construction 53111 _Lessors of Residential Buildings and Dwellings 5413 _Architectural, Engineering, and Related Services</p> |
|---|

Table B-2 shows the print screen of all the RIMS II multipliers used in this study. Please note that for purchases of FF&E, the multiplier used is the construction multiplier excluding direct jobs, calculated as

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| Table B2. Print Screen of Multipliers | | | | | | |
|---|--------|--------|---------|--------|--------|--------|
| | (1) | (2) | (3) | (4) | (5) | (6) |
| 230000 Construction | 2.0346 | 0.5600 | 11.7739 | 1.1005 | 1.8051 | 1.9882 |
| 531000 Real estate | 1.4670 | 0.2244 | 13.2613 | 1.0810 | 1.9496 | 1.2985 |
| 541300 Architectural, engineering, and related services | 1.9921 | 0.5483 | 10.2148 | 1.2297 | 1.8728 | 2.5874 |
| 812900 Other personal services | 1.8509 | 0.3285 | 9.0272 | 1.0951 | 2.8866 | 2.7787 |

Region Definition: Bergen, NJ; Essex, NJ; Hudson, NJ; Middlesex, NJ; Monmouth, NJ; Morris, NJ; Passaic, NJ; Union, NJ
 *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 2008 data, the output delivered to final demand should be in 2008 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 2002 Benchmark Input-Output Table for the Nation and 2008 regional data. Industry List A identifies the industries corresponding to the entries.
 SOURCE --Regional Input-Output Modeling System (RIMS II), Regional Product Division, Bureau of Economic Analysis.

Table C shows the annual level of household income, and the output for utilities, maintenance and repair construction, manufacturing output, and professional and business support services for the construction and operation of the 88 Morgan Street apartment building.

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| Table C. Summary Measures of Economic Impact for Construction and Rental income of 88 Morgan Street Apartment Building | |
|---|--|
| | |

Household Earnings (Labor Income)

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 88 Morgan Street apartment building is about [REDACTED] with another [REDACTED] from the purchases of FF&E and [REDACTED] from architectural and engineering services. Household income would also rise about [REDACTED] from the rental income of the apartments, for a total of about [REDACTED]

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The details used to calculate these figures are given throughout the report. Separate tables are provided for the total number of jobs created, the average earnings per new worker, and the total increase in earnings for construction and operation of the hotel. In each case, the RIMS II input/output model has been used to calculate the number of jobs in each major industrial classification, the average earnings per employee, and hence total earnings. The number of jobs by industrial classification is based on calculations imbedded in the RIMS II model for each of the activities as summarized in Table A and documented in detail throughout this report.

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

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The total economic impact of the regional center from the supplier purchases and business relationships for the construction and operation of the hotel will create approximately [REDACTED] in additional economic activity across the region for the project. These supplier purchases are calculated from the indirect increase in output generated by the RIMS II model. It should be noted that some of these supplier industries might potentially locate within the regional center, and their economic output is included in this total.

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

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Utilities include services such as electricity, natural gas, and water and sewer facilities. The economic impact on utility services total about [REDACTED] respectively. Most of this represents the use of utilities by occupants of the apartments.

Maintenance and repair services include some building and construction activity on existing buildings. The regional center would create an economic impact of about [REDACTED]. These expenditures represent permanent, ongoing maintenance on the buildings after they are completed; they do not reflect the initial construction costs.

New supplier/vendor relationships with manufacturers would create an economic impact of about [REDACTED]. Most of this output represents purchases of locally produced materials and parts for the construction of the building; some of these expenditures are the purchase of locally produced supplies for the hotel.

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The regional center will also create demand for various types of business services, including professional and scientific services, management of companies, administrative services, and building support and waste management services. The impact of this activity totals about [REDACTED]. Most of this represents payments to architects and engineers for the construction activities; it also includes outsourcing of professional service activities for operating the hotel, such as lawyers and accountants.

The figures given in Table C represent only a brief summary of the detailed calculations that have been undertaken and are reported in tabular format throughout the report. The figure for utility output, for example, represents the sum of utility output for each of the categories of economic activity listed in Table A. For repair and maintenance construction office, this figure represents the amount spent times the input/output coefficient showing the total amount of output per [REDACTED] of construction expenditures. The same methodology applies to all the other figures given in Table C. Detailed figures may be found in the tables in Sections (8) and (9), which provide estimates of indirect jobs by industry category.

3. Introduction and Scope of Work

The U.S. Immigration Fund, LLC plans to open a new EB-5 regional center in northern New Jersey. The first project will be a luxury apartment building located at 88 Morgan Street in Jersey City, NJ. The building will have 417 apartment units, 214 parking spaces, and about 4,000 square feet of retail space. This report contains the economic impact results for the construction of the building and apartment rentals, based on the RIMS II input/output model for the following 8 counties in New Jersey: Hudson, Essex, Union, Bergen, Passaic, Morris, Monmouth, and Middlesex.

Section (4) contains a brief description of the RIMS II models and its various multipliers, and Section (5) contains additional information explaining how the indirect jobs are calculated. Section (6) contains and analyzes the key statistics for the six-county area used to calculate the RIMS II multipliers. Tables 6-1, 6-2, 6-3 and 6-4 show the data for employment by major occupation and industrial classification, income distribution by deciles, mean and median household and family income, and poverty rates for the eight counties used to calculate the multipliers for this study, and compares these figures to the U.S. totals or averages.

Table 6-5 shows key labor market statistics over the past decade for the State of New Jersey, each of these counties, and the 8-county total. Tables 6-6 and 6-7 show the level and growth rate of population and personal income for these same areas. Table 6-8 shows the commuting patterns for Hudson County, and explains how these figures are used to determine the counties included in the multiplier analysis. Section (7) contains a map of the location of the building and maps of the area.

Section (8) presents the economic impact tables for the hard construction costs, EB-5 eligible soft construction costs, and purchases of FF&E. Separate sets of tables are presented for each category of construction for the increase in employment, output, and earnings, and the average level of output and earnings per new worker, for the 20 major industrial classifications in the RIMS II input/output model. Section (9) discusses the number of jobs and revenue estimates for the rental income from the apartments, retail space, and parking, and presents similar tables for the detailed industry results. Section (10) summarizes the RIMS II model results.

4. Brief Guide to RIMS II Input/Output Model

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

Introduction and General Comments

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

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

RIMS II is based on an accounting framework called an I-O table. For each industry, an I-O table shows the industrial distribution of inputs purchased and outputs sold. A typical I-O table in RIMS II is derived mainly from two data sources: BEA's national I-O table, which shows the input and output structure of nearly 500 U.S. industries, and BEA's regional economic accounts, which are used to adjust the national I-O table to show a region's industrial structure and trading patterns.

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

BEA's RIMS multipliers can be a cost-effective way for analysts to estimate the economic impacts of changes in a regional economy. However, it is important to keep in mind that, like all economic impact models, RIMS provides approximate order-of-magnitude estimates of impacts. RIMS multipliers are best suited for estimating the impacts of small changes on a regional economy. For some applications, users may want to supplement RIMS estimates with information they gather from the region undergoing the potential change. To use the multipliers for impact analysis effectively,

users must provide geographically and industrially detailed information on the initial changes in output, earnings, or employment that are associated with the project or program under study. The multipliers can then be used to estimate the total impact of the project or program on regional output, earnings, and employment.

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

RIMS II Methodology

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

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

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

Advantages of RIMS II

There are numerous advantages to using RIMS II. First, the accessibility of the main data sources makes it possible to estimate regional multipliers without conducting relatively expensive surveys. Second, the level of industrial detail used in RIMS II helps avoid aggregation errors, which often occur when industries are combined. Third, RIMS II multipliers can be compared across areas because they are based on a consistent set

of estimating procedures nationwide. Fourth, RIMS II multipliers are updated to reflect the most recent local-area wage-and-salary and personal income data.

Overview of Different Multipliers

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

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

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

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

Employment Multipliers

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

(b)(4) The final demand multipliers for employment can be used if the data on final demand changes are available. In the final demand employment multiplier table, each column entry indicates the change in employment in each row industry that results from a change in final demand in the column industry. The impact on each row industry is calculated by multiplying the final demand change in the column industry by the multiplier for each row. The total impact on regional employment is calculated by multiplying the final demand change in the column industry by the sum of the multipliers for each row.

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

Choosing a Multiplier

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

5. Methodology for Calculating Indirect Job Gains

In spite of the explanation of the RIMS II model given directly above, some USCIS adjudicators have asked for further clarification about how that model is used to determine the increase in the number of indirect jobs. That is an important issue because, unlike the direct job count, which can be verified by USCIS from various payroll and withholding documents, the calculation of indirect jobs cannot be verified directly but depends on mathematical calculations.

The general concept is based on the coefficients in the input/output model itself (the same methodology applies to RIMS II, IMPLAN, or any other generally recognized and accepted input/output model). In any given year, the government calculates how much input is used for a given production of output. The detailed figures are taken from the Economic Censuses taken once every five years; the figures are then updated from various annual supplements.

Basically the process has two steps, each of which is described next in greater detail. The first is to determine the amount of output, and hence the number of jobs, required to produce a given amount (say \$1 million) of the final product or service. These are national coefficients. The second is to determine what proportion of those goods and services are purchased within the local region (the regional purchase coefficients, or RPCs).

In the case of a manufacturing process, the national coefficients are based on production functions: how much coke per ton of steel, how much steel per motor vehicle, how much flour for a loaf of bread, and so on. However, most of the jobs are

created in the service sector, where Commerce Department data are used to determine, for example, how much restaurants spend on laundry services, how much airlines spend for attorneys, and so on. These figures are based on information contained in the various Economic Censuses. The national coefficients would also determine, for example, how many architects and engineers would be hired for a construction project of a given scope and size, and how many new employees at financial institutions would be required to handle the additional cash flow generated by the new business. Both of these are discussed below in greater detail.

Even after these coefficients are determined, however, the regional purchase coefficients (RPC) must still be estimated. If, for example, a trucking firm spends 1% of its revenue on accountants, how much of that money is spent on local firms, and how much is spent outside the region?

That answer depends on various factors. The most important is the amount of the good or service produced within the region. If a trucking firm, for example, were located in a small county with no accountants, obviously it would not spend any of that money locally. That sets a lower limit but is not generally the case. Instead, a balancing algorithm is used.

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Suppose, for example, that all the firms producing, distributing, or selling goods and services in a given county spent [redacted] on accounting services. Also, suppose that total billings of all accountants in the county were [redacted]. In that case, local accountants could handle all the local business, plus business from neighboring counties. If, on the other hand, total accountant billings in the county were only [redacted] local firms could not spend more than half of the money on local accountants.

Of course it is possible that there are adequate resources in the county but local firms choose to use companies outside the county; perhaps prices or service is better. No input/output model can account for such anomalies. On the other hand, given transportation costs, it would be highly unusual for a firm to be located in a given location and not serve the nearby businesses, instead choosing only those clients who were farther away.

The RIMS II model – and other regional input/output models – assigns regional purchase coefficients (RPCs) in all cases where the local industry purchases goods and services from local firms. This matrix could have as many as [redacted] elements, although in practice many of them are zero. Large counties with a wide variety of businesses have more non-zero elements than small counties with relatively few businesses.

In general, the RPCs tend to be close to zero for most manufactured goods, and close to unity for most services. While there are many exceptions to this rule, most firms will use financial, professional, business, and health care services that are located in that county or contiguous areas.

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To take just one example of many, consider the number of new jobs created by architects and engineers for a new construction project of any given size. Most construction cost manuals, such as those published by R. S. Means, indicate that those costs are usually about [redacted] of the total job. According to the national input/output file, the figures are [redacted] for commercial construction and [redacted] for industrial construction.

These figures can be compared with the proportions of architects and engineers in the specific regional area, based on the RIMS II data that are used to determine the economic multipliers in the specific county group. For this 8-county group, the input/output model shows proportions of [redacted] for commercial and [redacted] for industrial construction, indicating that [redacted] of the architects and engineers for commercial jobs and [redacted] for industrial jobs are hired locally. These figures are fairly typical of other locations and regions; except for "signature" buildings designed by famous names, most architects and engineers live in the same region as the buildings that are being constructed.

To summarize to this point, the number of indirect jobs as a proportion of direct jobs depends on (a) the national relationships, and (b) the regional purchase coefficients. In our presentation for the businesses in this report, we provide further discussion of those industries with the largest number of indirect jobs. However, there are a few industries that produce relatively large numbers of jobs in almost all cases, and these can be generally discussed at this stage in order to avoid repeating this information several times. The industries discussed here include banking, real estate, legal and accounting, architects and engineers, other professional services, employment services, other business services, restaurants, and government. In all of these cases, the vast majority of workers are hired locally. Our comments for the rest of this section are based on the assumption of a [redacted] investment; the results are linear.

Banking and credit: On an aggregate basis, for every [redacted] in deposits, very broadly defined (M3), there is about 1 new banking employee. As a rough rule of thumb, the size of M3 is roughly equal to the size of GDP. Hence we would expect about [redacted] new banking employee for every [redacted] increase in output, as calculated from the RIMS II model.

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Real estate: Additional real estate employees are based on two factors. One is the leasing activity of the new building, and the other is the increase in residential real estate activity as people get new jobs, either within the area or by moving into the area. On a lease basis, a \$ [redacted] investment is likely to result in a building of 80,000 square feet. If it leases for [redacted] square foot, that would be [redacted] in annual lease payments, and with a [redacted] commission would generate [redacted] in revenues, which would account for about [redacted] new real estate employees (the figure would be less for industrial buildings). The increase in employment would also result in some real estate activity as workers moved into better housing in the same location, or moved in from other areas. In a normal year, there are about [redacted] sales of new and existing homes for a labor force of about [redacted]. Hence if the total increase in employment were [redacted] that would imply [redacted] real estate transactions; if they average

[redacted] commission, that would be [redacted] per home or a total of [redacted] which would support approximately 1 new real estate job.

Legal & Accounting: Each of these accounts for about [redacted] of total employment; so if there were a total increase of [redacted] jobs, we would expect an average of [redacted] new employees in this classification.

Architects & Engineers: almost all of these jobs stem from the new construction activity. This category has already been discussed above; for a [redacted] construction project, which would create about [redacted] new construction jobs, we would expect about [redacted] new jobs in architects and engineers for a commercial project and [redacted] new jobs for an industrial project.

Other professional services: This category includes employees in consulting, scientific research and development, advertising, and management, as well as several other smaller, specialized categories. In general, consulting, management, and the all other category each account for about [redacted] of total employment, and R&D and advertising account for about [redacted] of total employment, for a total of about [redacted] of total employment. This figure will vary widely depending on the degree to which consultants and R&D are used by the new business.

Employment services: On a national average basis, 1 out of every 45 people is employed by this industry. Here again, the figures will vary widely depending on (a) the proportion of people who are hired through employment agencies, and (b) the proportion of the work that is outsourced to employment services.

Business support services include office management, travel arrangement, security, credit bureaus, telemarketing, and back-office jobs that are outsourced, such as direct mail, copying, and duplicating services. The back-office services would vary widely depending on the type of new business; retail stores, for example, would print and distribute more advertising brochures than a manufacturing operation. On a national average basis, these jobs account for about [redacted] of total employment.

Building support services, which includes janitorial services, lawn maintenance, and waste management. For an office building of 80,000 square feet, the cost would be approximately [redacted] sq ft per year for maintenance, or [redacted] which would support about [redacted] new jobs; here again, the figure would be lower for industrial buildings.

Restaurants: This category reflects business meals. Of course the number of business meals depends greatly on the type of business; lawyers, accountants, and consultants will have more business meals than manufacturing plants or water treatment facilities. On a national average basis, Commerce Department figures show that total restaurant sales in 2007 were [redacted] while consumer expenditures at restaurants were [redacted]. However, that figure also includes tips, which are not included in restaurant sales. After subtracting [redacted] for tips, that indicates about [redacted] [redacted] in food and beverage purchases by consumers, indicating about [redacted] for business expenses. With a labor force of approximately [redacted] that is equivalent to about [redacted] per employee. Hence if [redacted] new jobs were created, business meal

expenses would rise an average of [REDACTED] which would imply about [REDACTED] new indirect jobs in the restaurant industry. These figures are likely to be somewhat higher when direct jobs are created for office buildings and hotels.

Government: The increase in public sector employees represents the amount funded by increased real estate taxes. For a construction project with \$10 million in hard costs, the total value is likely to be between [REDACTED] when one includes furniture, fixtures, equipment, and land values. Using a national average property tax rate of [REDACTED] that would raise [REDACTED] which would create [REDACTED] new jobs in the public sector.

6. Economic Parameters for Hudson, Essex, Union, Bergen, Passaic, Morris, Middlesex, and Monmouth Counties

This section is organized as follows. Tables 6-1, 6-2, 6-3 and 6-4 show the data for employment by major occupation and industrial classification, income distribution by deciles, mean and median household and family income, and poverty rates for the eight counties used to calculate the multipliers for this study, and compares these figures to the U.S. totals or averages. Table 6-5 shows key labor market statistics over the past decade for the State of New Jersey, each of these counties, and the 8-county total. Tables 6-6 and 6-7 show the level and growth rate of population and personal income for these same areas. Table 6-8 shows the commuting patterns for Hudson County, and explains how these figures are used to determine the counties included in the multiplier analysis.

Table 6-1. Key Economic Statistics for Hudson and Counties Compared to the U. S. Economy, 2010 Data

| Category | Essex | % | Hudson | % | U.S. | % |
|------------------------------------|---------|--------|---------|--------|-------------|--------|
| EMPLOYMENT STATUS | | | | | | |
| Population 16 years and over | 612,565 | 100.0% | 520,559 | 100.0% | 243,832,923 | 100.0% |
| In labor force | 400,770 | 65.4% | 359,487 | 69.1% | 156,966,769 | 64.4% |
| Civilian labor force | 400,523 | 65.4% | 359,408 | 69.0% | 155,917,013 | 63.9% |
| Employed | 344,146 | 56.2% | 312,480 | 60.0% | 139,033,928 | 57.0% |
| Unemployed | 56,377 | 9.2% | 46,928 | 9.0% | 16,883,085 | 6.9% |
| Armed Forces | 247 | 0.0% | 79 | 0.0% | 1,049,756 | 0.4% |
| Not in labor force | 211,795 | 34.6% | 161,072 | 30.9% | 86,866,154 | 35.6% |
| OCCUPATION | | | | | | |
| Civilian employed population 16+ | 344,146 | 100.0% | 312,480 | 100.0% | 139,033,928 | 100.0% |
| Management & professional | 128,336 | 37.3% | 118,514 | 37.9% | 49,975,620 | 35.9% |
| Service occupations | 70,110 | 20.4% | 54,500 | 17.4% | 25,059,153 | 18.0% |
| Sales and office occupations | 83,284 | 24.2% | 75,993 | 24.3% | 34,711,455 | 25.0% |
| Construction, maintenance, repair | 24,850 | 7.2% | 22,231 | 7.1% | 12,697,304 | 9.1% |
| Production & transportation | 37,566 | 10.9% | 41,242 | 13.2% | 16,590,396 | 11.9% |
| INDUSTRY | | | | | | |
| Civilian employed population 16+ | 344,146 | 100.0% | 312,480 | 100.0% | 139,033,928 | 100.0% |
| Agriculture & mining | 839 | 0.2% | 88 | 0.0% | 2,646,975 | 1.9% |
| Construction | 19,412 | 5.6% | 17,452 | 5.6% | 8,686,813 | 6.2% |
| Manufacturing | 21,063 | 6.1% | 25,036 | 8.0% | 14,439,691 | 10.4% |
| Wholesale trade | 8,192 | 2.4% | 12,919 | 4.1% | 3,941,066 | 2.8% |
| Retail trade | 33,180 | 9.6% | 31,641 | 10.1% | 16,203,408 | 11.7% |
| Transportation & utilities | 24,477 | 7.1% | 24,887 | 8.0% | 6,843,579 | 4.9% |
| Information | 11,875 | 3.5% | 10,909 | 3.5% | 3,015,521 | 2.2% |
| Finance, insurance, & real estate | 31,756 | 9.2% | 34,463 | 11.0% | 9,275,465 | 6.7% |
| Professional & administrative | 44,064 | 12.8% | 42,737 | 13.7% | 14,710,089 | 10.6% |
| Educational services & health care | 89,318 | 26.0% | 60,295 | 19.3% | 32,311,107 | 23.2% |
| Arts, entertain, hotel, food svcs | 25,779 | 7.5% | 23,187 | 7.4% | 12,859,572 | 9.2% |

| | | | | | | |
|---------------------------------------|---------|--------|---------|--------|-------------|--------|
| Other private services | 17,380 | 5.1% | 16,461 | 5.3% | 6,913,449 | 5.0% |
| Public administration | 16,811 | 4.9% | 12,405 | 4.0% | 7,187,193 | 5.2% |
| | | | | | | |
| INCOME AND BENEFITS | | | | | | |
| Total households | 275,417 | 100.0% | 238,692 | 100.0% | 114,567,419 | 100.0% |
| Less than \$10,000 | 28,243 | 10.3% | 19,411 | 8.1% | 8,757,190 | 7.6% |
| \$10,000 to \$14,999 | 16,478 | 6.0% | 14,462 | 6.1% | 6,668,865 | 5.8% |
| \$15,000 to \$24,999 | 28,288 | 10.3% | 24,152 | 10.1% | 13,165,380 | 11.5% |
| \$25,000 to \$34,999 | 25,719 | 9.3% | 20,533 | 8.6% | 12,323,322 | 10.8% |
| \$35,000 to \$49,999 | 32,635 | 11.8% | 29,768 | 12.5% | 16,312,385 | 14.2% |
| \$50,000 to \$74,999 | 44,176 | 16.0% | 44,776 | 18.8% | 20,940,859 | 18.3% |
| \$75,000 to \$99,999 | 31,262 | 11.4% | 26,814 | 11.2% | 13,526,500 | 11.8% |
| \$100,000 to \$149,999 | 32,280 | 11.7% | 31,304 | 13.1% | 13,544,839 | 11.8% |
| \$150,000 to \$199,999 | 14,778 | 5.4% | 11,757 | 4.9% | 4,809,998 | 4.2% |
| \$200,000 or more | 21,558 | 7.8% | 15,715 | 6.6% | 4,518,081 | 3.9% |
| Median household income (dollars) | 52,394 | 104.7% | 54,817 | 109.5% | 50,046 | |
| Mean household income (dollars) | 80,167 | 117.4% | 76,339 | 111.8% | 68,259 | |
| | | | | | | |
| Families | 175,731 | 100.0% | 147,709 | 100.0% | 76,089,045 | 100.0% |
| Less than \$10,000 | 12,211 | 6.9% | 8,382 | 5.7% | 3,824,251 | 5.0% |
| \$10,000 to \$14,999 | 6,627 | 3.8% | 7,409 | 5.0% | 2,660,781 | 3.5% |
| \$15,000 to \$24,999 | 15,282 | 8.7% | 14,311 | 9.7% | 6,770,812 | 8.9% |
| \$25,000 to \$34,999 | 15,561 | 8.9% | 12,795 | 8.7% | 7,332,318 | 9.6% |
| \$35,000 to \$49,999 | 19,250 | 11.0% | 20,209 | 13.7% | 10,578,051 | 13.9% |
| \$50,000 to \$74,999 | 26,811 | 15.3% | 27,360 | 18.5% | 14,990,631 | 19.7% |
| \$75,000 to \$99,999 | 21,661 | 12.3% | 16,708 | 11.3% | 10,638,931 | 14.0% |
| \$100,000 to \$149,999 | 25,935 | 14.8% | 21,969 | 14.9% | 11,261,766 | 14.8% |
| \$150,000 to \$199,999 | 13,439 | 7.6% | 8,032 | 5.4% | 4,130,868 | 5.4% |
| \$200,000 or more | 18,954 | 10.8% | 10,534 | 7.1% | 3,900,636 | 5.1% |
| Median family income (dollars) | 66,439 | 109.6% | 57,978 | 95.7% | 60,609 | |
| Mean family income (dollars) | 97,237 | 122.6% | 81,559 | 102.8% | 79,338 | |
| Per capita income (dollars) | 29,674 | 113.9% | 29,798 | 114.3% | 26,059 | |
| | | | | | | |
| Median earnings for workers | 32,961 | 114.1% | 35,677 | 123.5% | 28,899 | |
| Median earnings for male full-time | 49,597 | 106.7% | 50,563 | 108.7% | 46,500 | |
| Median earnings for female full-time | 41,317 | 113.0% | 41,173 | 112.6% | 36,551 | |
| | | | | | | |
| PERCENTAGE BELOW POVERTY LEVEL | | | | | | |
| All families | 13.9% | 123.0% | 13.7% | 121.2% | 11.3% | |
| All people | 16.7% | 109.2% | 16.5% | 107.8% | 15.3% | |

Please note that in these tables, the percentage figures in regular type refer to the overall category in that column, while the figures in red are relative to the U.S. average figures

The income distributions in Essex and Hudson Counties can best be described as “fat-tailed”, with greater than average percentages in the highest and lowest income brackets. To elaborate, 11% of families in each of the two counties earn less than \$15,000 a year, compared to 8% nationally – while 11% of Essex families and 7% of Hudson families earn \$200,000 or more, compared to 5% for the U.S. This dichotomy can also be seen in the high mean household incomes (\$80K in Essex and \$76K in

Hudson, versus \$68K for the U.S.) and large share of families living in poverty (14% in each county, versus 11% for the nation).

Turning to the occupation data, both counties have lower than average shares in manufacturing as well as the arts, entertainment, hotel, and food service industries – and higher than average shares in transportation and finance. The counties differ in the mix of workers in the education and health care industries, as Essex (26%) has a higher proportion than average and Hudson has a lower proportion at 19% – the smallest of the five counties.

Table 6-2. Key Economic Statistics for Union and Bergen Counties Compared to the U. S. Economy

| Category | Union | % | Bergen | % | U.S. | % |
|-----------------------------------|---------|--------|---------|--------|-------------|--------|
| EMPLOYMENT STATUS | | | | | | |
| | | | | | 2010 | |
| Population 16 years and over | 420,828 | 100.0% | 727,196 | 100.0% | 243,832,923 | 100.0% |
| In labor force | 291,604 | 69.3% | 478,944 | 65.9% | 156,966,769 | 64.4% |
| Civilian labor force | 291,560 | 69.3% | 478,892 | 65.9% | 155,917,013 | 63.9% |
| Employed | 255,497 | 60.7% | 438,302 | 60.3% | 139,033,928 | 57.0% |
| Unemployed | 36,063 | 8.6% | 40,590 | 5.6% | 16,883,085 | 6.9% |
| Armed Forces | 44 | 0.0% | 52 | 0.0% | 1,049,756 | 0.4% |
| Not in labor force | 129,224 | 30.7% | 248,252 | 34.1% | 86,866,154 | 35.6% |
| | | | | | | |
| OCCUPATION | | | | | | |
| Civilian employed population 16+ | 255,497 | 100.0% | 438,302 | 100.0% | 139,033,928 | 100.0% |
| Management & professional | 90,913 | 35.6% | 201,513 | 46.0% | 49,975,620 | 35.9% |
| Service occupations | 43,165 | 16.9% | 55,159 | 12.6% | 25,059,153 | 18.0% |
| Sales and office occupations | 62,273 | 24.4% | 114,453 | 26.1% | 34,711,455 | 25.0% |
| Construction, maintenance, repair | 22,283 | 8.7% | 28,908 | 6.6% | 12,697,304 | 9.1% |
| Production & transportation | 36,863 | 14.4% | 38,269 | 8.7% | 16,590,396 | 11.9% |
| | | | | | | |
| INDUSTRY | | | | | | |
| Civilian employed population 16+ | 255,497 | 100.0% | 438,302 | 100.0% | 139,033,928 | 100.0% |
| Agriculture & mining | 177 | 0.1% | 919 | 0.2% | 2,646,975 | 1.9% |
| Construction | 17,557 | 6.9% | 24,897 | 5.7% | 8,686,813 | 6.2% |
| Manufacturing | 24,870 | 9.7% | 40,015 | 9.1% | 14,439,691 | 10.4% |
| Wholesale trade | 10,869 | 4.3% | 19,216 | 4.4% | 3,941,066 | 2.8% |
| Retail trade | 25,990 | 10.2% | 47,458 | 10.8% | 16,203,408 | 11.7% |
| Transportation & utilities | 18,211 | 7.1% | 22,703 | 5.2% | 6,843,579 | 4.9% |
| Information | 7,394 | 2.9% | 16,169 | 3.7% | 3,015,521 | 2.2% |

| | | | | | | |
|--------------------------------------|---------|--------|---------|--------|-------------|--------|
| Finance, insurance, & real estate | 21,793 | 8.5% | 45,159 | 10.3% | 9,275,465 | 6.7% |
| Professional & administrative | 29,021 | 11.4% | 58,730 | 13.4% | 14,710,089 | 10.6% |
| Educational services & health care | 53,596 | 21.0% | 99,084 | 22.6% | 32,311,107 | 23.2% |
| Arts, entertain, hotel, food svcs | 19,342 | 7.6% | 28,699 | 6.5% | 12,859,572 | 9.2% |
| Other private services | 13,531 | 5.3% | 20,540 | 4.7% | 6,913,449 | 5.0% |
| Public administration | 13,146 | 5.1% | 14,713 | 3.4% | 7,187,193 | 5.2% |
| | | | | | | |
| INCOME AND BENEFITS | | | | | | |
| Total households | 183,882 | 100.0% | 333,002 | 100.0% | 114,567,419 | 100.0% |
| Less than \$10,000 | 10,740 | 5.8% | 15,136 | 4.5% | 8,757,190 | 7.6% |
| \$10,000 to \$14,999 | 6,138 | 3.3% | 12,370 | 3.7% | 6,668,865 | 5.8% |
| \$15,000 to \$24,999 | 15,300 | 8.3% | 24,587 | 7.4% | 13,165,380 | 11.5% |
| \$25,000 to \$34,999 | 14,321 | 7.8% | 23,753 | 7.1% | 12,323,322 | 10.8% |
| \$35,000 to \$49,999 | 23,549 | 12.8% | 33,430 | 10.0% | 16,312,385 | 14.2% |
| \$50,000 to \$74,999 | 31,943 | 17.4% | 53,157 | 16.0% | 20,940,859 | 18.3% |
| \$75,000 to \$99,999 | 21,678 | 11.8% | 40,999 | 12.3% | 13,526,500 | 11.8% |
| \$100,000 to \$149,999 | 31,378 | 17.1% | 56,634 | 17.0% | 13,544,839 | 11.8% |
| \$150,000 to \$199,999 | 11,796 | 6.4% | 34,456 | 10.3% | 4,809,998 | 4.2% |
| \$200,000 or more | 17,039 | 9.3% | 38,480 | 11.6% | 4,518,081 | 3.9% |
| Median household income (dollars) | 66,665 | 133.2% | 77,389 | 154.6% | 50,046 | |
| Mean household income (dollars) | 94,659 | 138.7% | 105,488 | 154.5% | 68,259 | |
| | | | | | | |
| Families | 131,811 | 100.0% | 236,574 | 100.0% | 76,089,045 | 100.0% |
| Less than \$10,000 | 6,001 | 4.6% | 6,237 | 2.6% | 3,824,251 | 5.0% |
| \$10,000 to \$14,999 | 2,973 | 2.3% | 4,959 | 2.1% | 2,660,781 | 3.5% |
| \$15,000 to \$24,999 | 8,903 | 6.8% | 11,365 | 4.8% | 6,770,812 | 8.9% |
| \$25,000 to \$34,999 | 8,224 | 6.2% | 12,914 | 5.5% | 7,332,318 | 9.6% |
| \$35,000 to \$49,999 | 15,365 | 11.7% | 19,255 | 8.1% | 10,578,051 | 13.9% |
| \$50,000 to \$74,999 | 23,157 | 17.6% | 36,079 | 15.3% | 14,990,631 | 19.7% |
| \$75,000 to \$99,999 | 15,838 | 12.0% | 29,860 | 12.6% | 10,638,931 | 14.0% |
| \$100,000 to \$149,999 | 25,630 | 19.4% | 49,242 | 20.8% | 11,261,766 | 14.8% |
| \$150,000 to \$199,999 | 10,400 | 7.9% | 31,650 | 13.4% | 4,130,868 | 5.4% |
| \$200,000 or more | 15,320 | 11.6% | 35,013 | 14.8% | 3,900,636 | 5.1% |
| Median family income (dollars) | 77,361 | 127.6% | 97,394 | 160.7% | 60,609 | |
| Mean family income (dollars) | 107,812 | 135.9% | 123,384 | 155.5% | 79,338 | |
| Per capita income (dollars) | 33,267 | 127.7% | 39,409 | 151.2% | 26,059 | |
| | | | | | | |
| Median earnings for workers | 35,214 | 121.9% | 44,350 | 153.5% | 28,899 | |
| Median earnings for male full-time | 51,195 | 110.1% | 63,074 | 135.6% | 46,500 | |
| Median earnings for female full-time | 43,496 | 119.0% | 51,103 | 139.8% | 36,551 | |

| PERCENTAGE BELOW POVERTY LEVEL | | | | | | |
|--------------------------------|--------|-------|------|-------|--------|--|
| All families | 8.70% | 77.0% | 5.6% | 49.6% | 11.30% | |
| All people | 11.10% | 72.5% | 6.8% | 44.4% | 15.30% | |

Union County is mixed, with many high-income suburban areas but also low-income areas by the railroad tracks. As a result it has a high proportion of households and families at the upper end of the income scale, but almost a proportional amount at the lower end of the scale. As a result, while the median and mean income levels are above average and the poverty levels are below average, these figures are smaller than would be expected from a typical suburban county, and well below Bergen County. By comparison, Bergen County has about three times the national average in the top income bracket, and only about half in the bottom bracket. As a result, median family income for Union County is 128% of the national average, while the figure for Bergen County is 161% of the average. Similarly, the poverty rate for all families is 77% of the national average for Union County, but only 50% for Bergen County.

In terms of employment distribution by occupation, both counties have a fairly robust manufacturing base, only slightly below the national average. Most of the other sectors are also close to those averages, with slightly higher proportions for financial and professional services.

Table 6-3. Key Economic Statistics for Morris and Passaic Counties Compared to the U. S. Economy

| Category | Morris | % | Passaic | % | U.S. | % |
|-----------------------------------|---------|--------|---------|--------|-------------|--------|
| EMPLOYMENT STATUS | | | | | 2010 | |
| Population 16 years and over | 389,318 | 100.0% | 392,154 | 100.0% | 243,832,923 | 100.0% |
| In labor force | 265,835 | 68.3% | 251,834 | 64.2% | 156,966,769 | 64.4% |
| Civilian labor force | 265,835 | 68.3% | 251,834 | 64.2% | 155,917,013 | 63.9% |
| Employed | 242,762 | 62.4% | 223,928 | 57.1% | 139,033,928 | 57.0% |
| Unemployed | 23,073 | 5.9% | 27,906 | 7.1% | 16,883,085 | 6.9% |
| Armed Forces | 0 | 0.0% | 0 | 0.0% | 1,049,756 | 0.4% |
| Not in labor force | 123,483 | 31.7% | 140,320 | 35.8% | 86,866,154 | 35.6% |
| OCCUPATION | | | | | | |
| Civilian employed population 16+ | 242,762 | 100.0% | 223,928 | 100.0% | 139,033,928 | 100.0% |
| Management & professional | 117,011 | 48.2% | 72,732 | 32.5% | 49,975,620 | 35.9% |
| Service occupations | 31,488 | 13.0% | 41,066 | 18.3% | 25,059,153 | 18.0% |
| Sales and office occupations | 61,530 | 25.3% | 55,173 | 24.6% | 34,711,455 | 25.0% |
| Construction, maintenance, repair | 13,971 | 5.8% | 15,773 | 7.0% | 12,697,304 | 9.1% |
| Production & transportation | 18,762 | 7.7% | 39,184 | 17.5% | 16,590,396 | 11.9% |

| | | | | | | |
|------------------------------------|---------|--------|---------|--------|-------------|--------|
| INDUSTRY | | | | | | |
| Civilian employed population 16+ | 242,762 | 100.0% | 223,928 | 100.0% | 139,033,928 | 100.0% |
| Agriculture & mining | 605 | 0.2% | 106 | 0.0% | 2,646,975 | 1.9% |
| Construction | 13,025 | 5.4% | 12,406 | 5.5% | 8,686,813 | 6.2% |
| Manufacturing | 29,462 | 12.1% | 30,737 | 13.7% | 14,439,691 | 10.4% |
| Wholesale trade | 8,531 | 3.5% | 9,361 | 4.2% | 3,941,066 | 2.8% |
| Retail trade | 24,489 | 10.1% | 27,233 | 12.2% | 16,203,408 | 11.7% |
| Transportation & utilities | 11,615 | 4.8% | 10,168 | 4.5% | 6,843,579 | 4.9% |
| Information | 10,352 | 4.3% | 5,816 | 2.6% | 3,015,521 | 2.2% |
| Finance, insurance, & real estate | 26,164 | 10.8% | 17,055 | 7.6% | 9,275,465 | 6.7% |
| Professional & administrative | 33,295 | 13.7% | 25,463 | 11.4% | 14,710,089 | 10.6% |
| Educational services & health care | 55,177 | 22.7% | 50,431 | 22.5% | 32,311,107 | 23.2% |
| Arts, entertain, hotel, food svcs | 12,728 | 5.2% | 16,915 | 7.6% | 12,859,572 | 9.2% |
| Other private services | 8,589 | 3.5% | 11,461 | 5.1% | 6,913,449 | 5.0% |
| Public administration | 8,730 | 3.6% | 6,776 | 3.0% | 7,187,193 | 5.2% |
| | | | | | | |
| INCOME AND BENEFITS | | | | | | |
| Total households | 177,786 | 100.0% | 161,527 | 100.0% | 114,567,419 | 100.0% |
| Less than \$10,000 | 5,141 | 2.9% | 14,538 | 9.0% | 8,757,190 | 7.6% |
| \$10,000 to \$14,999 | 3,562 | 2.0% | 7,604 | 4.7% | 6,668,865 | 5.8% |
| \$15,000 to \$24,999 | 10,598 | 6.0% | 17,286 | 10.7% | 13,165,380 | 11.5% |
| \$25,000 to \$34,999 | 10,446 | 5.9% | 17,003 | 10.5% | 12,323,322 | 10.8% |
| \$35,000 to \$49,999 | 15,265 | 8.6% | 19,142 | 11.9% | 16,312,385 | 14.2% |
| \$50,000 to \$74,999 | 27,277 | 15.3% | 26,057 | 16.1% | 20,940,859 | 18.3% |
| \$75,000 to \$99,999 | 25,266 | 14.2% | 17,637 | 10.9% | 13,526,500 | 11.8% |
| \$100,000 to \$149,999 | 33,587 | 18.9% | 24,127 | 14.9% | 13,544,839 | 11.8% |
| \$150,000 to \$199,999 | 20,542 | 11.6% | 10,658 | 6.6% | 4,809,998 | 4.2% |
| \$200,000 or more | 26,102 | 14.7% | 7,475 | 4.6% | 4,518,081 | 3.9% |
| Median household income (dollars) | 91,469 | 182.8% | 53,993 | 107.9% | 50,046 | |
| Mean household income (dollars) | 121,784 | 178.4% | 73,618 | 107.9% | 68,259 | |
| | | | | | | |
| Families | 128,754 | 100.0% | 113,041 | 100.0% | 76,089,045 | 100.0% |
| Less than \$10,000 | 1,983 | 1.5% | 7,061 | 6.2% | 3,824,251 | 5.0% |
| \$10,000 to \$14,999 | 1,149 | 0.9% | 2,987 | 2.6% | 2,660,781 | 3.5% |
| \$15,000 to \$24,999 | 4,287 | 3.3% | 10,418 | 9.2% | 6,770,812 | 8.9% |
| \$25,000 to \$34,999 | 5,257 | 4.1% | 10,897 | 9.6% | 7,332,318 | 9.6% |
| \$35,000 to \$49,999 | 9,063 | 7.0% | 11,966 | 10.6% | 10,578,051 | 13.9% |
| \$50,000 to \$74,999 | 18,910 | 14.7% | 19,967 | 17.7% | 14,990,631 | 19.7% |
| \$75,000 to \$99,999 | 18,470 | 14.3% | 13,043 | 11.5% | 10,638,931 | 14.0% |

| | | | | | | |
|--------------------------------------|---------|--------|--------|--------|------------|-------|
| \$100,000 to \$149,999 | 27,700 | 21.5% | 20,577 | 18.2% | 11,261,766 | 14.8% |
| \$150,000 to \$199,999 | 18,007 | 14.0% | 9,254 | 8.2% | 4,130,868 | 5.4% |
| \$200,000 or more | 23,928 | 18.6% | 6,871 | 6.1% | 3,900,636 | 5.1% |
| Median family income (dollars) | 107,639 | 177.6% | 65,248 | 107.7% | 60,609 | |
| Mean family income (dollars) | 141,174 | 177.9% | 84,767 | 106.8% | 79,338 | |
| Per capita income (dollars) | 44,393 | 170.4% | 25,244 | 96.9% | 26,059 | |
| | | | | | | |
| Median earnings for workers | 48,157 | 166.6% | 30,444 | 105.3% | 28,899 | |
| Median earnings for male full-time | 77,163 | 165.9% | 46,945 | 101.0% | 46,500 | |
| Median earnings for female full-time | 55,422 | 151.6% | 37,130 | 101.6% | 36,551 | |
| | | | | | | |
| PERCENTAGE BELOW POVERTY LEVEL | | | | | | |
| All families | 3.7% | 32.7% | 12.5% | 110.6% | 11.30% | |
| All people | 6.0% | 39.2% | 15.7% | 102.6% | 15.30% | |

Morris County is a typical upscale suburban county; Passaic County is mixed, somewhat like Union County, with pockets of poverty as well as islands of affluence. In Morris County, median family income is 178% of the national average, similar to but even higher than Bergen County, while Passaic is only 108% of the average, similar to but lower than Union County. The poverty levels reflect this difference in income; for all families, the rate is only 1/3 of the national average for Morris County, but 110% of that average for Passaic County.

Both counties have a higher than average proportion of the workforce in manufacturing, at 12.1% for Morris County and 13.7% for Passaic County, compared to 10.4% nationally. Both counties also have a higher than average proportion of workers in financial and professional services, although the increment is much smaller for Passaic County. Offsetting these bulges, both counties have a much smaller than average proportion of workers in arts, entertainment, leisure, hotels, and restaurants.

Table 6-4. Economic Profile of Middlesex and Monmouth Counties and Comparison with the U.S., 2010 Data

| Category | Middlesex | % | Monmouth | % | U.S. | % |
|------------------------------|-----------|--------|----------|--------|-------------|--------|
| EMPLOYMENT STATUS | | | | | 2010 | |
| Population 16 years and over | 647,766 | 100.0% | 499,682 | 100.0% | 243,832,923 | 100.0% |
| In labor force | 436,439 | 67.4% | 334,514 | 66.9% | 156,966,769 | 64.4% |
| Civilian labor force | 436,344 | 67.4% | 334,163 | 66.9% | 155,917,013 | 63.9% |
| Employed | 392,654 | 60.6% | 305,172 | 61.1% | 139,033,928 | 57.0% |
| Unemployed | 43,690 | 6.7% | 28,991 | 5.8% | 16,883,085 | 6.9% |
| Armed Forces | 95 | 0.0% | 351 | 0.1% | 1,049,756 | 0.4% |
| Not in labor force | 211,327 | 32.6% | 165,168 | 33.1% | 86,866,154 | 35.6% |
| | | | | | | |
| OCCUPATION | | | | | | |

| | | | | | | |
|------------------------------------|---------|--------|---------|--------|-------------|--------|
| Civilian employed population 16+ | 392,654 | 100.0% | 305,172 | 100.0% | 139,033,928 | 100.0% |
| Management & professional | 170,323 | 43.4% | 131,997 | 43.3% | 49,975,620 | 35.9% |
| Service occupations | 55,446 | 14.1% | 46,342 | 15.2% | 25,059,153 | 18.0% |
| Sales and office occupations | 99,238 | 25.3% | 81,326 | 26.6% | 34,711,455 | 25.0% |
| Construction, maintenance, repair | 25,049 | 6.4% | 21,803 | 7.1% | 12,697,304 | 9.1% |
| Production & transportation | 42,598 | 10.8% | 23,704 | 7.8% | 16,590,396 | 11.9% |
| | | | | | | |
| INDUSTRY | | | | | | |
| Civilian employed population 16+ | 392,654 | 100.0% | 305,172 | 100.0% | 139,033,928 | 100.0% |
| Agriculture & mining | 628 | 0.2% | 1,043 | 0.3% | 2,646,975 | 1.9% |
| Construction | 18,052 | 4.6% | 16,060 | 5.3% | 8,686,813 | 6.2% |
| Manufacturing | 39,615 | 10.1% | 20,781 | 6.8% | 14,439,691 | 10.4% |
| Wholesale trade | 17,826 | 4.5% | 10,399 | 3.4% | 3,941,066 | 2.8% |
| Retail trade | 43,951 | 11.2% | 33,644 | 11.0% | 16,203,408 | 11.7% |
| Transportation & utilities | 26,800 | 6.8% | 14,981 | 4.9% | 6,843,579 | 4.9% |
| Information | 12,486 | 3.2% | 13,058 | 4.3% | 3,015,521 | 2.2% |
| Finance, insurance, & real estate | 36,177 | 9.2% | 33,142 | 10.9% | 9,275,465 | 6.7% |
| Professional & administrative | 52,832 | 13.5% | 39,280 | 12.9% | 14,710,089 | 10.6% |
| Educational services & health care | 83,080 | 21.2% | 70,468 | 23.1% | 32,311,107 | 23.2% |
| Arts, entertain, hotel, food svcs | 29,705 | 7.6% | 24,158 | 7.9% | 12,859,572 | 9.2% |
| Other private services | 15,450 | 3.9% | 11,999 | 3.9% | 6,913,449 | 5.0% |
| Public administration | 16,052 | 4.1% | 16,159 | 5.3% | 7,187,193 | 5.2% |
| | | | | | | |
| INCOME AND BENEFITS | | | | | | |
| Total households | 278,877 | 100.0% | 234,582 | 100.0% | 114,567,419 | 100.0% |
| Less than \$10,000 | 9,344 | 3.4% | 8,749 | 3.7% | 8,757,190 | 7.6% |
| \$10,000 to \$14,999 | 8,634 | 3.1% | 7,916 | 3.4% | 6,668,865 | 5.8% |
| \$15,000 to \$24,999 | 20,963 | 7.5% | 20,280 | 8.6% | 13,165,380 | 11.5% |
| \$25,000 to \$34,999 | 17,484 | 6.3% | 16,779 | 7.2% | 12,323,322 | 10.8% |
| \$35,000 to \$49,999 | 28,013 | 10.0% | 21,105 | 9.0% | 16,312,385 | 14.2% |
| \$50,000 to \$74,999 | 52,023 | 18.7% | 34,504 | 14.7% | 20,940,859 | 18.3% |
| \$75,000 to \$99,999 | 41,574 | 14.9% | 30,287 | 12.9% | 13,526,500 | 11.8% |
| \$100,000 to \$149,999 | 59,641 | 21.4% | 43,322 | 18.5% | 13,544,839 | 11.8% |
| \$150,000 to \$199,999 | 23,338 | 8.4% | 23,299 | 9.9% | 4,809,998 | 4.2% |
| \$200,000 or more | 17,863 | 6.4% | 28,341 | 12.1% | 4,518,081 | 3.9% |
| Median household income (dollars) | 76,443 | 152.7% | 80,816 | 161.5% | 50,046 | |
| Mean household income (dollars) | 91,077 | 133.4% | 109,907 | 161.0% | 68,259 | |
| | | | | | | |
| Families | 203,542 | 100.0% | 159,264 | 100.0% | 76,089,045 | 100.0% |
| Less than \$10,000 | 3,425 | 1.7% | 3,542 | 2.2% | 3,824,251 | 5.0% |
| \$10,000 to \$14,999 | 3,594 | 1.8% | 2,250 | 1.4% | 2,660,781 | 3.5% |
| \$15,000 to \$24,999 | 10,298 | 5.1% | 7,999 | 5.0% | 6,770,812 | 8.9% |
| \$25,000 to \$34,999 | 10,039 | 4.9% | 8,157 | 5.1% | 7,332,318 | 9.6% |
| \$35,000 to \$49,999 | 18,530 | 9.1% | 11,826 | 7.4% | 10,578,051 | 13.9% |
| \$50,000 to \$74,999 | 36,692 | 18.0% | 20,099 | 12.6% | 14,990,631 | 19.7% |
| \$75,000 to \$99,999 | 32,490 | 16.0% | 23,504 | 14.8% | 10,638,931 | 14.0% |
| \$100,000 to \$149,999 | 51,013 | 25.1% | 36,806 | 23.1% | 11,261,766 | 14.8% |
| \$150,000 to \$199,999 | 21,178 | 10.4% | 19,441 | 12.2% | 4,130,868 | 5.4% |
| \$200,000 or more | 16,283 | 8.0% | 25,640 | 16.1% | 3,900,636 | 5.1% |
| Median family income (dollars) | 88,678 | 146.3% | 101,714 | 167.8% | 60,609 | |

| | | | | | |
|--------------------------------------|---------|--------|---------|--------|--------|
| Mean family income (dollars) | 102,733 | 129.5% | 132,616 | 167.2% | 79,338 |
| Per capita income (dollars) | 32,017 | 122.9% | 41,434 | 159.0% | 26,059 |
| Median earnings for workers | 40,270 | 139.3% | 42,266 | 146.3% | 28,899 |
| Median earnings for male full-time | 61,557 | 132.4% | 71,576 | 153.9% | 46,500 |
| Median earnings for female full-time | 47,101 | 128.9% | 52,072 | 142.5% | 36,551 |
| PERCENTAGE BELOW POVERTY LEVEL | | | | | |
| All families | 5.1% | 45.1% | 5.0% | 44.2% | 11.3% |
| All people | 7.7% | 50.3% | 6.6% | 43.1% | 15.3% |

Middlesex and Monmouth Counties are prototypical wealthy suburbs, with median household incomes more than 50% higher than the U.S. figures and poverty rates half of the national averages or less. Monmouth County has an especially high share of the wealthy, with 12% of households earning \$200,000 or more – compared to 4% for the U.S.

Consistent with their high-income profiles, both counties have high percentages of white-collar workers – 43% in each county, compared to 36% nationally. Similar to the other counties in the region, Middlesex (9%) and Monmouth (11%) have high shares of workers in the finance and insurance industries – compared to 7% for the U.S. Unlike Middlesex County, Monmouth County has a lower than average proportion of its workforce in manufacturing, at 7%.

Table 6-5. Labor Market Statistics for 8 Counties in Northern New Jersey, 2002-2011 Data

| | Labor Force | Employed | Unemployed | Un Rate, % |
|------------|-------------|-----------|------------|------------|
| New Jersey | | | | |
| 2002 | 4,370,809 | 4,117,265 | 253,544 | 5.8 |
| 2003 | 4,363,896 | 4,108,397 | 255,499 | 5.9 |
| 2004 | 4,358,908 | 4,144,223 | 214,685 | 4.9 |
| 2005 | 4,404,451 | 4,207,738 | 196,713 | 4.5 |
| 2006 | 4,465,067 | 4,257,899 | 207,168 | 4.6 |
| 2007 | 4,456,306 | 4,264,617 | 191,689 | 4.3 |
| 2008 | 4,509,110 | 4,262,281 | 246,829 | 5.5 |
| 2009 | 4,546,443 | 4,138,364 | 408,079 | 9.0 |
| 2010 | 4,554,076 | 4,116,640 | 437,436 | 9.6 |
| 2011 | 4,556,186 | 4,131,832 | 424,354 | 9.3 |
| Bergen | | | | |
| 2002 | 466,326 | 442,760 | 23,566 | 5.1 |
| 2003 | 465,115 | 441,480 | 23,635 | 5.1 |
| 2004 | 462,702 | 443,247 | 19,455 | 4.2 |

| | | | | |
|------|---------|---------|--------|-----|
| 2005 | 467,206 | 449,791 | 17,415 | 3.7 |
| 2006 | 473,275 | 455,022 | 18,253 | 3.9 |
| 2007 | 472,991 | 456,594 | 16,397 | 3.5 |
| 2008 | 478,584 | 457,046 | 21,538 | 4.5 |
| 2009 | 480,720 | 443,620 | 37,100 | 7.7 |
| 2010 | 476,243 | 436,522 | 39,721 | 8.3 |
| 2011 | 479,131 | 441,277 | 37,854 | 7.9 |

Essex

| | | | | |
|------|---------|---------|--------|------|
| 2002 | 371,383 | 344,532 | 26,851 | 7.2 |
| 2003 | 369,164 | 342,304 | 26,860 | 7.3 |
| 2004 | 363,454 | 340,905 | 22,549 | 6.2 |
| 2005 | 361,843 | 341,544 | 20,299 | 5.6 |
| 2006 | 364,175 | 343,012 | 21,163 | 5.8 |
| 2007 | 362,785 | 343,281 | 19,504 | 5.4 |
| 2008 | 366,007 | 341,853 | 24,154 | 6.6 |
| 2009 | 367,125 | 329,526 | 37,599 | 10.2 |
| 2010 | 370,372 | 329,355 | 41,017 | 11.1 |
| 2011 | 370,417 | 330,337 | 40,080 | 10.8 |

Hudson

| | | | | |
|------|---------|---------|--------|------|
| 2002 | 296,200 | 273,503 | 22,697 | 7.7 |
| 2003 | 292,204 | 270,633 | 21,571 | 7.4 |
| 2004 | 287,381 | 269,725 | 17,656 | 6.1 |
| 2005 | 288,312 | 272,630 | 15,682 | 5.4 |
| 2006 | 290,204 | 274,266 | 15,938 | 5.5 |
| 2007 | 290,990 | 276,383 | 14,607 | 5.0 |
| 2008 | 294,408 | 275,666 | 18,742 | 6.4 |
| 2009 | 299,839 | 268,570 | 31,269 | 10.4 |
| 2010 | 310,845 | 277,281 | 33,564 | 10.8 |
| 2011 | 312,467 | 280,302 | 32,165 | 10.3 |

Middlesex

| | | | | |
|------|---------|---------|--------|-----|
| 2002 | 413,685 | 390,439 | 23,246 | 5.6 |
| 2003 | 411,128 | 388,372 | 22,756 | 5.5 |
| 2004 | 410,464 | 391,663 | 18,801 | 4.6 |
| 2005 | 415,943 | 398,420 | 17,523 | 4.2 |
| 2006 | 421,868 | 403,617 | 18,251 | 4.3 |
| 2007 | 421,754 | 405,387 | 16,367 | 3.9 |
| 2008 | 425,916 | 404,463 | 21,453 | 5.0 |
| 2009 | 427,408 | 391,354 | 36,054 | 8.4 |
| 2010 | 436,381 | 398,449 | 37,932 | 8.7 |
| 2011 | 436,228 | 399,546 | 36,682 | 8.4 |

| | | | | |
|----------|---------|---------|--------|------|
| Monmouth | | | | |
| 2002 | 325,726 | 308,550 | 17,176 | 5.3 |
| 2003 | 323,789 | 306,191 | 17,598 | 5.4 |
| 2004 | 322,012 | 307,448 | 14,564 | 4.5 |
| 2005 | 324,105 | 310,869 | 13,236 | 4.1 |
| 2006 | 329,093 | 315,612 | 13,481 | 4.1 |
| 2007 | 332,191 | 319,687 | 12,504 | 3.8 |
| 2008 | 335,353 | 318,975 | 16,378 | 4.9 |
| 2009 | 336,577 | 308,793 | 27,784 | 8.3 |
| 2010 | 329,433 | 300,427 | 29,006 | 8.8 |
| 2011 | 329,571 | 301,254 | 28,317 | 8.6 |
| Morris | | | | |
| 2002 | 265,499 | 253,291 | 12,208 | 4.6 |
| 2003 | 266,068 | 253,862 | 12,206 | 4.6 |
| 2004 | 265,376 | 255,660 | 9,716 | 3.7 |
| 2005 | 267,813 | 259,088 | 8,725 | 3.3 |
| 2006 | 272,237 | 263,196 | 9,041 | 3.3 |
| 2007 | 272,580 | 264,282 | 8,298 | 3.0 |
| 2008 | 275,584 | 264,528 | 11,056 | 4.0 |
| 2009 | 275,118 | 255,839 | 19,279 | 7.0 |
| 2010 | 272,994 | 252,965 | 20,029 | 7.3 |
| 2011 | 272,849 | 253,719 | 19,130 | 7.0 |
| Passaic | | | | |
| 2002 | 236,848 | 220,154 | 16,694 | 7.0 |
| 2003 | 236,729 | 219,363 | 17,366 | 7.3 |
| 2004 | 233,946 | 219,516 | 14,430 | 6.2 |
| 2005 | 235,518 | 222,610 | 12,908 | 5.5 |
| 2006 | 237,194 | 223,944 | 13,250 | 5.6 |
| 2007 | 237,294 | 224,527 | 12,767 | 5.4 |
| 2008 | 240,836 | 224,443 | 16,393 | 6.8 |
| 2009 | 244,838 | 218,118 | 26,720 | 10.9 |
| 2010 | 244,764 | 216,367 | 28,397 | 11.6 |
| 2011 | 246,012 | 218,724 | 27,288 | 11.1 |
| Union | | | | |
| 2002 | 269,672 | 252,547 | 17,125 | 6.4 |
| 2003 | 268,107 | 251,137 | 16,970 | 6.3 |
| 2004 | 265,034 | 250,970 | 14,064 | 5.3 |
| 2005 | 265,654 | 252,991 | 12,663 | 4.8 |
| 2006 | 268,521 | 255,487 | 13,034 | 4.9 |

| | | | | |
|------------|-----------|-----------|---------|-----|
| 2007 | 267,960 | 255,865 | 12,095 | 4.5 |
| 2008 | 271,553 | 255,902 | 15,651 | 5.8 |
| 2009 | 273,728 | 248,504 | 25,224 | 9.2 |
| 2010 | 275,137 | 248,502 | 26,635 | 9.7 |
| 2011 | 275,886 | 249,244 | 26,642 | 9.7 |
| 8 counties | | | | |
| 2002 | 2,645,339 | 2,485,776 | 159,563 | 6.0 |
| 2003 | 2,632,304 | 2,473,342 | 158,962 | 6.0 |
| 2004 | 2,610,369 | 2,479,134 | 131,235 | 5.0 |
| 2005 | 2,626,394 | 2,507,943 | 118,451 | 4.5 |
| 2006 | 2,656,567 | 2,534,156 | 122,411 | 4.6 |
| 2007 | 2,658,545 | 2,546,006 | 112,539 | 4.2 |
| 2008 | 2,688,241 | 2,542,876 | 145,365 | 5.4 |
| 2009 | 2,705,353 | 2,464,324 | 241,029 | 8.9 |
| 2010 | 2,716,169 | 2,459,868 | 256,301 | 9.4 |
| 2011 | 2,722,561 | 2,474,403 | 248,158 | 9.1 |

The unemployment rate for this part of New Jersey is very similar to the profile for the overall U. S., although the figures in 2010 and 2011 are marginally lower. By individual county, Hudson, Essex, Union, and Passaic counties have rates that are above the 8.9% level for 2011, while Bergen, Middlesex, Morris, and Monmouth are below average. According to BLS statistics as of December 1, 2012, there were almost 250,000 unemployed people in this 8-county region in 2011.

Table 6-6. Level and Growth Rate of Population, State of New Jersey, 8 Counties in the Northern New Jersey, and the Total of these Counties
(Table is divided into Sections A and B for easier viewing)

| | New Jersey | Bergen | Essex | Hudson | Union | Middlesex |
|---------|------------|---------|---------|---------|---------|-----------|
| 2011 | 8,821,155 | 911,004 | 785,137 | 641,224 | 539,494 | 814,217 |
| 2010 | 8,799,593 | 906,184 | 784,099 | 634,979 | 537,475 | 810,747 |
| 2009 | 8,755,602 | 900,319 | 781,943 | 628,572 | 532,434 | 805,204 |
| 2008 | 8,711,090 | 895,328 | 778,165 | 619,533 | 527,528 | 799,191 |
| 2007 | 8,677,885 | 890,817 | 778,996 | 613,637 | 524,960 | 792,137 |
| 2006 | 8,661,679 | 889,406 | 781,027 | 613,577 | 525,153 | 786,890 |
| 2005 | 8,651,974 | 891,446 | 786,341 | 614,664 | 526,161 | 787,329 |
| 2004 | 8,634,561 | 893,378 | 791,305 | 614,607 | 526,916 | 781,582 |
| 2003 | 8,601,402 | 892,214 | 795,167 | 614,813 | 527,611 | 775,973 |
| 2002 | 8,552,643 | 890,647 | 795,625 | 615,554 | 527,625 | 769,280 |
| 2011/10 | 0.25% | 0.53% | 0.13% | 0.98% | 0.38% | 0.43% |
| 2010/09 | 0.50% | 0.65% | 0.28% | 1.02% | 0.95% | 0.69% |
| 2009/08 | 0.51% | 0.56% | 0.49% | 1.46% | 0.93% | 0.75% |

| | | | | | | |
|---------|-------|--------|--------|--------|--------|--------|
| 2008/07 | 0.38% | 0.51% | -0.11% | 0.96% | 0.49% | 0.89% |
| 2007/06 | 0.19% | 0.16% | -0.26% | 0.01% | -0.04% | 0.67% |
| 2006/05 | 0.11% | -0.23% | -0.68% | -0.18% | -0.19% | -0.06% |
| 2005/04 | 0.20% | -0.22% | -0.63% | 0.01% | -0.14% | 0.74% |
| 2004/03 | 0.39% | 0.13% | -0.49% | -0.03% | -0.13% | 0.72% |
| 2003/02 | 0.57% | 0.18% | -0.06% | -0.12% | 0.00% | 0.87% |
| 2011/02 | 0.34% | 0.25% | -0.15% | 0.45% | 0.25% | 0.63% |

| | Middlesex | Monmouth | Morris | Passaic | 8 counties |
|------|-----------|----------|---------|---------|------------|
| 2011 | 814,217 | 631,020 | 494,976 | 502,007 | 5,319,079 |
| 2010 | 810,747 | 630,920 | 492,681 | 501,606 | 5,298,691 |
| 2009 | 805,204 | 628,669 | 490,779 | 498,641 | 5,266,561 |
| 2008 | 799,191 | 627,348 | 489,743 | 494,904 | 5,231,740 |
| 2007 | 792,137 | 626,644 | 488,355 | 492,886 | 5,208,432 |
| 2006 | 786,890 | 626,934 | 487,486 | 492,730 | 5,203,203 |
| 2005 | 787,329 | 627,838 | 485,472 | 493,600 | 5,212,851 |
| 2004 | 781,582 | 628,605 | 483,997 | 493,981 | 5,214,371 |
| 2003 | 775,973 | 627,413 | 481,000 | 494,915 | 5,209,106 |
| 2002 | 769,280 | 624,532 | 477,234 | 494,571 | 5,195,068 |

| | | | | | |
|---------|--------|--------|-------|--------|--------|
| 2011/10 | 0.43% | 0.02% | 0.47% | 0.08% | 0.38% |
| 2010/09 | 0.69% | 0.36% | 0.39% | 0.59% | 0.61% |
| 2009/08 | 0.75% | 0.21% | 0.21% | 0.76% | 0.67% |
| 2008/07 | 0.89% | 0.11% | 0.28% | 0.41% | 0.45% |
| 2007/06 | 0.67% | -0.05% | 0.18% | 0.03% | 0.10% |
| 2006/05 | -0.06% | -0.14% | 0.41% | -0.18% | -0.19% |
| 2005/04 | 0.74% | -0.12% | 0.30% | -0.08% | -0.03% |
| 2004/03 | 0.72% | 0.19% | 0.62% | -0.19% | 0.10% |
| 2003/02 | 0.87% | 0.46% | 0.79% | 0.07% | 0.27% |
| 2011/02 | 0.63% | 0.11% | 0.41% | 0.17% | 0.26% |

Population growth in this 8-county area was not only well below the 1% rate for the U.S., but was less than half the rate in New Jersey; since that is the figure for the entire state, the growth rate was only about 1/5 of that for the other 9 counties in New Jersey. The pattern reversed course at mid-decade, with an actual decline from 2004 through 2007 being followed by an average growth rate of 0.5% from 2008 to 2011.

Table 6-7. Level and Growth Rate of Personal Income, Billions of Dollars, State of New Jersey, 8 Counties in Northern New Jersey, and the Total of these Counties

| | New Jersey | Bergen | Essex | Hudson | Union |
|------|------------|--------|-------|--------|-------|
| 2011 | 462.49 | 60.21 | 41.58 | 30.38 | 27.98 |

| | | | | | |
|---------|-----------|----------|--------|---------|------------|
| 2010 | 443.74 | 57.44 | 40.01 | 28.75 | 26.63 |
| 2009 | 430.96 | 56.36 | 37.98 | 26.82 | 25.76 |
| 2008 | 454.21 | 61.09 | 40.20 | 26.57 | 27.59 |
| 2007 | 436.12 | 60.04 | 38.83 | 24.21 | 26.64 |
| 2006 | 411.43 | 55.78 | 36.93 | 22.69 | 25.54 |
| 2005 | 379.65 | 50.55 | 33.99 | 21.15 | 23.28 |
| 2004 | 365.26 | 48.66 | 32.77 | 19.99 | 22.54 |
| 2003 | 347.69 | 45.62 | 30.81 | 19.24 | 21.87 |
| 2002 | 341.56 | 46.24 | 30.14 | 19.00 | 21.51 |
| 2011/10 | 4.23% | 4.83% | 3.91% | 5.66% | 5.08% |
| 2010/09 | 2.97% | 1.91% | 5.34% | 7.20% | 3.35% |
| 2009/08 | -5.12% | -7.73% | -5.53% | 0.96% | -6.63% |
| 2008/07 | 4.15% | 1.75% | 3.53% | 9.76% | 3.57% |
| 2007/06 | 6.00% | 7.63% | 5.14% | 6.69% | 4.31% |
| 2006/05 | 8.37% | 10.34% | 8.65% | 7.26% | 9.72% |
| 2005/04 | 3.94% | 3.90% | 3.73% | 5.81% | 3.29% |
| 2004/03 | 5.05% | 6.65% | 6.37% | 3.88% | 3.06% |
| 2003/02 | 1.80% | -1.33% | 2.21% | 1.30% | 1.70% |
| 2011/02 | 3.42% | 2.98% | 3.63% | 5.35% | 2.96% |
| | Middlesex | Monmouth | Morris | Passaic | 8 counties |
| 2011 | 40.06 | 36.82 | 35.50 | 21.69 | 294.23 |
| 2010 | 38.34 | 35.59 | 34.18 | 20.64 | 281.58 |
| 2009 | 37.58 | 34.79 | 32.98 | 20.03 | 272.31 |
| 2008 | 39.53 | 37.22 | 36.25 | 20.57 | 289.02 |
| 2007 | 37.22 | 36.15 | 34.77 | 19.83 | 277.68 |
| 2006 | 34.78 | 33.68 | 33.11 | 18.66 | 261.17 |
| 2005 | 32.14 | 30.87 | 30.55 | 17.41 | 239.95 |
| 2004 | 31.00 | 29.78 | 29.42 | 16.48 | 230.64 |
| 2003 | 30.07 | 27.75 | 27.32 | 16.13 | 218.81 |
| 2002 | 29.55 | 27.36 | 26.93 | 15.92 | 216.63 |
| 2011/10 | 4.50% | 3.45% | 3.87% | 5.09% | 4.49% |
| 2010/09 | 2.02% | 2.31% | 3.65% | 3.04% | 3.41% |
| 2009/08 | -4.95% | -6.53% | -9.04% | -2.60% | -5.78% |
| 2008/07 | 6.20% | 2.97% | 4.28% | 3.74% | 4.08% |
| 2007/06 | 7.01% | 7.35% | 5.01% | 6.26% | 6.32% |
| 2006/05 | 8.22% | 9.09% | 8.37% | 7.17% | 8.84% |
| 2005/04 | 3.70% | 3.66% | 3.85% | 5.61% | 4.04% |
| 2004/03 | 3.10% | 7.32% | 7.67% | 2.22% | 5.41% |
| 2003/02 | 1.76% | 1.43% | 1.47% | 1.28% | 1.00% |

2011/02 3.44% 3.35% 3.12% 3.49% 3.46%

The growth in personal income over the decade for this 8-county region was the same as the rest of New Jersey, and about 0.3% per year lower than the U.S. economy. The decline in 2009 was obviously tied to the financial markets, but was not nearly as severe as the swings in Manhattan and the suburban counties in New York State. Of particular interest is that income actually continued to rise in Hudson County in 2009 in spite of the increasing concentration of financial institutions who have moved across the river from New York City; it was the only county in this group where income did not decline in 2009. The rebound in 2010 and 2011 for the entire region continued to be close to the national average; for Hudson County, the increase was well above average.

Finally, we turn to the commuting patterns. In determining the economic impact of new job creation, it is necessary to choose the counties that form the relevant area for analysis. The economic multipliers will be higher as the number of counties included in the area increases. If the proportion of the workforce covered rises above 95%, that would include too many jobs that are not directly related to the new project. If that proportion falls below 90%, the multipliers would probably be understated. Hence the commuting patterns of the workforce data from the 2000 Census are used to determine the optimal mix of counties to be included in the multiplier calculations. These commuters spend most of their paychecks in the counties where they live, so the economic impact of the new project creates some new induced jobs in bordering counties. Also, some of the goods and services purchased by the new businesses are produced or purchased from establishments in neighboring counties.

Table 6-8 can be interpreted as follows. In 2000, there were 223,225 people in the Hudson County workforce. Of these, 121,352 lived in Hudson County, 25,444 lived in Bergen County, and so on. We have included counties that accounted for 84.1% of the total Hudson County workforce, which is below the usual level because many of the commuters live in far-flung counties that have few links with Hudson County.

| Table 6-8. Commuting Patterns for Hudson County, NJ | |
|--|---------|
| Total Hudson County Workforce | 223,225 |
| Living in these counties: | |
| Hudson Co. NJ | 121,352 |
| Bergen Co. NJ | 25,444 |
| Essex Co. NJ | 16,193 |
| Middlesex Co. NJ | 8,706 |
| Union Co. NJ | 8,251 |
| Passaic Co. NJ | 6,468 |
| Monmouth Co. NJ | 6,165 |
| Morris Co. NJ | 4,806 |
| Total these 8 counties | 197,835 |
| % in these 8 counties | 84.1% |

7. Location of Building, Maps of Area, and TEA Analysis

Figure 7-1. Location of 88 Morgan Street, Jersey City



Figure 7-2. Location of Building in the 8-County Area

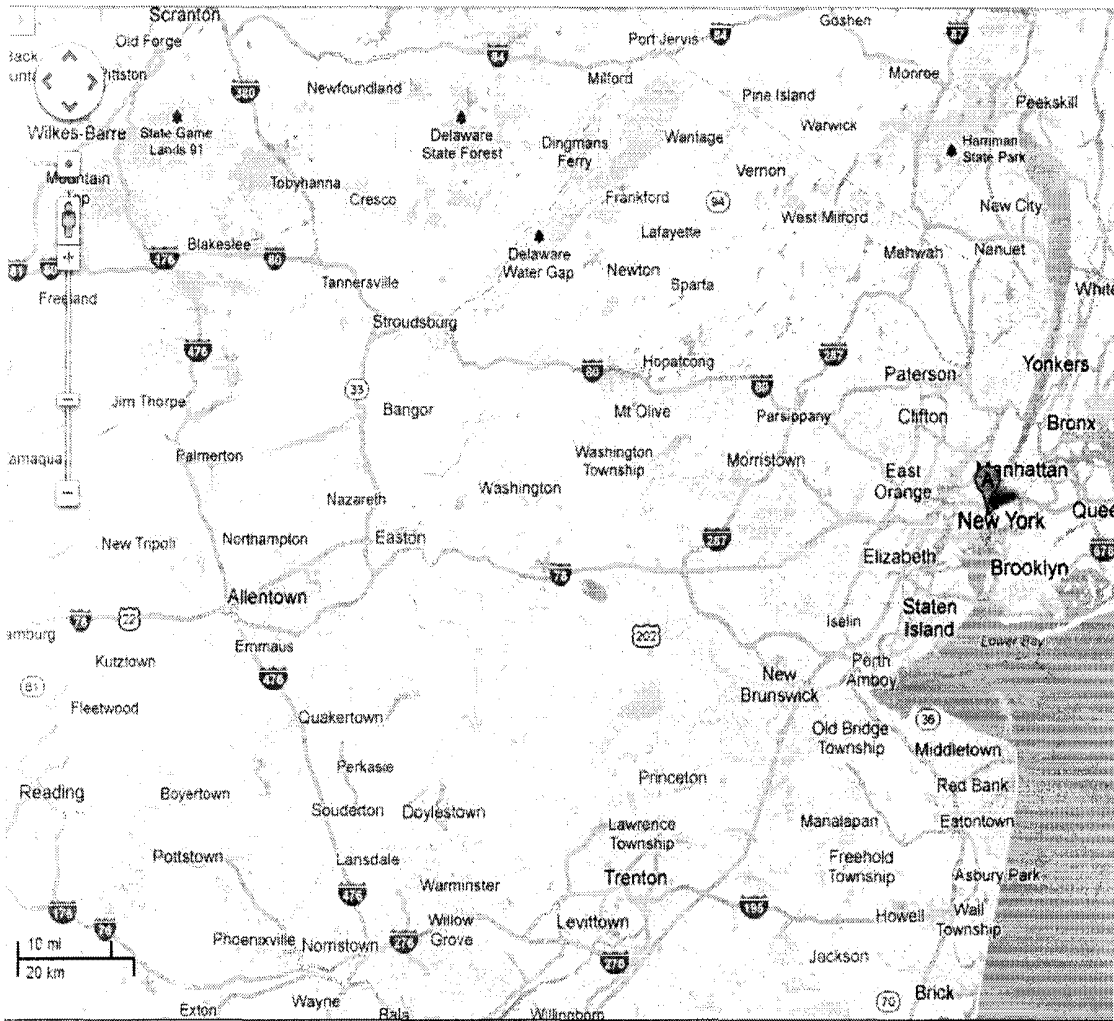
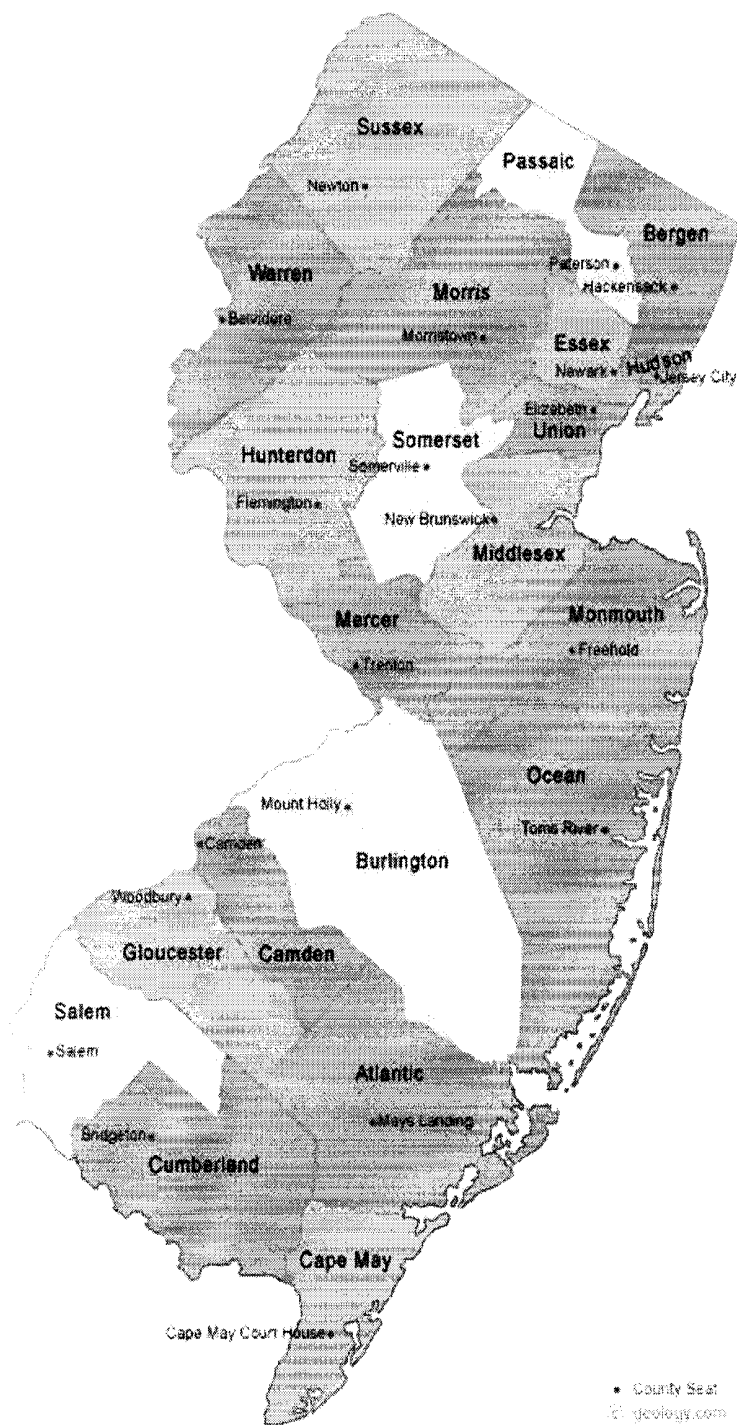


Figure 7-3. County Map of New Jersey



TEA Analysis

A TEA can be formed from CTs 3,4,5,6,7,8,11, 12,01,12.02, 15, 22,23, 25, 26, 30, 31, 32 33, 44, 45,46,50, 51, 52, 53, and 55; the locations of these CTs are shown in Figure 7-4. The Property is located in CT 26. A letter of certification is expected from the New Jersey Department of Labor.

Figure 7-4. Census Tract Map of Jersey City

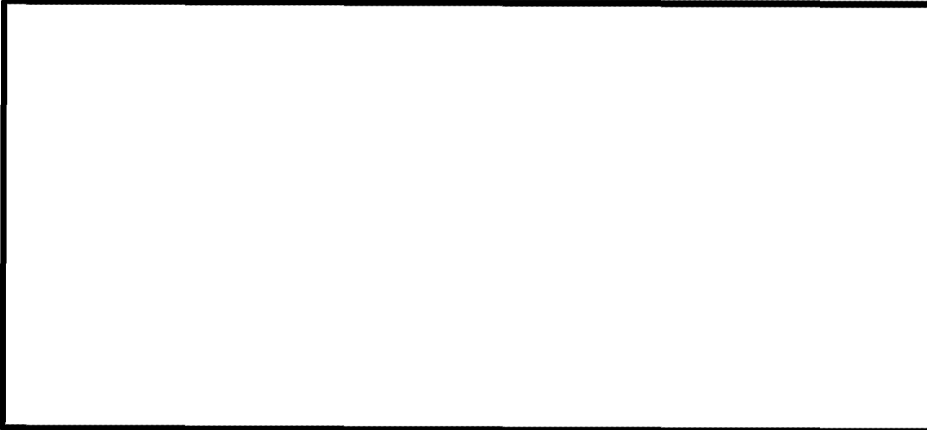


8. Economic Impact of Construction Expenditures

(b)(4) Table 8-1 shows the total development budget of [redacted]. Of this amount, about [redacted] is EB-5 eligible hard construction costs [redacted] is architectural, engineering, and related fees, and [redacted] is purchases of furniture, fixtures, and equipment (FF&E). The remaining [redacted] consists primarily of land costs, interest costs, contingencies, and fees. The total of [redacted] in EB-5 eligible hard construction costs used in the RIMS II calculation expressly excludes, the following figures stated in the Detailed Construction Budget set out in Table 8-2: (i) [redacted] in Construction Contingency; (ii) [redacted] for Bond Completion, and (iii) [redacted] for Jersey City Police.

Table 8-1. Sources and Uses of Funds

(b)(4)

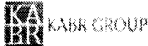


The details of the budget are given in Table 8-2. We have subtracted certain items from the Hard Cost figure given in Table 8-1 that are not EB-5 eligible; the remaining amount includes building, parking, and site preparation. EB-5 eligible soft costs are architectural, engineering, and surveying fees. THE FIGURES FOR THE CONTINGENCY ALLOWANCE, JERSEY CITY POLICE, BOND COMPLETION AND INSURANCE HAVE BEEN EXCLUDED FROM THE HARD COST CALCULATIONS

Table 8-2. Detailed Construction Budget

Development Budget

(b)(4)



In general, USCIS has indicated that current-dollar numbers should be deflated to the year in which the input/output coefficients were calculated, which in this case is 2008. For construction expenditures, however, prices have actually dropped since then, as shown in the Turner construction index.

The estimated values used in the impact analysis are as follows: 2012, 829; 2013, 845, and 2014, 862 (a 2% annual growth rate). For projects being constructed in 2013 and 2014, the average level would be 854, which is well below the 908 level reached in 2008.

| Quarter | Index | Δ% |
|------------------|-------|------|
| 3rd Quarter 2012 | 832 | 0.73 |
| 2nd Quarter 2012 | 826 | 0.61 |
| 1st Quarter 2012 | 821 | 0.37 |
| 4th Quarter 2011 | 818 | 0.49 |

| Year | Average Index | Δ% |
|------|---------------|------|
| 2011 | 812 | 1.6 |
| 2010 | 799 | -4.0 |
| 2009 | 832 | -8.4 |
| 2008 | 908 | 6.3 |
| 2007 | 854 | 7.7 |
| 2006 | 793 | 10.6 |
| 2005 | 717 | 9.5 |
| 2004 | 655 | 5.4 |
| 2003 | 621 | 0.3 |
| 2002 | 619 | 1.0 |
| 2001 | 613 | 3.0 |
| 2000 | 595 | 4.4 |
| 1999 | 570 | 3.8 |

Turner has prepared the construction cost forecast for more than 80 years. Used widely by the construction industry and Federal and State governments, the building costs and price trends tracked by The Turner Building Cost Index may or may not reflect regional conditions in any given quarter. The Cost Index is determined by several factors considered on a nationwide basis, including labor rates and productivity, material prices and the competitive condition of the marketplace. This index does not necessarily conform to other published indices because others do not generally take all of these factors into account. Further information about this index is available at: <http://www.turnerconstruction.com/cost-index>

The next six tables show the economic impact of (a) hard construction costs, (b) EB-5 eligible soft costs, and (c) purchases of FF&E. In all cases, the tables show the impact for the 20 major industrial classifications in the RIMS II input/output model; in all cases, only indirect and induced impacts are included. Please note that in these and succeeding tables, output and earnings are given in thousands of dollars.

Table 8-3. Increase in Employment, Output, and Earnings for Hard Construction Costs of 88 Morgan Street

(b)(4)

| |
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Table 8-3 shows there will be a total of [redacted] jobs created from the hard construction costs of the 88 Morgan Street building. Output would rise about [redacted] [redacted] while household earnings would increase by about [redacted] Table 8-4 shows the average output per new worker is about [redacted] while average earnings are about [redacted]

(b)(4)

Table 8-4. Output and Earnings Per New Worker, Hard Construction Costs for 88 Morgan Street

| |
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| |
|--|

(b)(4)

For equipment purchases, USCIS has agreed to count jobs indirectly created outside the geographical boundaries of a Regional Center (RC) in determining whether the RC's business plan complies with EB-5 regulations. The policy change was expressed in a December 3, 2010, letter from USCIS Director Alejandro Mayorkas in response to a letter from Senator Patrick Leahy, Chairman of the Senate Judiciary Committee.

Mayorkas wrote: "USCIS interprets the law to require that a regional center focus its EB-5 capital investment activities on a single, contiguous area within the defined geographic jurisdiction requested by the regional center. Nevertheless, we agree that the law does not further mandate that all indirect job creation attributable to a regional center take place within that jurisdiction. I will, therefore, ensure that USCIS policy reflects this understanding of the law."

The regulations include the following language: "The regulation at 8 CFR 204.6.(m) provides [that] ... Each regional center ... shall submit a proposal, which ... 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" (emphasis added).

It is highly unlikely that the FF&E is manufactured in the NYC area, and we are not making that claim. One possibility is to use the indirect and induced jobs created by the production of the FF&E outside the regional center. The justification for this approach is as follows:

The regulations include the following language: “The regulation at 8 CFR 204.6.(m) provides [that] ... Each regional center ... shall submit a proposal, which ... 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” (emphasis added).

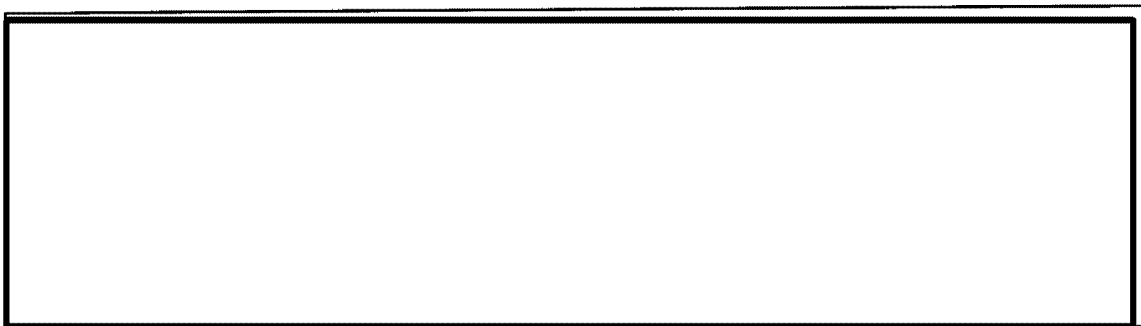
The drawback to that approach, however, is that in general no information is available indicating the jurisdiction where the FF&E was produced, so we do not know which set of multipliers to use. Hence we have used an alternative approach, which is to claim that the indirect and induced jobs created by the installation of the FF&E in the NYC area can be legitimately included in the EB-5 job count.

These jobs would include all of the activities that occur within the region: transportation and distribution of the FF&E to the hotel site, purchasing margins at the wholesale and possibly retail level, and most importantly, the construction jobs that are used in the installation of the FF&E. This generally involves substantial construction activity in terms of installing bathroom fixtures, electronic equipment, telecommunications systems, and other construction jobs associated with preparing the hotel rooms for clients. For this reason, then, the **FF&E calculations are based on the indirect and induced final demand and employment multipliers for the construction sector.**

Table 8-5. Increase in Employment, Output, and Earnings, Purchases of FF&E for 88 Morgan Street , Indirect and Induced Effects Only

| (b)(4) | |
|--------|--|

(b)(4)



(b)(4)

Table 8-5 shows there will be a total of indirect and induced jobs created from the purchases of FF&E for the 88 Morgan Street building. Output would rise about while household earnings would increase by about Table 8-6 shows the average output per new worker is about while average earnings are about

Table 8-6. Output and Earnings Per New Worker, Purchases of FF&E for 88 Morgan Street , Indirect and Induced Effects Only

(b)(4)

A large rectangular area that has been completely redacted, leaving a blank white space within a black border.

In terms of what soft costs are EB-5 eligible, we rely on the information given in the NAICS coding manual, which is summarize as follows:

541310 Architectural Services

This industry comprises establishments primarily engaged in planning and designing residential, institutional, leisure, commercial, and industrial buildings and structures by applying knowledge of design, construction procedures, zoning regulations, building codes, and building materials.

541330 Engineering Services

This industry comprises establishments primarily engaged in applying physical laws and principles of engineering in the design, development, and utilization of machines, materials, instruments, structures, processes, and systems. The assignments undertaken by these establishments may involve any of the following activities: provision of advice, preparation of feasibility studies, preparation of preliminary and final plans and designs, provision of technical services during the construction or installation phase, inspection and evaluation of engineering projects, and related services.

236220 Nonresidential Building Construction

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

Table 8-7. Increase in Employment, Output, and Earnings for EB-5 Eligible Soft Construction Costs of 88 Morgan Street Project

| |
|--------|
| (b)(4) |
|--------|

| | | |
|---|--|-------------|
| A # | Application/Petition I924, Application for Regional Center under Immigrant Investor Pilot Program | |
| Receipt # RCW1236250925 | Applicant/Petitioner U. S. Immigration Fund-N J | |
| Notice Date February 20, 2013 | Page 1 of 7 | Beneficiary |

Ignacio A Donoso
FosterQuan, LLP
Re: U. S. IMMIGRATION FUND-NJ
600 Travis St., Suite 2000
Houston, TX 77002

Request for Evidence

Notice also sent to:

RETURN THIS NOTICE ON TOP OF THE REQUESTED INFORMATION LISTED ON THE ATTACHED SHEET.

Note: You are given until May 15, 2013 in which to submit the requested information to the address at the bottom of this notice.

Please note the required deadline for providing a response to this Request for Evidence. The deadline reflects the maximum period for responding to this RFE. However, since many immigration benefits are time sensitive, you are encouraged to respond to this request as early as possible but no later than the date provided on the request.

Pursuant to 8 C.F.R. 103.2(b)(11) failure to submit ALL evidence requested at one time may result in the denial of your application.

For more information, visit our website at www.uscis.gov

Or call us at **1-800-375-5283**

Telephone service for the hearing impaired: 1-800-767-1833

CSC4639 WS25097 DIV III MP

For non-US Postal Service
Attn: EB 5 RC Proposal
24000 Avila Road, 2nd Floor
Laguna Niguel, CA 92677

You will be notified separately about any other applications or petitions you filed. Save this notice. Please enclose a copy of it if you write to us about this case, or if you file another application based on this decision. Our address is:

USCIS - CALIFORNIA SERVICE CENTER
P.O. BOX 10590
LAGUNA NIGUEL, CA 92607-0590
800-375-5283



RCW1236250925

COPY

A request for initial designation as a Regional Center under the Immigrant Investor Program (“Program”) or an amendment to an existing Regional Center designation, may involve:

1. A request for review of an exemplar Form I-526, Immigrant Petition by Alien Entrepreneur, prior to the filing of Form I-526 petitions by individual alien entrepreneurs with USCIS and/or;
2. In the case of a Regional Center amendment request, a review of a new specific capital investment project where the Regional Center designation involved a review of an exemplar capital investment project.

It appears that the applicant is requesting initial designation as a Regional Center under the Program.

I. Background:

The proposed Regional Center entity, U.S. Immigration Fund – NJ, LLC (USIFNJ), was established on December 7, 2012 in the state of New Jersey, and is structured as a Limited Liability Company. USIFNJ is requesting jurisdiction over a geographic area within the State of New Jersey, including the following counties: Bergen, Essex, Hudson, Middlesex, Monmouth, Morris, Passaic and Union Counties. USIFNJ plans to offer EB-5 capital investment opportunities in affiliated new commercial enterprises, organized as Limited Partnerships and focusing on projects in the following industry categories:

| Regional Center NAICS Codes | | | | |
|-----------------------------|--|----------|--------|---|
| NAICS Code | Industry Title | | Valid? | Applicable? |
| 2362 | Nonresidential Construction | Building | Yes | Yes, this NAICS code applies to the hard construction of the mixed-use residential and retail facility. |
| 2361 | Residential Construction | Building | Yes | Yes, this NAICS code applies to the hard construction of the mixed-use residential and retail facility. |
| 5313 | Real Estate Property Managers | | Yes | Yes, this NAICS code applies to leasing and management operations of the mixed-use residential and retail facility. |
| 5413 | Architectural, Engineering, and Related Services | | Yes | Yes, this NAICS code applies to the soft construction of the mixed-use residential and retail facility. |

The capital investment projects will involve a combination of an equity investment and loan to job creating enterprises located within the proposed bounds of the Regional Center.

The applicant’s proposed project, 88 Morgan Street Funding, LLC, involves the construction and operations of a 50-story luxury rental apartment building in Jersey City, Hudson County, New Jersey. The project will

(b)(4) consist of 417 rental apartment units, 217 parking spaces, and approximately 4,000 square feet of retail space adjacent to Trump Plaza I. The applicant estimates that the project will cost \$ [redacted] of which [redacted] will be from [redacted] immigrant investors, and generate approximately [redacted] jobs.

II. Evidentiary Requirements for Regional Center Proposals

8 CFR 204.6 (m)(3), which is appended to this notice, describes the evidence that must be submitted in support of a Regional Center proposal. After review of the proposal, the following information, evidence and/or clarification is required. Note that in response to this notice, that it is helpful to provide a cover letter that acts as an executive summary, followed by a table of contents with sections that are tabbed at the bottom of the page.

A. Construction Timeline

The applicant asserts that construction will span [redacted] months, beginning with excavation in February or March, 2013 and ending with the acquisition of a temporary certificate of occupancy in April 2015. However, the timeline lacks verifiable detail.

- Please present a detailed and itemized construction timeline showing all relevant phases of the construction effort.
- Also, please provide transparent, objective, and verifiable data illustrating that the proposed construction timeline and budget are within a reasonable range when compared to industry standards.

B. Economic Impact Analysis.

The applicant solicited the expertise of Evans, Carroll & Associates (Evans-Carroll) to conduct the economic impact analysis. Evans-Carroll calculates the potential economic impacts of the construction and operations of a 417-unit luxury apartment tower in Jersey City, Hudson County, New Jersey.

The Economic Impact Model used is RIMS II calibrated for the counties of Hudson, Essex, Union, Bergen, Passaic, Morris, Monmouth, and Middlesex.

Model Inputs (initial change in final demand, initial change in direct jobs, etc.) are as follows:

1. Hard Construction: Evans-Carroll uses [redacted] in estimated hard construction costs from the pro forma financial section of the business plan as an input into the RIMS II model.
 - (b)(4) a. Transparency: The parameters are transparent. They are clearly sourced from the pro forma financial section of the business plan.
 - b. Applicability: The parameters are not applicable. The hard construction costs are inflated due to the inclusion of contingency costs and police fees.

- c. Reliability: The parameters are not reliable. They are not supported by verifiable data and analysis or a comparison to industry standards.
- d. Up-to-Date: The parameters appear up-to-date.

- Please resolve Issues b. and c. (b)(4)

2. FF&E: Evans-Carroll uses [redacted] in estimated FF&E costs from the pro forma financial section of the business plan as an input into the RIMS II model
- a. Transparency: The parameters are transparent. They are clearly sourced from the pro forma financial section of the business plan.
 - b. Applicability: The parameters are applicable.
 - c. Reliability: The parameters are not reliable. They are not supported by verifiable data and analysis or a comparison to industry standards.
 - d. Up-to-Date: The parameters appear up-to-date.

- Please resolve Issue c. (b)(4)

3. Operations: Evans-Carroll uses [redacted] in estimated annual apartment rental income from the pro forma financial section of the business plan costs as an input into the RIMS II model
- a. Transparency: The parameters are transparent. They are clearly sourced from the market analysis and pro forma financial section of the business plan.
 - b. Applicability: The parameters are applicable.
 - c. Reliability: The parameters are reliable. The market analysis presents competing developments that substantiate most of the revenue assumptions used in the analysis.
 - d. Up-to-Date: The parameters appear up-to-date.

(b)(4)

4. Soft Construction: Evans-Carroll uses [redacted] in estimated soft construction costs from the pro forma financial section of the business plan as an input into the RIMS II model
- a. Transparency: The parameters are transparent. They are clearly sourced from the pro forma financial section of the business plan.
 - b. Applicability: The parameters are applicable.
 - c. Reliability: The parameters are not reliable. They are not supported by verifiable data and analysis or a comparison to industry standards.
 - d. Up-to-Date: The parameters appear up-to-date.

- Please resolve Issue c.

III. General issues

Translations:

Any document containing a foreign language submitted to USCIS shall be accompanied by a full English translation that the translator has certified as complete and accurate, and by the translator's certification that he or she is competent to translate from the foreign language into English.

Copies:

Unless specifically required that an original document be filed with an application or petition, an ordinary legible photocopy may be submitted. Original documents submitted when not required will remain part of the record, even if the submission was not required.

NOTES:

Any document submitted to the USCIS containing a foreign language, must be accompanied by a full English language translation that has been certified by the translator as complete and accurate, and that the translator is competent to translate from the foreign language into English. Submit clear and legible copies of all requested evidence. If clear and legible copies are not possible, submit the original documents. These originals will be returned, if requested.

Please provide an index of any submitted evidence and include corresponding tabs for each section of evidence.

IV. Regulatory References

The regulation at 8 CFR 103.2(a)(3) provides the following definitions:

(3) Representation. An applicant or petitioner may be represented by an attorney in the United States, as defined in 1.1(f) of this chapter, by an attorney outside the United States as defined in 292.1(a)(6) of this chapter, or by an accredited representative as defined in 292.1(a)(4) of this chapter. A beneficiary of a petition is not a recognized party in such a proceeding. An application or petition presented in person by someone who is not the applicant or petitioner, or his or her representative as defined in this paragraph, shall be treated as if received through the mail, and the person advised that the applicant or petitioner, and his or her representative, will be notified of the decision. Where a notice of representation is submitted that is not properly signed, the application or petition will be processed as if the notice had not been submitted.

The regulation at 8 CFR 204.6(e) provides the following definitions:

Qualifying employee means a United States citizen, a lawfully admitted permanent resident, or other immigrant lawfully authorized to be employed in the United States including, but not limited to, a conditional resident, a temporary resident, an asylee, a refugee, or an alien remaining in the United States under suspension of deportation. This definition does not include the alien entrepreneur, the alien entrepreneur's spouse, sons, or daughters, or any nonimmigrant alien.

Regional center means any economic unit, public or private, which is involved with the promotion of economic growth, including increased export sales, improved regional productivity, job creation, and increased domestic capital investment.

The regulation at 8 CFR 204.6(j)(4) provides:

Job creation --

(i) General. To show that a new commercial enterprise will create not fewer than ten (10) full-time positions for qualifying employees, the petition must be accompanied by:

(A) Documentation consisting of photocopies of relevant tax records, Form I-9, or other similar documents for ten (10) qualifying employees, if such employees have already been hired following the establishment of the new commercial enterprise; or

(B) A copy of a comprehensive business plan showing that, due to the nature and projected size of the new commercial enterprise, the need for not fewer than ten (10) qualifying employees will result, including approximate dates, within the next two years, and when such employees will be hired.

(ii) Troubled business. To show that a new commercial enterprise which has been established through a capital investment in a troubled business meets the statutory employment creation requirement, the petition must be accompanied by evidence that the number of existing employees is being or will be maintained at no less than the pre-investment level for a period of at least two years. Photocopies of tax records, Forms I-9, or other relevant documents for the qualifying employees and a comprehensive business plan shall be submitted in support of the petition.

(iii) Immigrant Investor Pilot Program. To show that the new commercial enterprise located within a regional center approved for participation in the Immigrant Investor Pilot Program meets the statutory employment creation requirement, the petition must be accompanied by evidence that the investment will create full-time positions for not fewer than 10 persons either directly or indirectly through revenues generated from increased exports resulting from the Pilot Program. Such evidence may be demonstrated by reasonable methodologies including those set forth in paragraph (m)(3) of this section.

The regulation at 8 CFR 204.6(m)(1) provides:

(1) Scope. The Immigrant Investor Pilot Program is established solely pursuant to the provisions of section 610 of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriation Act, and subject to all conditions and restrictions stipulated in that section. Except as provided herein, aliens seeking to obtain immigration benefits under this paragraph continue to be subject to all conditions and restrictions set forth in section 203(b)(5) of the Act and this section.

The regulation at 8 CFR 204.6(m)(3) provides:

(3) Requirements for regional centers. 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;
- (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.

Note that promoting economic growth through increased export sales is no longer a requirement.

The regulation at 8 CFR 204.6(m)(6) provides:

(6) Termination of participation of regional centers. To ensure that regional centers continue 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, or increased domestic capital investment in the approved geographic area. Such information must be submitted to USCIS on an annual basis, on a cumulative basis, and/or as otherwise requested by USCIS, using a form designated for this purpose. USCIS will issue a notice of intent to terminate the participation of a regional center in the pilot program if a regional center fails to submit the required information or upon a determination that the regional center no longer serves the purpose of promoting economic growth, including increased export sales, improved regional productivity, job creation, and increased domestic capital investment. The notice of intent to terminate shall be made upon notice to the regional center and shall set forth the reasons for termination. The regional center must be provided 30 days from receipt of the notice of intent to terminate to offer evidence in opposition to the ground or grounds alleged in the notice of intent to terminate. If USCIS determines that the regional center's participation in the Pilot Program should be terminated, USCIS shall notify the regional center of the decision and of the reasons for termination. As provided in 8 CFR 103.3, the regional center may appeal the decision to USCIS within 30 days after the service of notice

G-28, Notice of Entry of Appearance as Attorney or Accredited Representative

Department of Homeland Security

Part 1. Notice of Appearance as Attorney or Accredited Representative

A. This appearance is in regard to immigration matters before:

- USCIS - List the form number(s): I-924 CBP - List the specific matter in which appearance is entered:
 ICE - List the specific matter in which appearance is entered:

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

List Petitioner, Applicant, or Respondent. **NOTE:** Provide the mailing address of Petitioner, Applicant, or Respondent being represented, and not the address of the attorney or accredited representative, except when filed under VAWA.

Principal Petitioner, Applicant, or Respondent

| | | | | |
|--|--------------------------|--------------------------|------------------------------------|---|
| Name: Last US IMMIGRATION FUND-NJ, LLC | First MASTROIANNI, II | Middle NICHOLAS A. | A Number or Receipt Number, if any | <input type="checkbox"/> Petitioner <input checked="" type="checkbox"/> Applicant <input type="checkbox"/> Respondent |
| Address: Street Number and Street Name c/o US Immigration Fund-NJ, LLC, 1295 U.S. HIGHWAY 1 | Apt. No. STE 300 | City NORTH PALM BEACH | State FL | Zip Code 33408 |

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, USCBP, or USCIS.

Signature of Petitioner, Applicant, or Respondent

Date
NOVEMBER 2, 2012

Part 2. Information about Attorney or Accredited Representative (Check applicable item(s) below)

- A. I am an attorney 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: California
 I am not or am subject to any order of any court or administrative agency disbaring, suspending, enjoining, restraining, or otherwise restricting me in the practice of law (If you are subject to any order(s), explain fully on reverse side).
- B. I am an accredited representative of the following qualified non-profit 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 1292.2. Provide name of organization and expiration date of accreditation:
- C. I am associated with _____
 The attorney or accredited representative of record 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 item A or B above in Part 2, whichever is appropriate).


Part 3. Name and 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.

| | |
|---|--|
| Name of Attorney or Accredited Representative Ignacio A Donoso | Attorney Bar Number(s), if any 178883 |
| Signature of Attorney or Accredited Representative | Date NOVEMBER 30, 2012 |
| Complete Address of Attorney or Organization of Accredited Representative (Street Number and Street Name, Suite No., City, State, Zip Code) FosterQuan, LLP, 600 Travis St., Suite 2000, Houston, Texas 77002, USA | |
| Phone Number (Include area code) (713) 335-3993 | Fax Number, if any (Include area code) (713) 228-1303 |
| E-Mail Address, if any idonoso@fosterquan.com | |

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) | |
|--|--|
| <p>Action Block</p> <div style="border: 2px solid black; padding: 5px; text-align: center;"> <p>U.S. Department of Homeland Security</p> <p style="font-size: 24px; font-weight: bold;">APPROVED</p> <p>MAY 17 2013</p> <p><i>Allen</i></p> <p>003522</p> <p>U.S. Citizenship and Immigration Services</p> </div> | <p>Fe</p> <div style="text-align: center;">  <p style="font-size: 24px; font-weight: bold;">RCW1236250925</p> <p>egarcia2 1924 12/21/2012</p> </div> <p><input checked="" type="checkbox"/> G-28 attached</p> <p>Attorney's State License No. 178883</p> |

C30056

Part 1. Information About Principal of the Regional Center

| | | |
|---------------------------|-------------------|--------------|
| Name: Last MASTROIANNI | First NICHOLAS | Middle A. |
|---------------------------|-------------------|--------------|

C/O: U.S. IMMIGRATION FUND-NJ, LLC

Street Address/P.O. Box: 1295 U.S. HIGHWAY 1, SUITE 300

| | | |
|------------------------|-----------|-----------------|
| City: NORTH PALM BEACH | State: FL | Zip Code: 33408 |
|------------------------|-----------|-----------------|

| | | |
|---|--|--|
| Date of Birth (mm/dd/yyyy): | Fax Number (include area code): 5617990061 | Telephone Number (include area code): 5617991883 |
|---|--|--|

Web site address: www.visaeb-5.com

(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: U.S. IMMIGRATION FUND-NJ

Street Address/P.O. Box: 1295 U.S. HIGHWAY 1, SUITE 300

| | | |
|------------------------|-----------|-----------------|
| City: NORTH PALM BEACH | State: FL | Zip Code: 33408 |
|------------------------|-----------|-----------------|

| | | |
|---------------------------------------|---|---|
| Web site address: www.visaeb-5.com | Fax Number (include area code): 5617990061 | Telephone Number (include area code): 5617991883 |
|---------------------------------------|---|---|



Part 3. Information About the Regional Center (Continued)

B. Name of Managing Company/Agency: U.S. IMMIGRATION FUND, LLC

Street Address/P.O. Box: 1295 U.S. HIGHWAY 1, SUITE 300

| | | |
|---------------------------------------|---|---|
| City: NORTH PALM BEACH | State: FL | Zip Code: 33408 |
| Web site address: www.visaeb-5.com | Fax Number (include area code): 5617990061 | Telephone Number (include area code): 5617991883 |

C. Name of Other Agent: N/A

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.)

PLEASE SEE ATTACHED OPERATIONS PLAN AT EXHIBIT 12. U.S. IMMIGRATION FUND-NJ, LLC IS THE APPLICANT FOR REGIONAL CENTER DESIGNATION. U.S. IMMIGRATION FUND-NJ, LLC IS OWNED AND SOLELY MANAGED BY U.S. IMMIGRATION FUND, LLC. U.S. IMMIGRATION FUND, LLC IS

[Redacted area]



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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.

(b)(4)

PLEASE SEE ATTACHED OPERATIONS PLAN AT EXHIBIT 12. U.S. IMMIGRATION FUND-NJ, LLC IS OWNED BY U.S. IMMIGRATION FUND, LLC. U.S. IMMIGRATION FUND-NJ, LLC WILL HAVE A SOLE MANAGER, U.S. IMMIGRATION FUND, LLC.

b. Date the Regional Center was established(mm/dd/yyyy): 2012-12-07

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.

The territory comprised of: Bergen County; Essex County; Hudson County; Middlesex County; Monmouth County, Passaic County; Union County, and Morris County, in the State of New Jersey. PLEASE SEE MAPS OF THE REGIONAL CENTER'S TERRITORY ATTACHED IN EXHIBIT 7.

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.

MANAGEMENT AND OVERSIGHT PROVIDED BY U.S. IMMIGRATION FUND, LLC AND ITS EXPERIENCED MANAGEMENT TEAM AS DESCRIBED IN THE ATTACHED OPERATIONS PLAN AT EXHIBIT 12.



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.

THE REGIONAL CENTER WILL FORM NEW LIMITED LIABILITY COMPANY TO CONSTITUTE THE NEW COMMERCIAL ENTERPRISE THAT WILL BE THE TARGET OF INVESTMENT FOR EB-5 FOREIGN INVESTORS. THE LIMITED LIABILITY COMPANY WILL BE MANAGED BY A MANAGER, WHICH WILL BE A COMPANY OWNED OR AFFILIATED WITH US IMMIGRATION FUND, LLC.

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

c. Organization Structure for commercial enterprise:

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

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

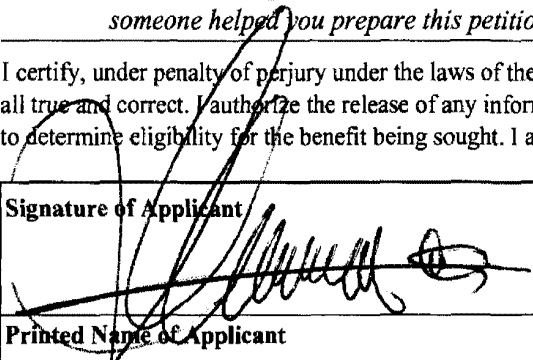
- No
- Yes - Attach an explanation and documentation that outlines when and under what circumstances these remittances will be paid.

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

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

Part 4. Applicant Signature *Read the information on penalties in the instructions before completing this section. If someone helped you prepare this petition, he or she must 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 <i>(Area/Country Codes)</i> (561) 799-1883 | Date (mm/dd/yyyy) 11/02/2012 |
| Printed Name of Applicant NICHOLAS A. MASTROIANNI, II | E-Mail Address | |
| Relationship to the Regional Center Entity (Managing Member, President, CEO, etc.) PRINCIPAL AND REPRESENTATIVE OF THE SOLE MANAGER, US IMMIGRATION FUND, LLC | | |




9. Economic Impact of Rental Income for Apartments, Retail Space, and Parking Space

The building at 88 Morgan Street will be primarily residential, containing 417 apartments, 214 parking spaces, and about 4,000 square feet of retail space. According to the developer, the Jersey City market place is one of the strongest rental markets in New Jersey. Rents at comparable developments are well over \$40/sq ft and occupancies hover in the high 90s. The operating assumptions are shown in Table 9-1.

Table 9-1. Operating Assumptions for 88 Morgan Street, Jersey City, NJ

(b)(4)

Operating Assumptions

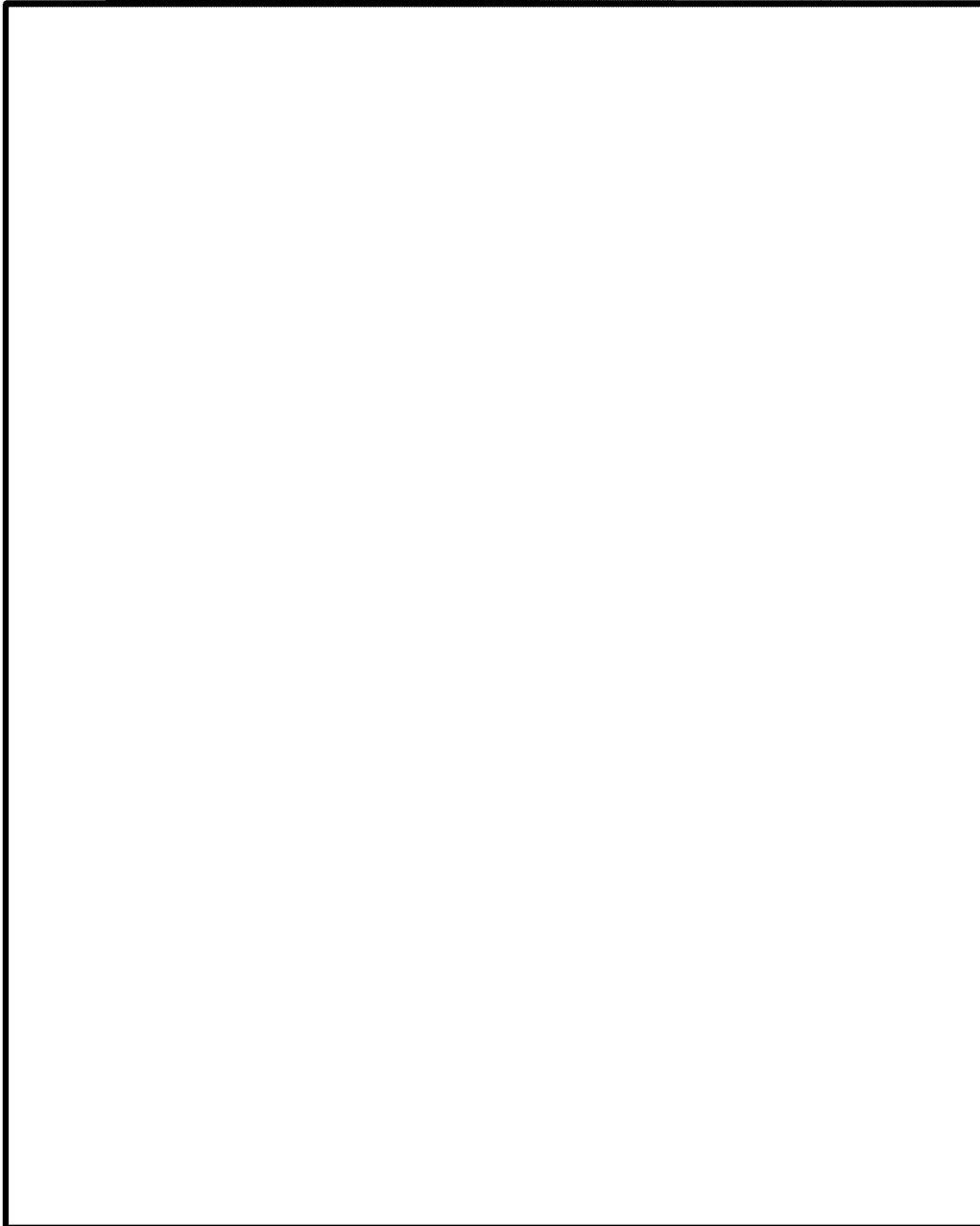


The monthly rentals for comparable apartment buildings in Jersey City are shown in Table 9-2.

Table 9-2. Comparable Monthly Rents in Jersey City

(b)(4)

Rent Growth



The total annual rental income entered into the RIMS II model is hence calculated as follows, based on the operating projections provided by the developer. The figures for "Year 4", which is the first full year of occupancy, are used for these calculations.

Table 9-3. Operating Projections, first 4 Years, for 88 Morgan Street Building

Detailed Operating Projections

(b)(4)

[Redacted Table Content]



(b)(4)

In the first full year of operation, gross potential rent would be [redacted] however that figure must be reduced by an expected 3% vacancy rate, 0.5% loss for bad debts, and first-year rent concessions (essentially one free month) that amount to another [redacted]. Hence total apartment rentals after subtracting these items equals [redacted]. This figure is then boosted by the expected revenue for parking spaces, retail income, and other fees. There are 214 parking spaces and an average monthly fee of [redacted] month, adjusted for the 3% vacancy rate and 0.5% loss for bad debts. Retail space of 4,000 square feet is expected to rent for [redacted] per square foot, which is well below the average for comparable locations. Finally, fees from other income are expected to be [redacted] per month per occupied unit, with the first-year

adjustment for one month of free rent. Summing all these factors indicates total annual rental income of [redacted] for the first full year of operation.

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This figure is in 2016 dollars, while the input/output coefficients are based on 2008 dollars, so it must be deflated. The CPI for rental; income medium-sized cities rose 1.6% per year from 2008 to 2012, as shown in Table 9-4, so continuing that rate forward to 2016, the deflator would be 1.134, indicating rental income of [redacted] in 2008 dollars.

(b)(4)

Table 9-4. CPI for Primary Rental Income, Medium-Sized Cities

| |
|--------------------------|
| [Redacted Table Content] |
|--------------------------|

The detailed industry results for [redacted] in rental income are shown in the next two tables.

(b)(4)

Table 9-5. Increase in Employment, Output, and Earnings, Rental Income for 88 Morgan Street Building, 2008 Dollars

| |
|--------------------------|
| [Redacted Table Content] |
|--------------------------|

(b)(4)



Table 9-5 shows there would be an increase of [] permanent new jobs from the rental income of the 88 Morgan Street building. Total output would rise about [] and household earnings would increase by about [] Table 9-6 shows output per new worker would be about [] with average annual earnings of about []

(b)(4)

Table 9-6. Output and Earnings Per New Worker, Rental Income for 88 Morgan Street Building, 2008 Dollars

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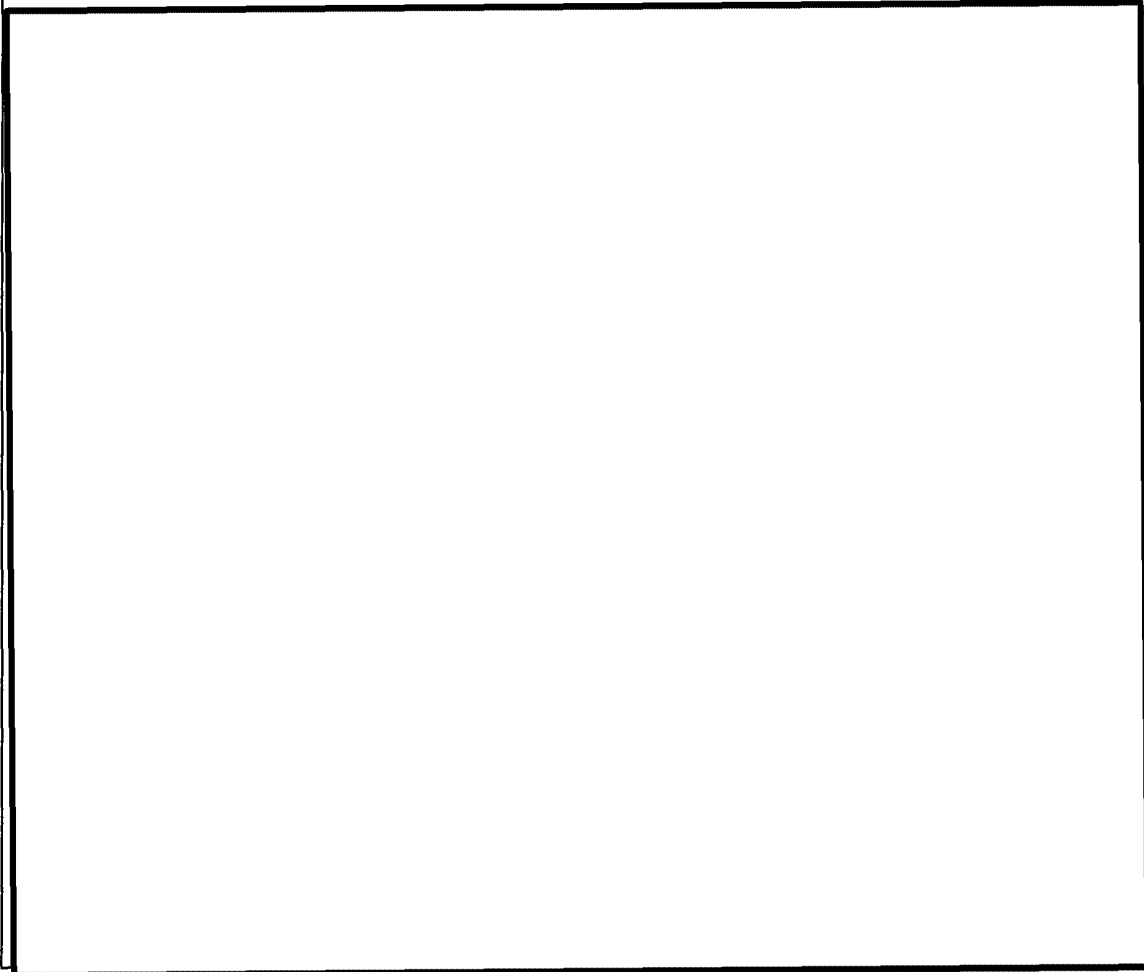


10. Summary Statistics for the Construction and Rental Income for the 88 Morgan Street Building

Tables 10-1 and 10-2 show the combined economic impact of constructing and rental income for the 88 Morgan Street Building. These results are the summation of the data given in Sections (8) and (9), so the individual cells simply represent the sum (or average) of these figures in the previous two sections.

Table 10-1. Increase in Employment, Output, and Earnings for Construction and Operation of the 88 Morgan Street Building

(b)(4)



(b)(4) Table 10-1 shows that [redacted] permanent new jobs would be created by the construction and rental income for the 88 Morgan Street building. Output would rise by about [redacted], and household earnings would increase by about [redacted]. Table 10-2 shows that the average output per new worker would be about [redacted] while average annual earnings would be about [redacted].

Table 10-2. Output and Earnings Per New Worker for Construction and Operation of 88 Morgan Street Building

(b)(4)

| |
|--|
| |
|--|

Appendix: Resume of Dr. Michael K. Evans

mevans@evanscarrollecon.com

CURRENT AND PREVIOUS POSITIONS

- Chairman, *Evans, Carroll & Associates, Inc.*, 1980-present (previously Evans Economics)

Economic consulting firm specializing in EB-5 immigration analysis, economic impact studies of development projects and new construction, models of state and local tax receipts, impact of current and proposed government legislation, and construction of econometric models for individual industries and companies.

- Chief Economist, *American Economics Group*, 2000-2008.

Built a comprehensive state modeling system that provides economic analysis for a variety of consulting projects (see below).

- Clinical Professor of Economics, Department of Managerial Economics and Decision Sciences (MEDS), Kellogg Graduate School of Management, Northwestern University, 1996-99.

Taught courses in macroeconomics and business forecasting. Wrote textbooks for both courses.

- Winner of Blue Chip Economic Indicator Award for most accurate macroeconomic forecasts during the past four years, November 1999
- Founder and President, *Chase Econometric Associates*, 1970-1980
- Assistant and Associate Professor of Economics, Wharton School, University of Pennsylvania, 1964-69. Co-developer of the original Wharton Model.
- Visiting Professor, Radford University, (Radford, VA), 1987

Chairman of Institute for International Economic Competitiveness

- Visiting Lecturer, Hebrew University (Jerusalem), 1966-67

Built econometric model of the Israeli economy

- Ph. D. in Economics, Brown University. Dissertation, "A Postwar Quarterly Model of the United States Economy, 1948-1962". A. B. in Mathematical Economics, Brown University

PREVIOUS ACTIVITIES AND EDUCATION

- Contributing Editor, *Industry Week*

Wrote a column in each issue on economic and financial trends as they impact the manufacturing sector.

- Editor, *The Evans Report*

Weekly newsletter discussing economic trends and financial markets. Pioneered the concept of the Monthly Tracking Model to incorporate recent economic releases into the overall economic forecast, including methods to predict these economic data.

- Consultant, *National Printing Equipment and Supply Association*

Prepared quarterly forecasts of shipments of printing equipment and graphic arts supplies by product line, based on an econometric model constructed for NPES. Also prepares analysis and forecasts of exports and imports by principal product line.

- Consultant, *APICS -- The Educational Society for Resource Management,*

Designed and developed the *APICS Business Outlook Index*, which used survey data collected by the Evans Group to measure current production, production plans, shipments, employment, new orders, unfilled orders, inventory stocks, and the comparison of the actual to desired inventory/sales ratio to predict short-term changes in manufacturing sector activity. The results of this survey appeared every month in *APICS: The Performance Advantage*

- Consultant, *American Hardware Manufacturing Association*

Wrote a separate weekly edition of the Evans Report analyzing recent trends in the hardware and housing industries, including forecasts of the hardware industry based on an econometric model developed for AHMA.

- Board of Economists, *Los Angeles Times*

Wrote column every 6 weeks (5 other economists on the Board)

- Columnist, *United Press International*

Wrote twice-weekly column, "Dollars and Trends"

- Consultant, Senate Finance Committee,

- Built the first large-scale supply-side model of the U. S. economy
- Consultant, Environmental Protection Agency and Council on Environmental Quality
 - Estimated inflationary impact of government regulations
- Consultant, National Aeronautics and Space Administration
 - Estimate impact of R&D spending on productivity growth
- Consultant, U. S. Treasury
 - Estimated impact of investment tax credit and accelerated depreciation on capital spending by industry
- Consultant, U. S. Department of Agriculture
 - Built large-scale econometric model of agricultural sector of U. S. economy
- Consultant, Organization of Economic Cooperation and Development
 - Built econometric model of the French economy

SAMPLE OF RECENT CONSULTING PROJECTS

A. Economic Impact of EB-5 Immigrant Investor Programs and New Markets Tax Credits

For more information on these projects, see www.evansb5.com

Key to symbols: N, new regional center, E, extension of existing center

List is current as of November 5, 2010. Totals to date are 136 new regional centers, 72 extensions, and 7 new markets tax credits, for a total of 215 projects

- N● Calculated the economic impact of the construction and operation of an assisted living center in Santa Ana, CA
- N● Calculated the economic impact of the construction and operation of several BBQ restaurants in South Florida.
- N● Calculated the economic impact of the drilling oil wells in 8 counties in Texas and Louisiana.

- N● Calculated the economic impact of operating coal mines for metallurgical coal in West Virginia.
- N● Calculated the economic impact of operating gold mines in Alaska.
- N● Calculated the economic impact of constructing and operating a mixed-use commercial center in Flushing, NY
- N● Calculated the economic impact of constructing and operating two hotels, one in downtown San Diego, and one in Escondido, CA
- N● Calculated the economic impact of expanding and operating an auto racing track in Palm Beach, FL
- N● Calculated the economic impact of building and operating mobile housing villages for disaster relief.
- N● Calculated the economic impact of operating an “incubator” for research on medical devices, preparations, and services in Houston, TX.
- N● Calculated the economic impact of constructing and operating a mixed-use commercial center in Denver, CO.
- N● Calculated the economic impact of constructing and operating a charter school in Miami/Dade County, FL
- E● Calculated the economic impact of constructing and operating a hotel in Manhattan, NY
- N● Calculated the economic impact of constructing and operating hotels, assisted living centers, and mixed-use commercial buildings in 8 counties in Southern California
- N● Calculated the economic impact of constructing and operating a charter school in Broward County, FL
- N● Calculated the economic impact of renovating a former public housing project in Chicago, IL
- N● Calculated the economic impact of starting a high-tech company for optical displays in Orlando and Gainesville, FL
- N● Calculated the economic impact of constructing and operating luxury hotels in four Southern California counties
- E● Calculated the economic impact of expanding a manufacturing company in Ann Arbor, MI

- N● Calculated the economic impact of reconverting an old mill building into offices and other commercial uses in Bristol County, MA
- N● Calculated the economic impact of a film and TV production studio in Los Angeles, CA
- N● Calculated the economic impact of constructing and operating various residential and commercial buildings in 35 Texas counties.
- N● Calculated the economic impact of constructing and operating the world's tallest residential structure in Chicago, IL
- N● Calculated the economic impact of constructing and operating a mixed-use commercial and residential building in Seattle, WA
- N● Calculated the economic impact of constructing and operating a hotel in Cleveland, OH
- N● Calculated the economic impact of a research facility in Jupiter, FL
- N● Calculated the economic impact of constructing and operating an assisted living center in Horry County, SC
- N● Calculated the economic impact of constructing and operating a chain pharmacy in Chicago, IL
- E● Calculated the economic impact of constructing and operating a high-end hotel and resort in Aspen, CO
- N● Calculated the economic impact of constructing and operating an assisted living center in Dallas, TX
- E● Calculated the economic impact of constructing and operating a medical assistance company in Bronx, NY
- E● Calculated the economic impact of constructing and operating a mixed-use commercial building in Queens, NY
- E● Calculated the economic impact of operating a livery service in Queens, NY
- N● Calculated the economic impact of constructing and operating residential properties in Southern California
- N● Calculated the economic impact of operating a film and TV production studio in Los Angeles, CA
- N● Calculated the economic impact of drilling oil wells in Montana

- N● Calculated the economic impact of constructing and operating various residential and commercial buildings for 43 counties in Texas
- E● Calculated the economic impact of constructing and operating a restaurant and dinner theater in Guam
- N● Constructed an input/output model for the Commonwealth of the Northern Mariana Islands, and used it to calculate the economic impact of constructing and operating a restaurant in Saipan.
- E● Calculated the economic impact of constructing and operating a new hotel in Miami, FL
- E● Calculated the economic impact of constructing and operating a resort and wellness center in South Florida
- N● Calculated the economic impact of expanding and operating a ski resort in Vermont.
- N● Calculated the economic impact of constructing and operating residential and commercial buildings in 20 counties in South Central Texas
- N● Calculated the economic impact of constructing and operating a hotel near the Newark, NJ airport
- E● Calculated the economic impact of constructing and operating a company to process health insurance benefits in South Florida
- E● Calculated the economic impact of constructing and operating a veterinary hospital in Palm Beach County, FL
- N● Calculated the economic impact of constructing and operating various residential and commercial buildings for all counties in MA, CT, RI, and NH
- N● Calculated the economic impact of constructing and operating a residential construction company in Maryland
- N● Calculated the economic impact of constructing and operating various residential and commercial buildings for the entire state of Oklahoma
- N● Calculated the economic impact of constructing and operating a company for manufacturing dental implants in Cuyahoga County, OH
- N● Calculated the economic impact of constructing and operating a mixed-use commercial facility in Brooklyn, NY

- N● Calculated the economic impact of constructing and operating an office building for financial services in downtown Manhattan, NY
- N● Calculated the economic impact of constructing and operating a mixed-use facility in Southern California
- N● Calculated the economic impact of constructing and operating a retail shopping center in Tampa, FL
- N● Calculated the economic impact of constructing and operating a retail shopping center in Tampa, FL
- N● Calculated the economic impact of constructing and operating a mixed-use commercial building in Seattle, WA
- N● Calculated the economic impact of constructing and operating a charter school in Arizona
- N● Calculated the economic impact of constructing and operating a resort in northeastern Utah
- N● Calculated the economic impact of operating an online video game company
- N● Calculated the economic impact of constructing and operating a hotel in New York City
- N● Calculated the economic impact of constructing and operating a fashion mall in South Florida
- E● Calculated the economic impact of construction and operation of a new automobile assembly plant in Petersburg, VA
- N● Calculated the economic impact of operating a call center for the U.S. government in Muskogee, OK
- N● Calculated the economic impact of developing a mixed-use commercial and residential center in Scottsdale, AZ
- N● Calculated the economic impact of constructing and operating a “Green Box” facility in New Jersey to process waste material on a pollution-free basis.
- N● Calculated the economic impact of constructing and operating a “Green Box” facility in Washington State to process waste material on a pollution-free basis.
- E● Calculated the economic impact of constructing and operating a new hotel in Coral Gables, FL

- E● Calculated the economic impact of developing a new residential community in Brevard County, and retail stores and restaurants in St. Lucie County, FL
- N● Calculated the economic impact of a new business to store and process field crops in Madison, MS
- N● Calculated the economic impact of operating food service establishments and assisted living centers in 40 counties in Texas.
- E● Calculated the economic impact of developing a mixed-use commercial center in Miami, FL
- N● Calculated the economic impact of renovating a theater in New York City to show film highlights of previous Broadway hits.
- N● Calculated the economic impact of renovating and operating distressed buildings in the San Francisco Bay area.
- E● Calculated the economic impact of a mixed-use commercial center in Montgomery County, TX
- E● Calculated the economic impact of expanding a manufacturing facility to produce more energy-efficient lighting in Sarasota, FL
- N● Calculated the economic impact of developing facilities for amateur sporting events in northern GA
- N● Calculated the economic impact of developing a mixed-use commercial center in Missoula, MT
- N● Calculated the economic impact of operating call centers in Las Vegas, NV, and other western Nevada counties
- E● Calculated the economic impact of constructing and operating a proton cancer treatment center in Boca Raton, FL
- E● Calculated the economic impact of constructing and operating a “Green Box” facility in Detroit to process waste material on a pollution-free basis.
- E● Calculated the economic impact of renovating and expanding commercial property in Lower Manhattan
- N● Calculated the economic impact of constructing student housing and retail stores in Davie, FL

- E● Calculated the economic impact of constructing residential housing near Harvard University
- E● Calculated the economic impact of developing mixed-use commercial centers in Broward County, FL
- E● Calculated the economic impact of renovating a Dallas apartment building
- E● Calculated the economic impact of renovating and operating a nursing home in Las Vegas, NV
- E● Calculated the economic impact of constructing a hotel and shopping center in Miami, FL
- E● Calculated the economic impact of developing a design center in Miami/Dade county, FL
- E● Calculated the economic impact of developing and operating a chain of children's playrooms and party facilities in South Florida
- E● Calculated the economic impact of developing a new stadium for the Nets basketball team, to be located in Brooklyn, NY
- E● Calculated the economic impact of developing a Marriott hotel in Washington, D.C.
- E● Calculated the economic impact of developing and operating a casino for foreign patrons in Las Vegas, NV
- E● Calculated the economic impact of operating a series of yogurt fast-food restaurants in South Florida
- E● Calculated the economic impact of constructing steel homes and commercial buildings in South Florida
- N● Calculated the economic impact of construction and operation of a farm distillery in Vermont
- N● Calculated the economic impact of purchase and renovation of deeply discounted residential properties in South Florida
- N● Calculated the economic impact of a hotel to be built near LaGuardia Airport in Queens, NY
- N● Calculated the economic impact for several mixed-use commercial and residential properties for a regional center covering southern Wisconsin and northern Illinois.

- N● Calculated the economic impact for mixed-use commercial project in Flushing, NY
- E● Calculated the economic impact for major new hotel near the Washington, D. C. conference center
- N● Calculated the economic impact of an assisted living center in suburban Atlanta, GA
- N● Calculated the economic impact of an office tower in mid-town Manhattan for the diamond trade
- N● Calculated the economic impact of three mixed-use commercial and residential projects in Santa Clara County, CA
- N● Calculated the economic impact of six mixed-use commercial and residential projects in Los Angeles, Orange, Riverside, and San Bernardino counties
- N● Calculated the economic impact of operating a chain of pizza restaurants in southern Florida.
- N● Calculated the economic impact of constructing and operating an assisted living facility in Atlanta, GA
- E● Calculated the economic impact of constructing and operating an expansion of University Hospital in Cleveland, OH
- E● Calculated the economic impact of a wastewater treatment plant in Victorville, CA
- N● Calculated the economic impact of drilling for geothermal energy and constructing and operating power plants in several counties in Nevada
- E● Calculated the economic impact of a vacation club operation in Orlando, FL
- E● Calculated the economic impact of constructing and operating an extended-stay hotel in Boston, MA
- E● Calculated the economic impact of constructing and operating an assisted living facility in Walton County, FL
- N● Calculated the economic impact of manufacturing and constructing residential and commercial steel modular buildings in Lee County, FL
- E● Calculated the economic impact of a chain of yogurt and juice stores and restaurants in southern Florida

- E● Calculated the economic impact of two mixed-use commercial developments in Orange County, CA.
- E● Calculated a Targeted Employment Area by census tracts for six counties in the Houston, TX metropolitan area
- E● Calculated the expansion of new hybrid car manufacturing facility from Mississippi to Tennessee and Virginia.
- E● Calculated the economic impact of construction and operation of a skilled nursing facility in Las Vegas, NV.
- N● Calculated the economic impact of construction and operation of a proton cancer treatment center and medical offices buildings in Los Angeles County, CA.
- E● Determined the economic impact of improving facilities at the Port of Baltimore in order to attract more shipping from the Panama Canal when the locks are widened.
- N● Calculated the economic impact of a major hotel and resort area in Ft. Lauderdale, FL.
- N● Calculated the economic impact of building steel homes in South Florida, including the local manufacture of steel fabricated parts.
- E● Calculated the economic impact of constructing and operating a hotel at Times Square in New York City.
- N● Calculated the economic impact of a mixed-used residential and commercial project in Atlanta, GA.
- E● Calculated the economic impact of expanding and opening new restaurants in Dallas, TX. In a separate project, calculated the economic impact of renovating, refurbishing, and operating a boutique hotel in Dallas, TX.
- E● Calculated the economic impact of building and operating low-income housing in Boston, MA.
- N● Calculated the economic impact of constructing and operating assisted living facilities in eight rural Texas counties.
- N● Calculated the economic impact of a mixed-use commercial project in Riverside County, CA.
- E● Calculated the economic impact of opening a manufacturing plant for “green” motor vehicles in the Detroit, MI area.

- E● Calculated the economic impact of constructing and operating hotels and restaurants in Columbus, MS.

- E● Calculated the economic impact of operating restaurants in the Hotel W in Hollywood, CA.

- N● Calculated the economic impact of a mixed-use commercial project in McCook, IL (suburban Chicago).

- N● Calculated the economic impact of constructing and operating a water-based amusement facility in San Diego, CA.

- N● Calculated the economic impact of a mixed-use commercial facility in suburban Cincinnati, OH (project is in KY).

- E● Calculated the economic impact of constructing and operating a casino, hotel, and restaurant in Las Vegas, NV.

- N● Calculated the economic impact of a new academic institution for alternative energy in Santa Clarita, CA.

- N● Calculated the economic impact of several mixed-used projects in San Francisco, Alameda County, Santa Clara County, and Fresno County.

- N● Calculated the economic impact of a super energy store and solar farm in Riverside County, CA.

- N● Calculated the economic impact of a prostate cancer treatment center in South Carolina.
- E● Calculated the economic impact of refurbishing and expanding retail space at the George Washington Bridge in New York City.

- E● Calculated the economic impact of building Atlantic Yards, new stadium for the New York Nets, in Brooklyn, NY

- N● Calculated the economic impact of an assisted living center and several mixed-use commercial facilities in the Reno, NV area.

- E● Calculated the economic impact of buying residential properties at deep discount prices, refurbishing and selling them, in South Florida.

- N● Calculated the economic impact for a fractional-ownership marina in Port Charlotte, FL, plus office space, retail stores, restaurants, and a home brokerage office.

- N● Calculated the economic impact of construction and operation of four retirement homes in Vermont.

- E• Calculated the economic impact of an upscale retail shopping center in Vail, CO. and a medical office building in Edwards, CO (both in Eagle County).
- E• Calculated economic impact of a wind turbine manufacturing plant in Larimer County, CO
- N• Calculated economic impact of a hotel, retail stores, restaurants, office buildings, and bank facilities in Pasadena, CA
- N• Calculated economic impact of a luxury hotel and condominiums in Destin, FL
- N• Calculated economic impact of constructing and operating a mixed-use commercial project in Jupiter, FL
- E• Determined whether 17 possible restaurant locations in Miami/Dade and Broward Counties qualified as Targeted Employment Areas.
- E• Determined the economic impact of opening and operating a slot-machine casino in Hanover, MD, as part of a proposed EB-5 regional center for the Baltimore metropolitan area.
- N• Calculated the economic impact of renovating and expanding a restaurant on Martha's Vineyard, MA, as part of an EB-5 regional center in that state.
- N• Determined the economic impact of assembling and installing solar panels for residences in the state of LA.
- E• Determined a Targeted Employment Area for Dallas, TX as part of a proposed EB-5 regional center for the Dallas area.
- N• Calculated the economic impact for various mixed used projects for a proposed regional center for the entire State of Texas, including shopping centers, office buildings, restaurants, assisted living centers, medical technology facilities, and other personal and business services.
- N• Calculated the economic impact for the construction and operation of several fast-food restaurants in 10 counties in central California.
- N• Calculated the economic impact for the renovation and expansion of a shopping mall in Greenville, SC.
- E• Calculated the economic impact of buying existing apartment buildings at deep discount prices, renovating and operating them, in 21 counties in FL.
- N• Calculated the economic impact of building and operating an institute for proton cancer therapy for a proposed EB-5 regional center in Brooklyn, NY.

- N• Calculated the economic impact of building and operating a mixed-use facility with medical offices, hotels, and apartments for a proposed EB-5 regional center in Queens, NY.
- E• Determined a Targeted Employment Area for Philadelphia, PA as part of a proposed EB-5 regional center for the Philadelphia area.
- N• Calculated the economic impact of a proposed office building and mixed-use facility for an EB-5 regional center in Dallas, Texas
- N• Calculated the economic impact for various mixed-use projects for a proposed EB-5 regional center in the greater New York City area, including an extended stay hotel, urgent care center, financial lending firm for alternative assets, retail stores, apartments, office space, warehouses, industrial “flex” space, entertainment centers, restaurants, conference and convention centers, nursing home and assisted living facilities, medical offices, medical technology facilities, and high-tech manufacturing.
- N• Calculated the economic impact of “green” hotels in 10 counties in Central California.
- N• Calculated the economic impact of generic projects in manufacturing, financial services, health services, hotels, and restaurants for a proposed regional center for the state of Florida.
- E• Calculated the economic impact of 12 different types of economic activity for an expansion of the Palm Beach Regional Center to five contiguous counties.
- N• Calculated the economic impact of a new auto parts plant in Alabama to supply parts to Kia automobiles.
- N• Calculated the economic impact of opening fast-food restaurants in Miami/Dade and Broward counties in FL.
- N• Calculated the economic impact of a mixed-use commercial center in Flushing, Queens County, NY.
- E• Calculated the economic impact of revitalizing and renovating part of the Brooklyn Navy Yard for “green” manufacturing facilities.
- E• Calculated the economic impact of 12 different types of economic activity for various counties in Charlotte and Sarasota counties, FL
- E• Calculated the economic impact of four new manufacturing and distribution companies in Palm Beach County, FL.
- N• Calculated the economic impact of developing a resort area and building residences in rural Tennessee.

- N• Calculated the economic impact of developing and operating a resort area in Southern Arizona.
- N• Calculated the economic impact of revitalizing the depressed East Side of Cleveland, Ohio, with new commercial and industrial buildings.
- N• Determined the nationwide economic impact of a \$1 billion investment in Mississippi for a new hybrid motor vehicle plant.
- N• Determined the economic impact of expanding a shipyard in Southeastern Louisiana.
- N• Calculated the economic impact of a new shopping center in Buena Vista, California, and two other generic shopping centers in Los Angeles and San Bernardino counties.
- E• Calculated the economic impact of enhancing resort areas in eight rural counties in Colorado.
- N• Calculated the economic impact of the rehabilitation of Fitzsimons Village in Aurora, Colorado, by adding an office building with medical labs, hotel, shopping center, and residences.
- E• Determined the economic impact of a mixed-use commercial center for the Kansas City metropolitan area.
- N• Calculated the number of jobs created for a film production company in New York City.
- N• Calculated economic impact of small-scale rooftop solar panels in various counties in California.
- N• Calculated economic impact of 7 different types of proposed businesses for a proposed regional center in the Bay Area of California.
- N• Determined the economic impact of a new biological research park, office building, and logistics center in Wooster, Ohio.
- E• Calculated the economic effect of a mixed-use urban renewal project in Cleveland, Ohio.
- N• Calculated economic impact of dairy farm and cheese processing plant in Northern California.

- N• Determined economic impact of a shipyard, food processing plant, and semiconductor plant for a proposed regional center in Louisiana and Mississippi.
- N• Calculated the economic impact of a new gaming casino in Natchez, Mississippi.
- N• Developed an Input/output Model for Guam, which was then used to calculate the economic impact of several generic projects.
- N• Calculated the economic impact of a retail shopping center in suburban Los Angeles County.
- N• Prepared an economic impact analysis for the “timber to homes” project for a proposed regional center in Colorado.
- N• Calculated the economic impact for a proposed regional center in Baltimore, Maryland that would include the rebuilding of depressed areas in East Baltimore and along the riverfront.
- N• Prepared the economic analysis for a proposed EB-5 regional center for the entire state of Florida that included impact calculations for 14 different types of industries.
- N• Prepared the economic analysis for a proposed EB-5 regional center in the San Francisco Bay area that included calculations for 10 different types of industries.
- N• Prepared economic impact calculations for proposed EB-5 regional centers in New York City and Northeastern New Jersey.
- Calculated the economic impact of a rehabilitated office building in Albuquerque, New Mexico, including the increase in high quality jobs. NEW MARKETS
- Calculated the economic impact of a rehabilitated skilled nursing center in East Los Angeles, California, including the impact on nearby census tracts. NEW MARKETS
- N• Calculated the economic impact of development of warehouse and light industrial manufacturing space in Las Vegas, Nevada.
- N• Calculated the economic impact of rehabilitation and expansion of a vacation and health spa in Sharon Springs, New York
- N• Calculated economic impact of revitalizing an old resort hotel and adding new facilities for Lake Geneva, WI.
- Calculated the employment and tax effects for a portfolio of projects undertaken under the New Market capital program. NEW MARKETS

E• Calculated generic employment changes for proposed EB-5 project for an Inland Port in Palm Beach County, FL

N• Calculated the economic impact of construction of El Monte Village in El Monte, CA.

- Calculated the economic impact of moving the Social Security Administration building in Birmingham, AL, and revitalizing the surrounding neighborhood. NEW MARKETS

- Calculated the economic impact of rehabbing and expanding the Everett Mall in Everett, WA. NEW MARKETS

- Determined the economic impact of building a new medical center in Charleston, SC
NEW MARKETS

N• Calculated economic impact of expanding Sugarbush resort in VT. Study included expansion of existing facilities and addition of new facilities.

- Calculated economic impact for new market tax credit program in Portsmouth, N.H. Study included both overall economic impact, and the increase in employment and income and the decrease in the unemployment rate and incidence of poverty in individual census tracts. NEW MARKETS

N• Calculated the economic benefits of EB-5 programs for foreign investors for a mixed-use construction project, including a hotel, retail stores, apartments, and a sports stadium in the Washington, D. C. metropolitan area

N• Calculated the economic benefits of EB-5 programs for a mixed-used retail shopping center in the New York City metropolitan area.

N• Calculated the economic benefits of EB-5 programs for foreign investors for proposed shopping centers in five separate counties in Southern California, including differential impacts of building the shopping centers in different counties.

B. Projects for State and Local Governments

- Constructed an econometric model for the State of New York and determined the change in employment, labor income, and tax revenues for 43 different tax changes proposed by the Governor's office.

- Constructed a detailed econometric model for the State of Pennsylvania to determine the economic impact of the complete panoply of state taxes levied; the model contains over 1,000 equations. In cooperation with American Economics Group, the model was

developed to simulate the effect of changes in any state tax rate on households and businesses by income deciles, household status, age of individuals, size of households, and many other demographic variables. The change in business taxes can also be simulated for detailed industry classifications.

- Determined whether the Washington, D.C. water and sewer authority should accept a high bid for a new waste disposal system. Decision to reject has saved the authority over \$200 million, as construction prices turned down sharply as predicted.
- Built an econometric model to determine the “tax gap” caused by Internet sales for the state of Minnesota.
- Determined appropriate levels of shelter grants individual counties in New York State, and for utility allowances in New York City. Reviewed and prepared testimony in ongoing court cases in these areas.
- Calculated the economic impact of the revitalization of downtown Milwaukee, Wisconsin.

C. Economic Impact of Casino Gaming

- Built an econometric model to predict the growth of the gaming industry over the next decade, and the economic impact of that industry on employment and tax revenues at the Federal and state levels.
- Estimated the economic impact of Indian casino gaming nationally and for the State of Wisconsin.
- Determined the economic impact of the Oneida Indian gaming casino on the Green Bay metropolitan area.
- Estimated the negative economic impact on the Milwaukee area if a new Indian gaming casino were to be built in Kenosha, Wisconsin.

D. Economic Impact of Smoking Bans and Higher Taxes

- Testified on economic impact of smoking bans in Canada; certified as an expert witness by the Court.
- Examined the impact of smoking bans on restaurant sales in several different locations in the U.S. to determine how much sales changed when these bans were imposed, and the differential effects depending on whether these bans were partial or total.

- Determined the cross-border effects on retail sales from differential rates in cigarette, gasoline, and alcohol excise taxes
- Determined the economic impact of higher cigarette taxes on minority group employment.
- Estimated the economic impact and loss of Federal and state tax revenues when higher cigarette prices lead to increased smuggling.

E. Consulting Projects for Travel and Tourism

- Built an econometric model to predict tourism trips and revenues for the major regions of the U.S. economy.
- Constructed econometric models to predict tourism in Las Vegas and Orlando.
- Using the IMPLAN model, predicted economic impact of tourism and travel expenditures for all counties in Pennsylvania.

F. Other Private Sector Consulting Projects

- Calculated the revenue gain at the Federal, state and local level generated by domestic manufacturing of Airbus parts and equipment.
- Calculated the economic impact of proposed EPA bans on fluoropolymer production.
- Estimated the size and economic importance of the fluoropolymer industry, and calculated economic impact of shutting down domestic production.
- Built an econometric model to examine how U.S. tax and regulatory policies help determine whether the gold mining industry would invest in the U.S. or other countries. Testified before Congress to help defeat legislation inimical to the mining industry.
- Built an econometric model to predict consumer bankruptcies, based on recent growth in consumer credit outstanding, the overall economic environment, and recent changes in credit regulations
- Estimated the economic impact of the ethanol subsidy on the U.S. economy and Farm Belt States, including the impact on the balance of payments, employment, and tax receipts. Testified before Congress to help pass legislation to extent subsidies to the ethanol industry.

- Built an econometric model to determine the impact of updating and improving the system of locks on the Upper Mississippi River on corn prices and exports, farm income, and the overall economy.

BOOKS PUBLISHED

Macroeconomics for Managers, Blackwell, 2003

Practical Business Forecasting, Blackwell, 2002

Economic Impact of the Demand for Ethanol, Diane Publishing Company, 1998

How to Make Your Shrinking Salary Support You in Style for the Rest of Your Life, Random House, 1991

The Truth About Supply-Side Economics. Basic Books, 1983.

A Supply-Side Model of the U. S. Economy, mimeo (prepared for Senate Finance Committee), 1980.

An Econometric Model of the French Economy: A Short-Term Forecasting Model. O.E.C.D, March 1969.

Econometric Gaming (with L. R. Klein and M. J. Hartley). Random House, 1969.

Macroeconomic Activity: Theory, Forecasting and Control. Harper & Row, 1969.

The Wharton Econometric Forecasting Model (with L.R. Klein), Economics Research Unit, Wharton School: University of Pennsylvania Press, 1967. Enlarged edition, 1968.

Over 30 articles in major academic journals and publications (list on request)

DOCUMENT

TAB No.

Architect's Soft Construction Cost Budget for 88 Morgan Street Project

5.

3/1/2013

Kushner Companies
65 Bay Street / 88 Morgan Street, Jersey City

HPA#13046

(b)(4)

| | |
|--|---|
| Programming/Entitlement Phase Schematic Design Design Development Construction Documents Bid/Permitting Phase Architectural Sub Total Fee (Residential Tower) CA Phase MEP approx Structural approx Civil Jurisdictional Site Planning Construction Documents Project Meetings Construction Phase Services Approximate fees listed below for additional services: Landscape Interiors Acoustical Telecom Accessibility Consultant Waterproofing Lobby/Club/Fitness (assume 5,000 sq. ft.) Curtain wall consultant Total Fees | <div style="border: 2px solid black; height: 400px;"></div> |
|--|---|

*Fees are based on the terms of our AIA B101 master agreement

Parking and Tower is a replica of the Trump JC that is on same site. Fees based on the trump high rise architectural cad drawings (all CD elevations, parking garage and CD details) to be reutilized for the new rental apartment tower. Full release will be given from original architect to use plans. approx. 417 units with up to 5 new unit types per common floor and 5 alternate floor plans in different locations, common area and amenities. 5,000 Square ft. of Retail. Grace Jones and Walter Hughes are assigned to this project and are the primary contacts.

*For reimbursable expenses, the amount expended by the Architect will be billed pertaining to the Project as follows:

- A. Expense of transportation and living when traveling in connection with the Project, long distance calls, fax transmissions, and permit fees at a multiple of 1.0 times the amount expended. Personal plane travel will not be charged only comparable commercial fares.
- B. The expense of all reproductions including but not limited to, prints, photo copies, mylars, photo negatives, etc., as may be required in the normal preparation of documents, as well as CADD plots, postage, supplies, handling and delivery fees of all information between the Owner, the Architect, and various consultants or interested parties at a multiple of 1.0 times the amount expended.

Additional Services may be required if program change by ownership, additional services must be approved prior to billing

FOSTERQUAN, LLP

U. S. Department of Homeland Security

DHS3

3337

333712

QUAN, LLP

U. S. Department of Homeland Security

DHS3

3

333712

CHECK NO:

27

| O. | YOUR INVOICE NUMBER | INVOICE DATE | INVOICE AMOUNT | AMOUNT PAID | DISCOUNT TAKEN |
|--------|---------------------|--------------|----------------|-------------|----------------|
| 272231 | 272231 SHS | 12/18/12 | (b)(4) | | |

I-924 Mastroianni, Nicolas
410523.00000034/IAD/shs/ajb

(b)(4)

December 20, 2012

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

Via Federal Express

Re: Form I-924 Application EB-5 Regional Center Designation
Project Name: U.S. Immigration Fund – NJ
Applicant: U.S. Immigration Fund – NJ, LLC

**URGENT EXPEDITED PROCESSING REQUESTED TO ATTRACT
INVESTMENT TO THE NEW JERSEY SHORE AREA DEVASTED BY
HURRICANE SANDY**

Dear Ms. Melville:

We are hereby submitting the I-924 Application for Regional Center by U.S. Immigration Fund – NJ, LLC, to obtain initial designation by U.S. Citizenship & Immigration Services (“USCIS”) for the *U.S. Immigration Fund – NJ*.

The application is comprised of:

1. Filing Fee Check in the Amount of \$6,230 for Form I-924;
2. Form I-924 Application for EB-5 Regional Center, duly executed;
3. Form G-28 Notice of Entry of Appearance as Attorney, duly executed;
4. This letter (pages 1 through and including 22), and
5. An **Index**, and attached **Exhibits** numbered 1 through and including 27.

(collectively, the “Application”).

The Application contains confidential commercial information, pursuant to 5 U.S.C. Sec. 552(b)(4). Thus, the applicant requests pre-disclosure notification per Presidential Executive Order No. 12,600, 52 Federal Register 2371 (June 23, 1987), as to all information and evidence submitted as part of this Application.

1. Expedited Processing Request

Expedited Processing Request: We are submitting this Application with an urgent request for Expedited Processing due to the need to attract investment to the areas devastated by Superstorm Sandy in the events surrounding its landfall in New Jersey on October 29, 2012. The Territory of the Regional Center (as defined below), includes precisely the northern Jersey Shore area severely impacted by Superstorm Sandy in Hudson County, Ocean County, Essex County and Middlesex County.

We enclose a Memorandum at **Exhibit 23** that details the reason why this Application falls squarely within the USCIS requirements for Expedited Processing, supported by ample evidence at **Exhibits 24, 25 and 26** from Federal and State governments, and publicly available media sources, showing the urgent need for over **\$30 billion** in new investment into New Jersey and Hudson County, Ocean County, Essex County and Middlesex County, to rebuild after the devastation of Superstorm Sandy on the New Jersey Shore area.

2. The Applicant: U.S. Immigration Fund - NJ, LLC

U.S. Immigration Fund–NJ, LLC is a limited liability company newly organized under the laws of the State of Florida on December 7, 2012 (“USIF-NJ” or the “Company”). We enclose at **Exhibit 1** a copy of the Articles of Formation of the Company registered with the Secretary of State for New Jersey on December 7, 2012. The Company was formed to conduct any lawful business, and in particular, to own, manage and operate a designated Regional Center under the EB-5 Regional Center Pilot Program¹ named the *U.S. Immigration Fund - NJ* (“Regional Center”)

We enclose in **Exhibit 2** a copy of the Minutes of the Action of the Sole Member of the Company in Lieu of Organization meeting dated December 7, 2011 (“Minutes”). The key matters adopted in the Minutes included: adoption of the Company Agreement, and adoption of the form of the Certificate of Membership Interest. The Minutes were signed by the Sole Member, U.S. Immigration Fund, LLC (“USIF”).

¹ Immigration & Nationality Act (INA), Section 203(b)(5); Appropriations Act (1993), Section 610.

As of today, the ownership of the issued and outstanding membership interests in the Company is set out in the Table below:

| Member Name | % Ownership | No. of Units Owned | Member Certificate No. |
|-----------------------------------|-------------|--------------------|------------------------|
| (b)(4) U.S. Immigration Fund, LLC | | | 1 |

3. Geographic Territory of the Regional Center

The Regional Center’s geographic jurisdiction will be comprised of the contiguous territory of the following Counties in the State of New Jersey:

- Bergen County;
- Essex County;
- Hudson County;
- Middlesex County;
- Monmouth County;
- Passaic County;
- Union County, and
- Morris County (collectively, the “Territory”).

The perimeter of the geographic jurisdiction of the Regional Center is constituted by the uninterrupted outer boundary of the above-mentioned Counties in New Jersey. We enclose maps outlining the Territory in **Exhibit 5**.

The above-mentioned Counties collectively constitute parts of the New York – Northern New Jersey – Long Island Metropolitan Statistical Area, as defined by the U.S. Census Bureau. The Territory includes the cities of Jersey City, Newark, Hoboken and Elizabeth, in New Jersey, as well as many towns along the Jersey Shore such as Union Beach, Highlands, Monmouth Beach and Ocean Township. The Territory of the Regional Center is linked by proximity, economic integration and commuting patterns of its labor force. This is confirmed by the Economic Analysis attached at **Exhibit 22**.

4. Management of U.S. Immigration Fund - FL

Management of Structure of the Regional Center

In **Exhibit 6** we enclose a diagram of the corporate structure of the Regional Center. The Company is managed by one Managing Member, USIF. USIF is 100% owned and controlled by [REDACTED] Principal is the Managing Member of

[REDACTED] (b)(4)

By letter dated December 7, 2012, attached in **Exhibit 8**, USIF confirmed that Principal is the representative of USIF as the Managing Member the Company.

The Company encloses a detailed Operations Plan at **Exhibit 12**, which provides a description of the management structure, management personnel and processes that will be applied in project development for the Regional Center.

Management Team

As stated in the Operations Plan, USIF is the Managing Member of the Company and will manage daily operations of the Regional Center. USIF employs an experienced team of professionals who have the expertise and experience necessary to make the Regional Center a great success. The areas of expertise and operating capability include: real estate development, finance, marketing, legal and accounting.

USIF will charge a fee for its services to the Company. The Company will pay for the services delivered by USIF from revenue from the Management Fees described below. As the Company grows, additional capability will be added to the Company.

USIF's team of managers and professionals provide similar services to two (2) other EB-5 regional centers owned or operated by Principal: Florida Regional Center (RCW 319-10194 / Unique I.D. # 1031910194), and U.S. Immigration Fund – NY. Thus, they are a management team very experienced in the EB-5 program and in real estate development.

The following are key managers and professionals of USIF who will contribute their time and know-how to the launch and continuing operations of the Regional Center:

| Name | Title |
|------------------------------|----------------------------|
| Nicholas A. Mastroianni, II | Manager & Principal |
| David Finkelstein | Chief Financial Officer |
| Mark Giresi | General Counsel |
| Nicholas A. Mastroianni, III | Marketing Manager |
| Sandy Albanese | Investor Relations Manager |

Biographies of the key managers stated above are enclosed in the Operations Plan enclosed at **Exhibit 12**. This team of key managers and professionals has successfully taken real estate development projects from start-to-finish. They have turned ideas into designs and plans; negotiated the contracts required for a project; raised the financing; completed construction, and then brought the project into operations.

The key managers will collectively review new investment projects for the Regional Center, using analysis of market data; launch budget estimate; cash flow projections, financial and contract terms, and incorporating the where appropriate the analysis and advice of the Regional Center's outside advisors. Once a project is considered viable for the Regional Center, job creation estimates will be obtained from the economic consultant for the Regional Center, and final project structure will be determined. Project documents, such a private placement memorandum, will be developed with the assistance of outside corporate and immigration counsel. If the project presents novel issues, the Regional Center may avail itself of the opportunity to present to USCIS of an exemplar I-526 petition.

USIF will retain the services of additional staff as needed to meet the needs of the Regional Center. All potential new Regional Center team members will be required to have the proper background, experience and education to fill their roles.

In addition to the team of managers and professionals that work for USIF, the Regional Center will hire highly qualified outside advisors to assist them in the design, application and operation of the Regional Center (as described in the Operations Plan):

Lead Securities Law Counsel. Attorney Andrew Kingston will be the lead Securities Law counsel to the Regional Center. Andrew Kingston has over 15 years of

experience in public and private offerings of securities and has successfully advised EB-5 regional centers on previous private securities offerings.

Economic Analyst. The Regional Center will use the services of Evans, Carroll & Associates as economic analysts for its job creating projects. Evans, Carroll & Associates has prepared hundreds of successful economic impact analyses for EB-5 regional center projects throughout the United States. Michael Evans, Ph.D., will be the lead economist for the Regional Center.

Lead Immigration Counsel. FosterQuan, LLP, an experienced immigration law firm with extensive experience in EB-5 projects. The expertise of experienced EB-5 attorneys will ensure compliance with USCIS rules and standards in the content of deal structuring; I-526 visa petitions, and I-829 petitions on behalf of the Regional Center. The lead attorney for FosterQuan, LLP will be Ignacio A. Donoso, Esq.

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Banking Services. The Regional Center will utilize the [redacted] for all escrow banking services of the Regional Center (or a similarly reputable bank such as [redacted])

Premises. The operations for the Regional Center will be conducted from its corporate offices located in 1295 U.S. Highway One, Suite 300, North Palm Beach, Florida 33408, and Telephone (561) 799-1883. The offices of the EB-5 Regional Center are located on the main offices of USIF, which is providing these offices and personnel as part of the Management Fee to the Regional Center.

5. Start-up Capital and Financial Projections of Regional Center Operations

The enclosed Operations Plan describes the start-up capital that has been and is being dedicated to the development and launch of operations of the Regional Center (see **Exhibit 12**). The start-up budget of expenses of the Regional Center was approximately [redacted] from the start of the project until the I-924 application was filed. These expenses, include, without limitation: the legal formation of the Company (U.S. Immigration Fund – NJ, LLC) and its necessary corporate entities; economic consulting services related to the economic impact of the Regional Center’s first projects; negotiation of required contracts, and preparing of an application to USCIS for approval as a Designated Regional Center under the EB-5 Pilot Program. The start-up capital of the Regional Center was provided (and is being provided) by the Principal, directly, or indirectly through his company, USIF.

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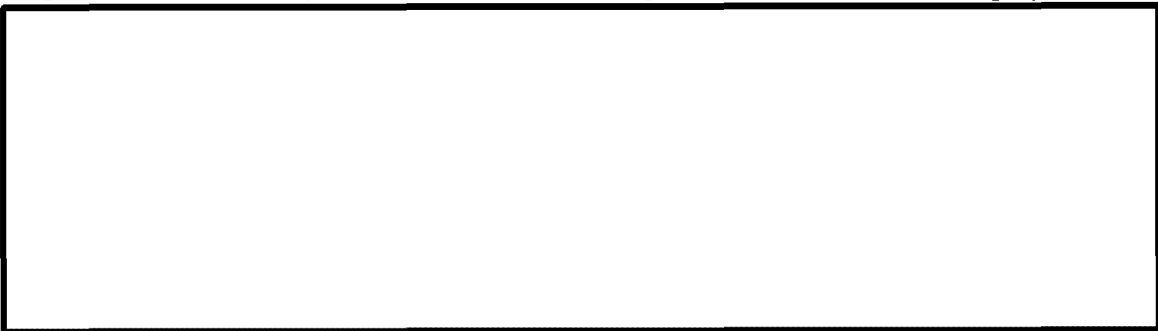
The Regional Center is being provided with cash on-hand by USIF to support the operations of the Regional Center during its initial launch period. The amount of [redacted] has been committed by USIF to the Company to be used in the future to pay for expenses including: initial marketing of the Regional Center; design of a web-page; further legal advice on securities issues and immigration issues, and hiring attorneys and economists to prepare the final set of investment documents for the Regional Center's first two projects. USIF executed a financial commitment letter dated December 7, 2012, which is enclosed at **Exhibit 8**. This letter serves to confirm the financial commitment of USIF to the Company and the Regional Center project, and confirms its significant cash resources of over [redacted] to the development, launch and operation of the Regional Center. Exhibit 13 includes a copy of the bank account statement of the operating checking account of USIF confirming a recent balance of over [redacted]. We also enclosed sample invoices paid by USIF for the launch of the Regional Center in **Exhibit 13**. Thus, the start-up capital and financial commitment of USIF will be sufficient to launch operations and see the project through to fruition over the coming years. The Regional Center therefore has sufficient financing already to pay for its launch costs, and consequently is not relying on financing from the Administrative Fee paid by EB-5 Investors in its Projects, or the Management Fee, to pay for the expenses of initiating operations.

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Revenue Projections

The Operations Plan at Exhibit 12 includes the financial projections and budget expenditures of the Regional Center, which are reproduced below. Revenue projections

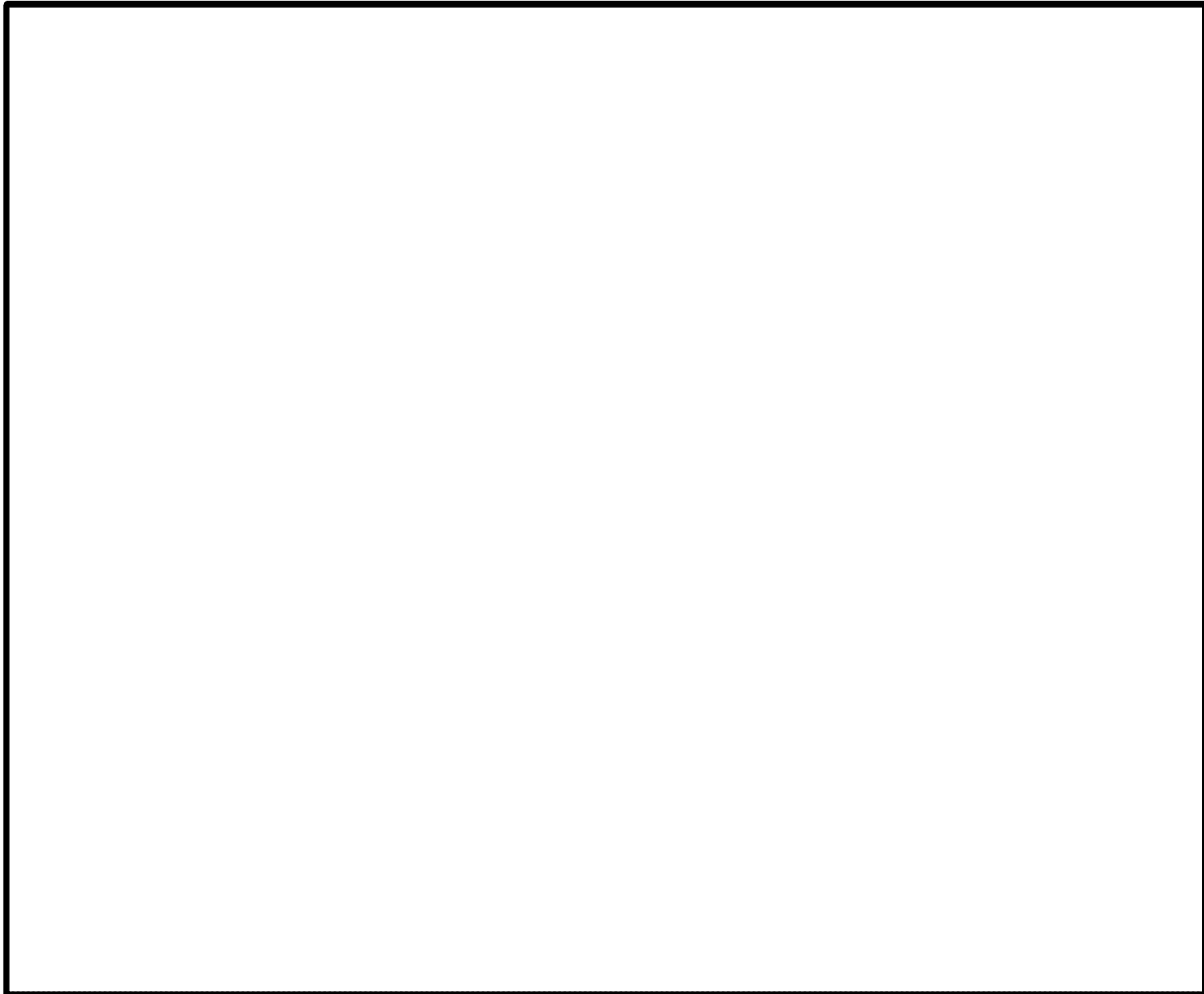
(b)(4)



for the projected projects. Based on this timetable and the assumptions described below, the Operating Budget and Cash Flow Projections for the Regional Center are as follows:

(b)(4)

Budget & Cash Flow Projections – USIF-NJ for FY2013 (From Operations Plan)



Operating Budget and Cash Flow Projection Assumptions:

- i. An application fee payable from the Developer is estimated at approximately [redacted] per project.
- ii. A Management Fee of [redacted] of the Loan per annum is estimated for the each project, payable quarterly while the loans are outstanding.
- iii. From the Administrative Fee that each foreign investor pays (not from their capital investment), a Processing Fee of [redacted] will be paid to the Regional Center.
- iv. The fees for the services of USIF are not projected to be paid until the first I-526 is filed, estimated to occur in the 2nd quarter of 2013
- v. The premises of the Company are being provided by USIF as part of the management services provided by USIF in its capacity as Sole Member

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and Manager. The rent expense is projected at [redacted] per month commencing in the 2nd quarter of 2013 and will be paid from the revenue generated by either Project application fees or funding support from USIF. The sharing of space with other affiliated companies of Nicholas A. Mastroianni II will keep office expenses to a minimum.

- vi. All expense line items are increased by [redacted] annually.
- vii. New projects are expected to begin development during 2014; hence, the stream of cash flow to support the Regional Center is expected to continue for many years to come. In the following example, one new project, the 88 Morgan Street Project, with 110 EB-5 Investors is forecast for the calendar year commencing January 1, 2014. The same fee structure as in the current projects was used for the projected projects.

** [redacted] in beginning period represents expenses paid from 7/1/12 for RC formation.

(b)(4)

Investor Administrative Fees. Revenues will, in part, be generated by assessing an Administrative Fee equal to [redacted] payable by each EB-5 Investor at the time of their subscription for an investment in one of the Regional Center's projects. The Administrative Fee will be in addition to each EB-5 Investor's capital investment of \$500,000 or \$1,000,000, depending on the TEA designation of each project. The Administrative Fee may change in the future depending on market conditions.

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Management Fee. The Management Fee charged by the Regional Center to the New Commercial Enterprise (sometimes referred to herein as an "Entity") of each project will be [redacted] per annum of the total principal amount outstanding under the Loan from time to time, cumulative but not compounded, payable quarterly while the Loan is outstanding. ("Management Fee"). The Management Fee will be charged by the Regional Center directly or through the General Partner of the Entity, which will be a company affiliated with USIF and the Principal's group of companies. In the St. Lucie Project, the General Partner is U.S. Immigration Funds GP- Santa Lucia, LLC. In the Via Mizner Project, the General Partner is Florida Regional Center, LLC.

The Management Fee will only be paid from profits of the Entity and not from the EB-5 Investor's Capital Contribution: no EB-5 Investor Capital Contribution will be used to pay the Management Fee.

By letters dated December 7, 2012, USIF and Principal confirm to USCIS that the Capital Contribution paid by EB-5 Investor will only be used to pay for capital investment activities of the job-creating project sponsored by the Regional Center (See **Exhibit 13**).

In conclusion, the Regional Center will be managed as a “well-capitalized” company. The operating revenue projections set out above are considered by USIF to be conservative based on the anticipated activity level. USIF will identify future regional projects and these will continue to fund the Company and the Regional Center into the future.

6. Economic Sectors of the U.S. Immigration Fund - NJ

NAICS Codes

The Regional Center’s investment in new projects will focus in the following industries and economic sectors, which are described according to the North American Industry Classification System codes and titles (collectively, the “Industry Categories”):

| Industry Name | NAICS Code |
|---|------------|
| Commercial and Institutional Real Estate Construction | 2362 |
| Residential Real Estate Construction | 2361 |
| Lessors of Real Estate | 53111 |
| Architectural, Engineering & Related Services | 5413 |

The Industry Categories derive from the two sample projects of the Regional Center, which are described in the Business Plan. The 88 Morgan Street Project Business Plan is attached at **Exhibit 19**. The Industries Categories are designated and applied in the Economic Analysis that determines the economic impact of each Project. The 88 Morgan Street Project’s Economic Analysis is attached at **Exhibit 20**.

7. Standard Project Structure for Regional Center

As described in the enclosed Operations Plan, the organizational methodology and structure of the Regional Center will be to use newly organized New Jersey Limited Liability Companies (or, on occasion, a new limited partnership) to pool capital from EB-5 Investors in exchange for an equity ownership of said Limited Liability Company. Such

Limited Liability Company will be referred to herein as an “Entity”. Please see the Diagram of the Regional Center enclosed at Exhibit 6.

The Company will form a new Entity under New Jersey law for each new project promoted under the Regional Center. USIF will participate as Manager of each Entity, either directly or through a wholly-owned subsidiary company whose sole purpose is to serve as Manager to a specific project’s Entity. We enclose a Sample Limited Liability Company Agreement for the project Entity for the 88 Morgan Street Project at **Exhibit 19**.

EB-5 Investors will contribute capital directly into one Entity, which will be an active for-profit enterprise. The Entity will invest the funds from EB-5 Investors in their entirety into a job creating project by executing for-profit commercial loan facilities to a real estate developer, which will constitute the job creating entity for the project. Where commercial loans are used by the Regional Center, each such loan will have a term of not less than five (5) years from the date of investment, in conformity with USCIS guidance. A sample of terms for a loan facility under the Regional Center is found in **Exhibit 22** hereto.

This structure is intended to ensure the stability of the Company as the main regional center vehicle for the Regional Center. It is also intended to ensure highly qualified and consistent management of the project entities used by the Company for each project.

8. Investment Process for EB-5 Investors

Subscription Documents

EB-5 Investors will be delivered the following documents to review, analyze and, where appropriate, execute to complete an investment in the Entity sponsored by the Regional Center, samples of which are attached as **Exhibits** hereto:

| Sample Subscription Document | Exhibit |
|--|----------------|
| Investor Suitability Evaluation: | 14 |
| Subscription Agreement: | 15 |
| Escrow Agreement: | 16 |
| Limited Liability Agreement of the 88 Morgan Street Project: | 17 |
| Sample of Offering Memorandum for 88 Morgan Street Project: | 18 |

Collectively, the sample documents set out at Exhibits 14, 15, 16, 17 and 18 will be referred to collectively as the “Subscription Documents”.

These documents are submitted as samples of the forms of the future documents that will be completed and executed by the EB-5 Investor and the Entity (i.e., the new commercial enterprise). Some of the Subscription Documents may form part of the Offering Memorandum. In **Exhibit 21** we enclose a Sample Flow Chart of how potential EB-5 Investors will be considered for a investment in an Entity.

At-Risk Investments

All of the Subscription Documents confirm that the Capital Contribution of the EB-5 Investor is entirely at-risk, and that the investment involves a business venture with risk of profit or loss. Moreover, the Regional Center is careful not to offer a guarantee to potential EB-5 Investors that the investment will be profitable, that their capital will be returned in whole or in part, or that an immigration benefit will necessarily be obtained through an investment in the Regional Center.

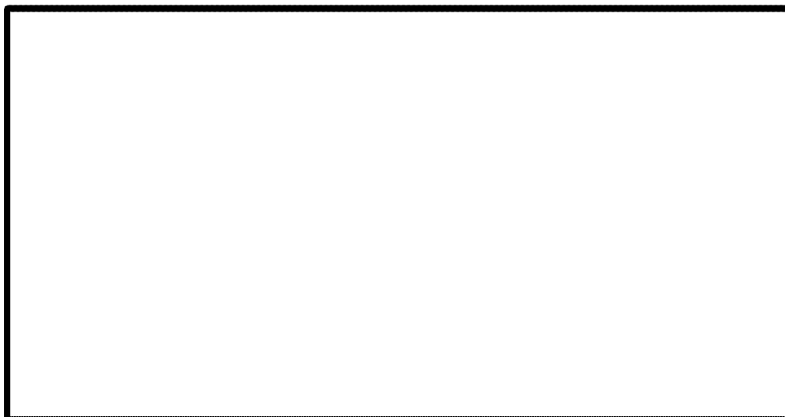
For example, in the Sample Offering Memorandum for the 88 Morgan Street Project, the Subscription Agreement, provides, at Section 6.10(ii):

(b)(4)



Similar warnings are included in the Risk Factors set out in Sample Offering Memorandum of the 88 Morgan Street Project. For example, in the Summary of Offering Terms, at Page 6 of the Sample Offering Memorandum, it reads:

(b)(4)



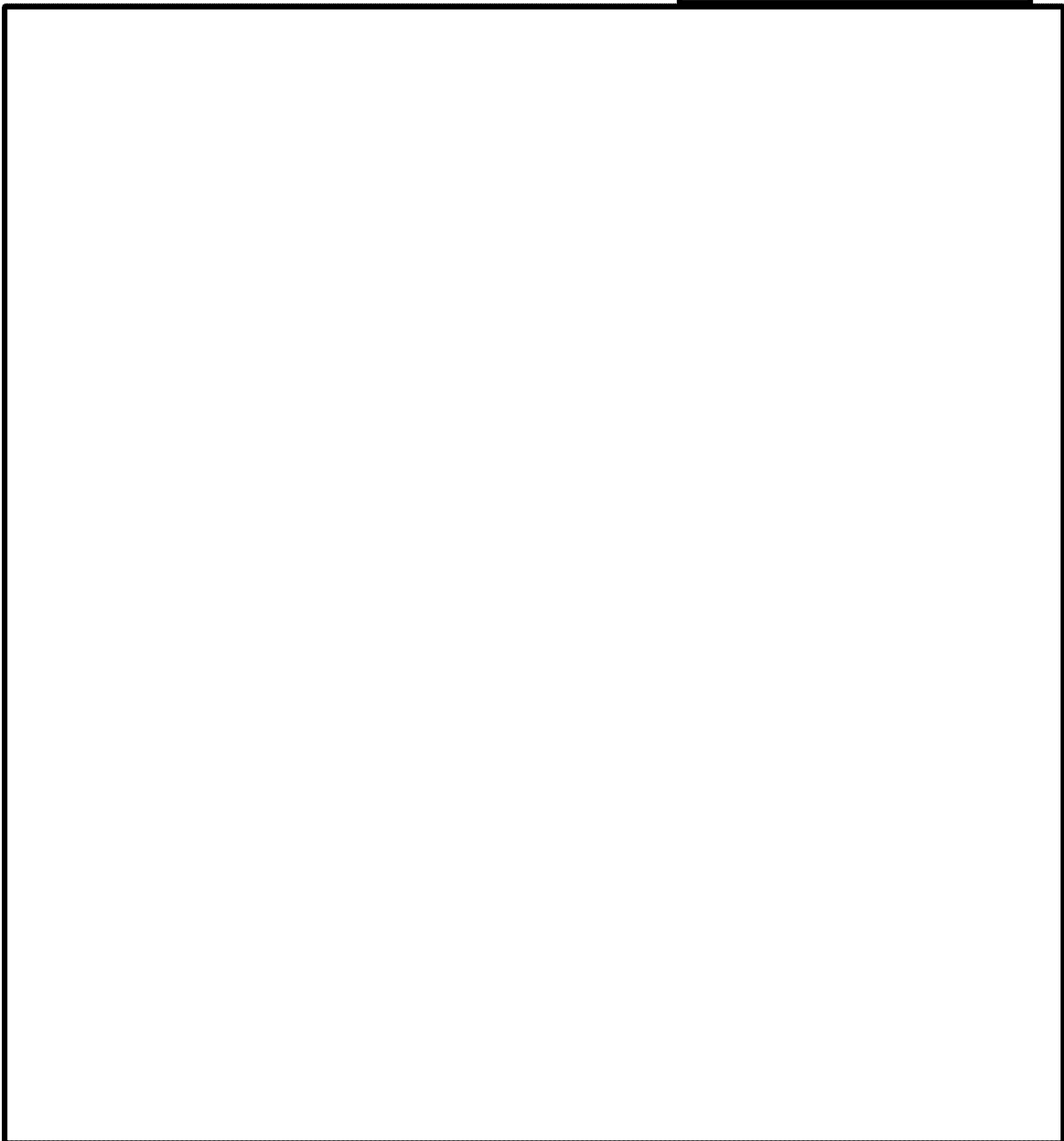
The Sample Offering Memorandum describes the complete discussion of risks of the investment in Section XIII.

Escrow

The practice of the Regional Center will be to use unique escrow bank accounts owned by the Entity opened for each investment project. The escrow bank accounts will be opened at [REDACTED] and managed by NES Financial (or another similarly reputable bank such as [REDACTED] (“Escrow Agent”). See Sample Escrow Agreement of the Regional Center at **Exhibit 16**.

(b)(4)

Under the terms of the Sample Escrow Agreement, [REDACTED]





Investment Procedure and Background Due Diligence on Investors

(b)(4)

The investment procedure for the Regional Center are set out in the Operations Plan. We summarize investment procedures:



Books, Records and Annual Reporting Duties of Regional Centers

As described in the enclosed Operations Plan (Exhibit 12), the Regional Center will implement procedures that will provide it with sufficient information and record-keeping to maintain compliance with USCIS annual reporting duties for EB-5 Regional Centers.

The invested funds for each Entity will be accounted for separately and tracked in a transparent fashion which will permit an independent auditor to verify at any time that the funds are being expended for capital improvements and development, not for fees and expenses.

Further, the Regional Center is aware of the USCIS annual reporting requirements set out in Form I-924A and accompanying USCIS instructions. This information has been in the enclosed Operations Plan enclosed in Exhibit 12.

The procedures, records and controls set out above will permit the Regional Center to comply with USCIS annual reporting obligations.

9. Description of First Project of the Regional Center

The Regional Center will undertake real estate development projects by raising local capital and combining it with capital raised from EB-5 Investors.

The Application includes one (1) sample project that is expected to be initial project promoted by the Regional Center. This project is enclosed as a sample project, and is not being submitted as an Exemplar I-526 at this time:

The business plan of the initial sample project of the Regional Center is attached at **Exhibit 21**. Investments made through projects developed by the Regional Center will increase foreign investment in the Territory; foster economic development, and generate employment growth locally and nationally.

Summary of Project 1 – 88 Morgan Street Project

We provide a short summary of the 88 Morgan Street Project for your convenience, obtained from the enclosed Business Plan at **Exhibit 21**. (b)(4)

The 88 Morgan Street Project is a [redacted] dollar capital investment project to build a new 50 story luxury rental apartment building, consisting of 417 rental apartments, 217 parking spaces, and approximately 4,000 sq.ft. of retail space adjacent to Trump Plaza I.

(b)(4) The USIF will be administering and sponsoring a capital investment project to attract [redacted] EB-5 Investors who are each investing [redacted] (total of up to [redacted] in the new company, 88 Morgan Street Funding, LLC (“Funding Company”). The Funding Company is the “New Commercial Enterprise” that is organized to be in compliance with the USCIS EB-5 Pilot Program. The Funding Company will make a secured EB-5 loan (the “Loan”) of all of the proceeds of each of the Qualified Investor’s [redacted] investment in the Funding Company to 88 Morgan Street, LLC (the “Developer”) in accordance with the EB-5 Pilot Program’s guidelines.

The Developer will use the proceeds of the Loan for the construction of a mixed-use real estate development project known as the 88 Morgan Street Project to be located at 88 Morgan Street in Jersey City, New Jersey. The 88 Morgan Street Project is located in the most convenient location in New Jersey for access to Manhattan, residing directly in the middle of three PATH hubs, and just minutes away from the ferry and the Holland Tunnel (the “Property”), within the Territory of the USIF.

The cost to construct the 88 Morgan Street Project is budgeted to be comprised of the following:

Hard Construction Costs
Soft Construction Costs
Land Purchase,

TOTAL BUDGETED COSTS

(b)(4)

The source of funds to complete the construction is summarized as follows:

Owner's Equity
Senior Construction Loan
EB-5 Funds (Loan)

TOTAL FUNDING

The proceeds of the Loan will be used for construction of the Project and the creation of jobs in accordance with this Business Plan and the Economic Report discussed below.

The economic job creation analysis of the 88 Morgan Street Project is enclosed at **Exhibit 20**. The Economic Analysis establishes that the 88 Morgan Street Project will create a sufficient number of new jobs so that each EB-5 Investor can be credited with creating at least 10 new full-time jobs through their investment.

10. Economic Methodology and Targeted Employment Areas

Job Creation Methodology

All projects accepted by the Regional Center will involve direct and /or indirect and induced job creation in the Territory of the Regional Center.

Indirect and induced job creation will be determined using **RIMS II** input-output methodology to estimate the number of jobs created as a consequence of investments by EB-5 investors.

RIMS II is a proven statistical and econometric method. RIMS II is widely used by both governmental and private sector entities. RIMS II offerings the ability to estimate

job creation outcomes based on input parameters including capital investment, revenue generation, location and type of industry.

Targeted Employment Areas

As stated in the enclosed Operations Plan, the Regional Center's investment projects will usually be located in geographic areas or political subdivisions that qualify as a Targeted Employment Area under 8 C.F.R. Section 204.6(e) (i.e., constitute either a rural area or an area of high unemployment under applicable EB-5 regulations), in which case the minimum amount of EB-5 capital necessary to make a qualifying investment in a Targeted Employment Area within the United States is five hundred thousand dollars (US\$500,000) per EB-5 investor. As such, the planning of Regional Center investment projects will usually assume that EB-5 Investors each contribute the amount of \$500,000 as a Minimum Capital Contribution. Occasionally, the Regional Center may develop an investment project that does not qualify as Targeted Employment Areas under 8 C.F.R. Section 204.6(e), in which case the Minimum Capital Contribution required of each EB-5 Investor will be no less than US\$1,000,000 per EB-5 investor.

All determinations that an investment will be located in a Targeted Employment Area will be supported at the time that the EB-5 Investor's I-526 visa petition is filed by detailed, transparent and reproducible economic evidence. According to USCIS Memorandum from Donald Neufeld, Acting Associate Director, to the Field Leadership dated December 9, 2009, HQ 70/6.2 ("12/2009 Neufeld Memo"), USCIS makes its determination of whether a geographic area or political subdivision qualifies as a Targeted Employment Area on the date an investor files an I-526 visa petition and not at the time that the I-924 Application for Regional Center is filed.

The Regional Center may use Targeted Employment Area determinations made by State-approved government entities under 8 C.F.R. Section 204.6(i).

Economic Analysis of 88 Morgan Street Project

The economic analysis for the first project of the Regional Center – the 88 Morgan Street Project – was prepared by Michael Evans, Ph.D., of Evans, Carroll & Associates and is enclosed at **Exhibit 20**, (each, the "Economic Analysis").

The Economic Analysis applies RIMS II economic methodology using final demand employment multipliers that analyze the employment creation impact of investment projects in the Territory where investment is made in the Industry Categories.

Under USCIS guidance, the Economic Analysis uses direct, indirect and induced job creation estimates using final demand employment multipliers only.

No Tenant-Occupancy Issue


The Regional Center has developed Economic Analysis which conforms to USCIS policy guidance on Tenant-Occupancy issued on February 17, 2012 and May 8, 2012. The Economic Analysis of the 88 Morgan Street Project is designed to avoid the Tenant-Occupancy issues that may arise. The manner in which the Tenant-Occupancy issue is avoided in the Economic Analysis is set out below.

(b)(4)



Project Capital and Job Creation Requirements

According to the Business Plan and the Economic Analysis, the 88 Morgan Street Project requires the following amount of capital (based on US\$500,000 Minimum Capital Contributions), numbers of EB-5 Investors, and new job creation:

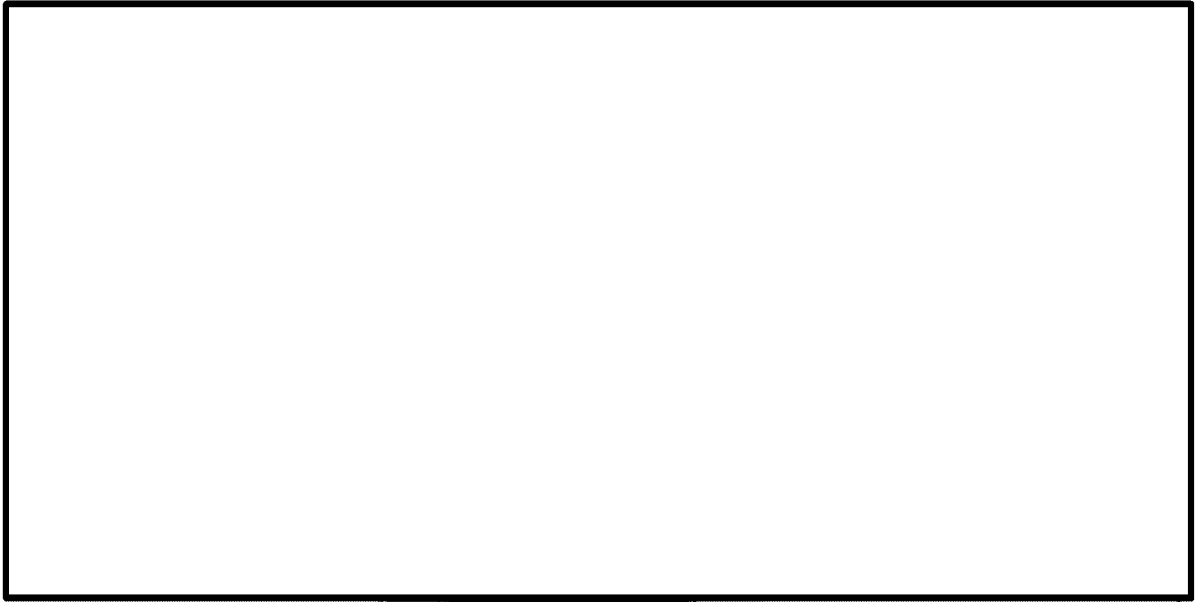
| Project Name | EB-5 Capital Raise (max.) | Number of Investors (max.) | Number of New Jobs (min.) |
|--------------------------|--|----------------------------|---------------------------|
| 88 Morgan Street Project |  | | |

(b)(4)

The Economic Analysis of the job creation impact of the 88 Morgan Street Project is set out fully in Exhibit 20, and a summary of which from Section 2 (Page 4) thereof reproduce below for your convenience:

Table A of 88 Morgan Street Project Economic Analysis

(b)(4)



The Economic Analysis of the 88 Morgan Street Project establishes that it will create [redacted] new full-time direct, indirect and induced jobs. This is [redacted] jobs more than the [redacted] new jobs required to satisfy the job creation requirement of the maximum number of EB-5 Investors in the 88 Morgan Street Project (an excess of [redacted]).

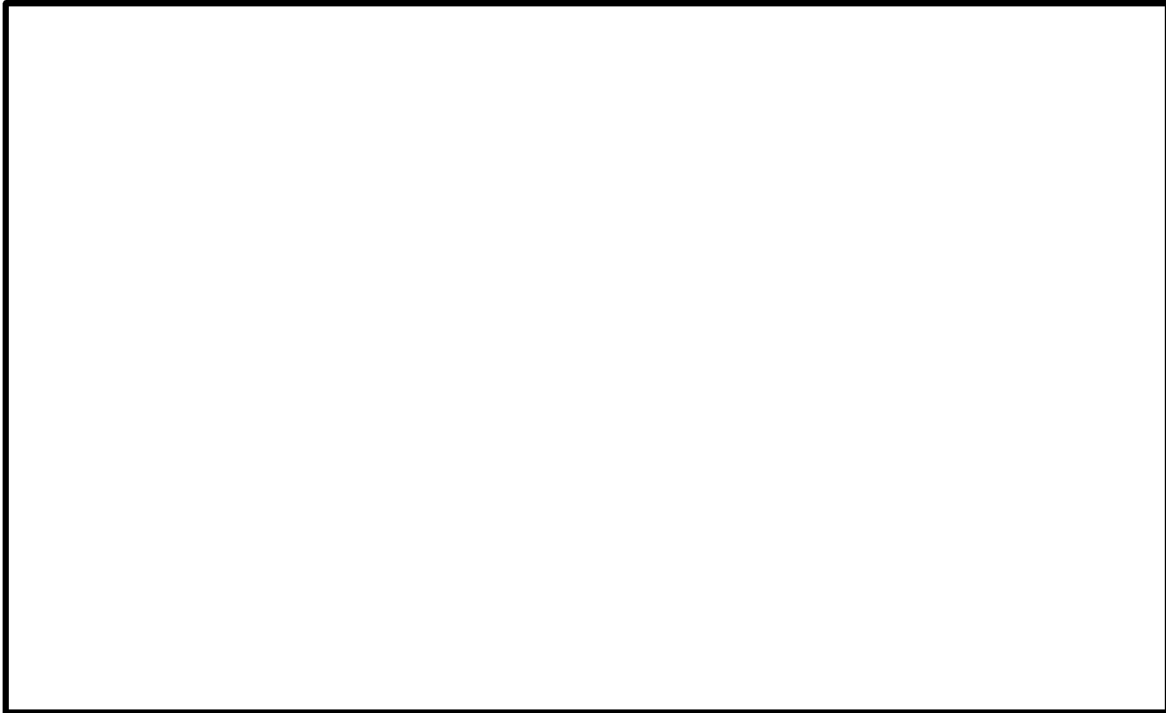
(b)(4)

The Economic Analysis of the job creation impact of the 88 Morgan Street Project contains detailed analysis of how the projects will increase key metrics of the regional economy. We reproduce below the Summary of Economic Impact Measures (Table C) for the regional economy for each project:

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(b)(4)

Table C. Summary Measures of Economic Impact for Construction and Rental income of 88 Morgan Street Apartment Building



These significant positive effects for the Regional Center's first project will help overcome severe limitations to access to credit experienced on a national level in the United States due to the banking crisis of 2008, 2009, 2010 and which is still on-going. Thus, Regional Center will serve to: (a) promote investment in the industries targeted by the Regional Center, and (b) contribute to building new facilities that will have a significant positive impact on job creation in the Territory.

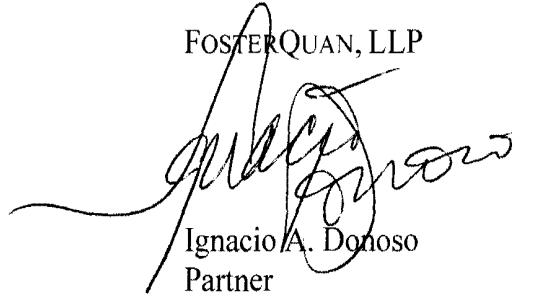
11. Conclusion

Based on the foregoing, we are convinced that the Regional Center will substantially benefit the Territory. It will create much needed jobs and attract capital investment to the Regional Center's Territory.

Therefore, we respectfully request that USCIS favorably adjudicate this application. Should you have any questions, please do not hesitate to contact immigration counsel for this matter, **Ignacio A. Donoso**, Partner of FosterQuan LLP (idonoso@fosterquan.com), by telephone at (713) 229-8733, by fax at (713) 228-1303.

Sincerely yours,

FOSTERQUAN, LLP

A handwritten signature in black ink, appearing to read "Ignacio A. Donoso", is written over the typed name and title. The signature is fluid and cursive, with a long horizontal stroke extending to the left.

Ignacio A. Donoso
Partner

IAD/cy
Enclosures (See attached Exhibits)

DOCUMENT

TAB No.

Revised Economic Analysis prepared by Evans, Carroll & Associates for the
88 Morgan Street Project dated April 11, 2013.

4.

**Economic Impact of Developing a Luxury Apartment Building
Located in Jersey City, NJ, for the US Immigration Fund, LLC
and its New EB-5 Regional Center in Northern New Jersey**

Prepared for:

The U. S. Immigration Fund

Prepared by:

Michael K. Evans

Evans, Carroll & Associates, Inc.

2785 NW 26th St.

Boca Raton, FL 33434

561-470-9035

mevans@evanscarrollecon.com

April 11, 2013

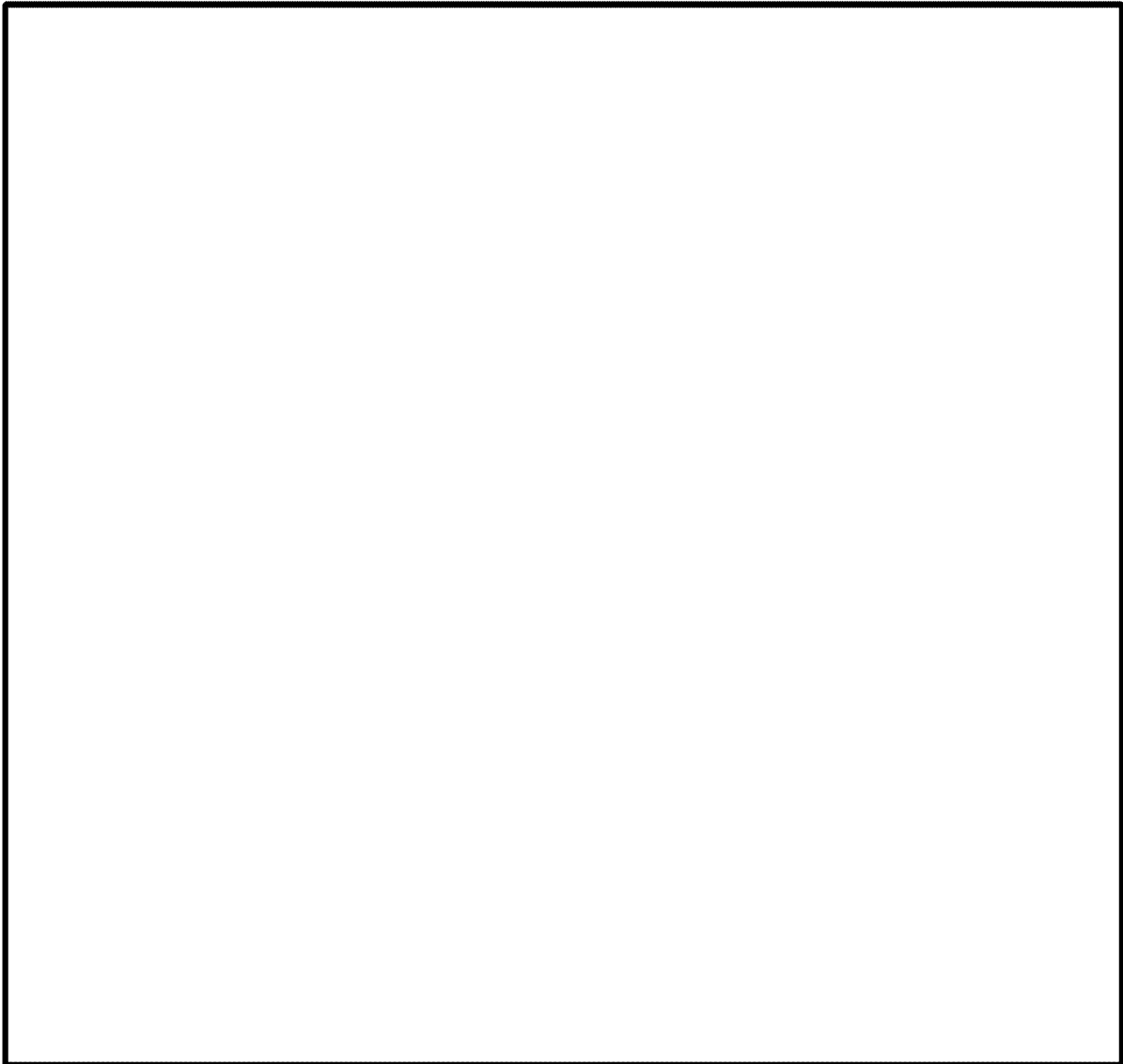
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1. Executive Summary

- The U.S. Immigration Fund, LLC plans to open a new EB-5 regional center in northern New Jersey. The first project will be a luxury apartment building located at 88 Morgan Street in Jersey City, NJ. The building will have 417 apartment units, 214 parking spaces, and about 4,000 square feet of retail space.
- The economic impact results are calculated using the RIMS II input/output model for the following 8 counties in New Jersey: Hudson, Essex, Union, Bergen, Passaic, Morris, Monmouth, and Middlesex. These counties are chosen based on commuting patterns, as explained later in this report.

(b)(4)



2. Tabulation of Principal Results

Table A shows the annual revenue, the final demand multiplier, and the total number of jobs created by the construction and operations of the apartment building. Since the construction will take more than [REDACTED] the economic impact figures for the hard construction costs and appropriate soft costs include direct as well as indirect and induced jobs. All figures are permanent jobs.

Table A. Summary of Employment and Revenue Estimates

(b)(4)

| |
|------------|
| [REDACTED] |
|------------|

Table B1 shows the NAICS codes for each type of economic activity. The descriptions are taken from:

<http://www.census.gov/cgi-bin/sssd/naics/naicsrch?chart=2012>

Table B1. NAICS Codes for Each Type of Activity

| |
|---|
| <p>2361 Residential Building Construction 2362 Nonresidential Building Construction 4232 Furniture and Home Furnishing Merchant Wholesalers 4234 Professional and Commercial Equipment and Supplies Merchant Wholesalers 4236 Household Appliances and Electrical and Electronic Goods Merchant Wholesalers 53111 Lessors of Residential Buildings and Dwellings 5413 Architectural, Engineering, and Related Services</p> |
|---|

Table B-2 shows the print screen of all the RIMS II multipliers used in this study. Please note that for purchases of FF&E, the multiplier used is the wholesale trade multiplier excluding direct jobs, calculated as [REDACTED]

(b)(4)

| Table B2. Print Screen of Multipliers | | | | | | |
|---|--------|--------|---------|--------|--------|--------|
| | (1) | (2) | (3) | (4) | (5) | (6) |
| 230000 Construction | 2.0346 | 0.5600 | 11.7739 | 1.1005 | 1.8051 | 1.9882 |
| 420000 Wholesale trade | 1.8451 | 0.4707 | 8.4173 | 1.1891 | 1.8173 | 2.4393 |
| 531000 Real estate | 1.4670 | 0.2244 | 13.2613 | 1.0810 | 1.9496 | 1.2985 |
| 541300 Architectural, engineering, and related services | 1.9921 | 0.5483 | 10.2148 | 1.2297 | 1.8728 | 2.5874 |

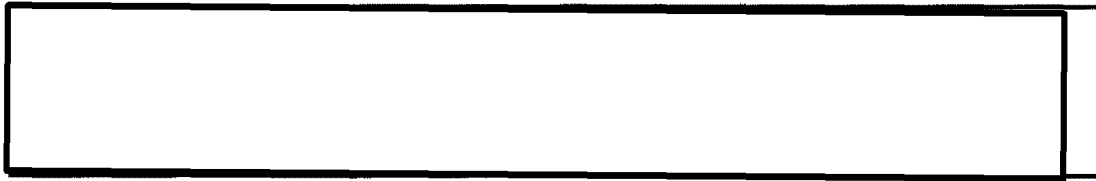
Region Definition: Bergen, NJ; Essex, NJ; Hudson, NJ; Middlesex, NJ; Monmouth, NJ; Morris, NJ; Passaic, NJ; Union, NJ
 *Includes Government enterprises.
 1. Each entry in column 1 represents the total dollar change in output that occurs in all industries for each additional dollar of output delivered 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 2008 data, the output delivered to final demand should be in 2008 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 2002 Benchmark Input-Output Table for the Nation and 2008 regional data. Industry List A identifies the industries corresponding to the entries.
 SOURCE.—Regional Input-Output Modeling System (RIMS II), Regional Product Division, Bureau of Economic Analysis.

Table C shows the annual level of household income, and the output for utilities, maintenance and repair construction, manufacturing output, and professional and business support services for the construction and operation of the 88 Morgan Street apartment building.

Table C. Summary Measures of Economic Impact for Construction and Rental income of 88 Morgan Street Apartment Building

| |
|--|
| |
|--|

(b)(4)



Household Earnings (Labor Income)

(b)(4)

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 88 Morgan Street apartment building is about [redacted] with another [redacted] [redacted] from the purchases of FF&E and [redacted] from architectural and engineering services. Household income would also rise about [redacted] from the rental income of the apartments, for a total of about [redacted]

The details used to calculate these figures are given throughout the report. Separate tables are provided for the total number of jobs created, the average earnings per new worker, and the total increase in earnings for construction and operation of the hotel. In each case, the RIMS II input/output model has been used to calculate the number of jobs in each major industrial classification, the average earnings per employee, and hence total earnings. The number of jobs by industrial classification is based on calculations imbedded in the RIMS II model for each of the activities as summarized in Table A and documented in detail throughout this report.

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

(b)(4) The total economic impact of the regional center from the supplier purchases and business relationships for the construction and operation of the hotel will create approximately [redacted] in additional economic activity across the region for the project. These supplier purchases are calculated from the indirect increase in output generated by the RIMS II model. It should be noted that some of these supplier industries might potentially locate within the regional center, and their economic output is included in this total.

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

Utilities include services such as electricity, natural gas, and water and sewer facilities. The economic impact on utility services total about [redacted] respectively. Most of this represents the use of utilities by occupants of the apartments.

(b)(4)

Maintenance and repair services include some building and construction activity on existing buildings. The regional center would create an economic impact of about [REDACTED]. These expenditures represent permanent, ongoing maintenance on the buildings after they are completed; they do not reflect the initial construction costs.

New supplier/vendor relationships with manufacturers would create an economic impact of about [REDACTED]. Most of this output represents purchases of locally produced materials and parts for the construction of the building; some of these expenditures are the purchase of locally produced supplies for the hotel.

(b)(4)

The regional center will also create demand for various types of business services, including professional and scientific services, management of companies, administrative services, and building support and waste management services. The impact of this activity totals about [REDACTED]. Most of this represents payments to architects and engineers for the construction activities; it also includes outsourcing of professional service activities for operating the hotel, such as lawyers and accountants.

The figures given in Table C represent only a brief summary of the detailed calculations that have been undertaken and are reported in tabular format throughout the report. The figure for utility output, for example, represents the sum of utility output for each of the categories of economic activity listed in Table A. For repair and maintenance construction office, this figure represents the amount spent times the input/output coefficient showing the total amount of output per [REDACTED] of construction expenditures. The same methodology applies to all the other figures given in Table C. Detailed figures may be found in the tables in Sections (8) and (9), which provide estimates of indirect jobs by industry category.

3. Introduction and Scope of Work

The U.S. Immigration Fund, LLC plans to open a new EB-5 regional center in northern New Jersey. The first project will be a luxury apartment building located at 88 Morgan Street in Jersey City, NJ. The building will have 417 apartment units, 214 parking spaces, and about 4,000 square feet of retail space. This report contains the economic impact results for the construction of the building and apartment rentals, based on the RIMS II input/output model for the following 8 counties in New Jersey: Hudson, Essex, Union, Bergen, Passaic, Morris, Monmouth, and Middlesex.

Section (4) contains a brief description of the RIMS II models and its various multipliers, and Section (5) contains additional information explaining how the indirect jobs are calculated. Section (6) contains and analyzes the key statistics for the six-county area used to calculate the RIMS II multipliers. Tables 6-1, 6-2, 6-3 and 6-4 show the data for employment by major occupation and industrial classification, income distribution by deciles, mean and median household and family income, and poverty rates for the eight counties used to calculate the multipliers for this study, and compares these figures to the U.S. totals or averages.

Table 6-5 shows key labor market statistics over the past decade for the State of New Jersey, each of these counties, and the 8-county total. Tables 6-6 and 6-7 show the level and growth rate of population and personal income for these same areas. Table 6-8 shows the commuting patterns for Hudson County, and explains how these figures are used to determine the counties included in the multiplier analysis. Section (7) contains a map of the location of the building and maps of the area.

Section (8) presents the economic impact tables for the hard construction costs, EB-5 eligible soft construction costs, and purchases of FF&E. Separate sets of tables are presented for each category of construction for the increase in employment, output, and earnings, and the average level of output and earnings per new worker, for the 20 major industrial classifications in the RIMS II input/output model. Section (9) discusses the number of jobs and revenue estimates for the rental income from the apartments, retail space, and parking, and presents similar tables for the detailed industry results. Section (10) summarizes the RIMS II model results.

4. Brief Guide to RIMS II Input/Output Model

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

Introduction and General Comments

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

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

RIMS II is based on an accounting framework called an I-O table. For each industry, an I-O table shows the industrial distribution of inputs purchased and outputs sold. A typical I-O table in RIMS II is derived mainly from two data sources: BEA's national I-O table, which shows the input and output structure of nearly 500 U.S. industries, and BEA's regional economic accounts, which are used to adjust the national I-O table to show a region's industrial structure and trading patterns.

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

BEA's RIMS multipliers can be a cost-effective way for analysts to estimate the economic impacts of changes in a regional economy. However, it is important to keep in mind that, like all economic impact models, RIMS provides approximate order-of-magnitude estimates of impacts. RIMS multipliers are best suited for estimating the impacts of small changes on a regional economy. For some applications, users may want to supplement RIMS estimates with information they gather from the region undergoing the potential change. To use the multipliers for impact analysis effectively,

users must provide geographically and industrially detailed information on the initial changes in output, earnings, or employment that are associated with the project or program under study. The multipliers can then be used to estimate the total impact of the project or program on regional output, earnings, and employment.

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

RIMS II Methodology

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

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

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

Advantages of RIMS II

There are numerous advantages to using RIMS II. First, the accessibility of the main data sources makes it possible to estimate regional multipliers without conducting relatively expensive surveys. Second, the level of industrial detail used in RIMS II helps avoid aggregation errors, which often occur when industries are combined. Third, RIMS II multipliers can be compared across areas because they are based on a consistent set

of estimating procedures nationwide. Fourth, RIMS II multipliers are updated to reflect the most recent local-area wage-and-salary and personal income data.

Overview of Different Multipliers

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

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

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

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

Employment Multipliers

(b)(4) RIMS II provides two types of multipliers for estimating the impacts of changes on employment: final demand multipliers and direct effect multipliers. These multipliers are derived from the table of final demand output multipliers.

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

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

Choosing a Multiplier

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

5. Methodology for Calculating Indirect Job Gains

In spite of the explanation of the RIMS II model given directly above, some USCIS adjudicators have asked for further clarification about how that model is used to determine the increase in the number of indirect jobs. That is an important issue because, unlike the direct job count, which can be verified by USCIS from various payroll and withholding documents, the calculation of indirect jobs cannot be verified directly but depends on mathematical calculations.

The general concept is based on the coefficients in the input/output model itself (the same methodology applies to RIMS II, IMPLAN, or any other generally recognized and accepted input/output model). In any given year, the government calculates how much input is used for a given production of output. The detailed figures are taken from the Economic Censuses taken once every five years; the figures are then updated from various annual supplements.

Basically the process has two steps, each of which is described next in greater detail. The first is to determine the amount of output, and hence the number of jobs, required to produce a given amount (say \$1 million) of the final product or service. These are national coefficients. The second is to determine what proportion of those goods and services are purchased within the local region (the regional purchase coefficients, or RPCs).

In the case of a manufacturing process, the national coefficients are based on production functions: how much coke per ton of steel, how much steel per motor vehicle, how much flour for a loaf of bread, and so on. However, most of the jobs are

created in the service sector, where Commerce Department data are used to determine, for example, how much restaurants spend on laundry services, how much airlines spend for attorneys, and so on. These figures are based on information contained in the various Economic Censuses. The national coefficients would also determine, for example, how many architects and engineers would be hired for a construction project of a given scope and size, and how many new employees at financial institutions would be required to handle the additional cash flow generated by the new business. Both of these are discussed below in greater detail.

Even after these coefficients are determined, however, the regional purchase coefficients (RPC) must still be estimated. If, for example, a trucking firm spends 1% of its revenue on accountants, how much of that money is spent on local firms, and how much is spent outside the region?

That answer depends on various factors. The most important is the amount of the good or service produced within the region. If a trucking firm, for example, were located in a small county with no accountants, obviously it would not spend any of that money locally. That sets a lower limit but is not generally the case. Instead, a balancing algorithm is used.

Suppose, for example, that all the firms producing, distributing, or selling goods and services in a given county spent \$10 million on accounting services. Also, suppose that total billings of all accountants in the county were \$20 million. In that case, local accountants could handle all the local business, plus business from neighboring counties. If, on the other hand, total accountant billings in the county were only \$5 million, local firms could not spend more than half of the money on local accountants.

Of course it is possible that there are adequate resources in the county but local firms choose to use companies outside the county; perhaps prices or service is better. No input/output model can account for such anomalies. On the other hand, given transportation costs, it would be highly unusual for a firm to be located in a given location and not serve the nearby businesses, instead choosing only those clients who (b)(4) were farther away.

The RIMS II model – and other regional input/output models – assigns regional purchase coefficients (RPCs) in all cases where the local industry purchases goods and services from local firms. This matrix could have as many as elements, although in practice many of them are zero. Large counties with a wide variety of businesses have more non-zero elements than small counties with relatively few businesses.

In general, the RPCs tend to be close to zero for most manufactured goods, and close to unity for most services. While there are many exceptions to this rule, most firms will use financial, professional, business, and health care services that are located in that county or contiguous areas.

To take just one example of many, consider the number of new jobs created by architects and engineers for a new construction project of any given size. Most construction cost manuals, such as those published by R. S. Means, indicate that those costs are usually about 5% to 9% of the total job. According to the national input/output file, the figures are 9.2% for commercial construction and 4.5% for industrial construction.

These figures can be compared with the proportions of architects and engineers in the specific regional area, based on the RIMS II data that are used to determine the economic multipliers in the specific county group. For this 8-county group, the input/output model shows proportions of 8.4% for commercial and 4.3% for industrial construction, indicating that 91% of the architects and engineers for commercial jobs and 95% for industrial jobs are hired locally. These figures are fairly typical of other locations and regions; except for "signature" buildings designed by famous names, most architects and engineers live in the same region as the buildings that are being constructed.

To summarize to this point, the number of indirect jobs as a proportion of direct jobs depends on (a) the national relationships, and (b) the regional purchase coefficients. In our presentation for the businesses in this report, we provide further discussion of those industries with the largest number of indirect jobs. However, there are a few industries that produce relatively large numbers of jobs in almost all cases, and these can be generally discussed at this stage in order to avoid repeating this information several times. The industries discussed here include banking, real estate, legal and accounting, architects and engineers, other professional services, employment services, other business services, restaurants, and government. In all of these cases, the vast majority of workers are hired locally. Our comments for the rest of this section are based on the assumption of a \$10 million investment; the results are linear.

Banking and credit: On an aggregate basis, for every \$10 million in deposits, very broadly defined (M3), there is about 1 new banking employee. As a rough rule of thumb, the size of M3 is roughly equal to the size of GDP. Hence we would expect about 1 new banking employee for every \$10 million increase in output, as calculated from the RIMS II model.

Real estate: Additional real estate employees are based on two factors. One is the leasing activity of the new building, and the other is the increase in residential real estate activity as people get new jobs, either within the area or by moving into the area. On a lease basis, a \$10 million investment is likely to result in a building of 80,000 square feet. If it leases for [redacted] square foot, that would be \$3.2 million in annual lease payments, and with a 6% commission would generate \$192,000 in revenues, which would account for about 2 new real estate employees (the figure would be less for industrial buildings). The increase in employment would also result in some real estate activity as workers moved into better housing in the same location, or moved in from other areas. In a normal year, there are about 7 million sales of new and existing homes for a labor force of about 140 million, or 5%. Hence if the total increase in employment were [redacted] that would imply [redacted] real estate transactions; if they average

\$200,000 at a 6% commission, that would be \$12,000 per home or a total of \$120,000, which would support approximately 1 new real estate job.

Legal & Accounting: Each of these accounts for about 1% of total employment; so if there were a total increase of [] jobs, we would expect an average of [] new employees in this classification.

Architects & Engineers: almost all of these jobs stem from the new construction activity. This category has already been discussed above; for a \$10 million construction project, which would create about [] new construction jobs, we would expect about [] new jobs in architects and engineers for a commercial project and [] new jobs for an industrial project.

Other professional services: This category includes employees in consulting, scientific research and development, advertising, and management, as well as several other smaller, specialized categories. In general, consulting, management, and the all other category each account for about 1% of total employment, and R&D and advertising account for about ½% of total employment, for a total of about 4% of total employment. This figure will vary widely depending on the degree to which consultants and R&D are used by the new business.

Employment services: On a national average basis, 1 out of every 45 people is employed by this industry. Here again, the figures will vary widely depending on (a) the proportion of people who are hired through employment agencies, and (b) the proportion of the work that is outsourced to employment services.

Business support services include office management, travel arrangement, security, credit bureaus, telemarketing, and back-office jobs that are outsourced, such as direct mail, copying, and duplicating services. The back-office services would vary widely depending on the type of new business; retail stores, for example, would print and distribute more advertising brochures than a manufacturing operation. On a national average basis, these jobs account for about 2% of total employment.

Building support services, which includes janitorial services, lawn maintenance, and waste management. For an office building of 80,000 square feet, the cost would be approximately \$2/sq ft per year for maintenance, or \$160,000, which would support about [] new jobs; here again, the figure would be lower for industrial buildings.

Restaurants: This category reflects business meals. Of course the number of business meals depends greatly on the type of business; lawyers, accountants, and consultants will have more business meals than manufacturing plants or water treatment facilities. On a national average basis, Commerce Department figures show that total restaurant sales in 2007 were \$580 billion, while consumer expenditures at restaurants were \$500 billion. However, that figure also includes tips, which are not included in restaurant sales. After subtracting 15% for tips, that indicates about \$425 billion in food and beverage purchases by consumers, indicating about \$155 billion for business expenses. With a labor force of approximately 140 million, that is equivalent to about \$1,100 per employee. Hence if [] new jobs were created, business meal

expenses would rise an average of \$221,000, which would imply about 4.5 new indirect jobs in the restaurant industry. These figures are likely to be somewhat higher when direct jobs are created for office buildings and hotels.

Government: The increase in public sector employees represents the amount funded by increased real estate taxes. For a construction project with \$10 million in hard costs, the total value is likely to be between \$15 and \$20 million when one includes furniture, fixtures, equipment, and land values. Using a national average property tax rate of 1%, that would raise \$150,000 to \$200,000, which would create new jobs in the public sector.

(b)(4)

6. Economic Parameters for Hudson, Essex, Union, Bergen, Passaic, Morris, Middlesex, and Monmouth Counties

This section is organized as follows. Tables 6-1, 6-2, 6-3 and 6-4 show the data for employment by major occupation and industrial classification, income distribution by deciles, mean and median household and family income, and poverty rates for the eight counties used to calculate the multipliers for this study, and compares these figures to the U.S. totals or averages. Table 6-5 shows key labor market statistics over the past decade for the State of New Jersey, each of these counties, and the 8-county total. Tables 6-6 and 6-7 show the level and growth rate of population and personal income for these same areas. Table 6-8 shows the commuting patterns for Hudson County, and explains how these figures are used to determine the counties included in the multiplier analysis.

Table 6-1. Key Economic Statistics for Hudson and Counties Compared to the U. S. Economy, 2010 Data

| Category | Essex | % | Hudson | % | U.S. | % |
|------------------------------------|---------|--------|---------|--------|-------------|--------|
| EMPLOYMENT STATUS | | | | | | |
| Population 16 years and over | 612,565 | 100.0% | 520,559 | 100.0% | 243,832,923 | 100.0% |
| In labor force | 400,770 | 65.4% | 359,487 | 69.1% | 156,966,769 | 64.4% |
| Civilian labor force | 400,523 | 65.4% | 359,408 | 69.0% | 155,917,013 | 63.9% |
| Employed | 344,146 | 56.2% | 312,480 | 60.0% | 139,033,928 | 57.0% |
| Unemployed | 56,377 | 9.2% | 46,928 | 9.0% | 16,883,085 | 6.9% |
| Armed Forces | 247 | 0.0% | 79 | 0.0% | 1,049,756 | 0.4% |
| Not in labor force | 211,795 | 34.6% | 161,072 | 30.9% | 86,866,154 | 35.6% |
| OCCUPATION | | | | | | |
| Civilian employed population 16+ | 344,146 | 100.0% | 312,480 | 100.0% | 139,033,928 | 100.0% |
| Management & professional | 128,336 | 37.3% | 118,514 | 37.9% | 49,975,620 | 35.9% |
| Service occupations | 70,110 | 20.4% | 54,500 | 17.4% | 25,059,153 | 18.0% |
| Sales and office occupations | 83,284 | 24.2% | 75,993 | 24.3% | 34,711,455 | 25.0% |
| Construction, maintenance, repair | 24,850 | 7.2% | 22,231 | 7.1% | 12,697,304 | 9.1% |
| Production & transportation | 37,566 | 10.9% | 41,242 | 13.2% | 16,590,396 | 11.9% |
| INDUSTRY | | | | | | |
| Civilian employed population 16+ | 344,146 | 100.0% | 312,480 | 100.0% | 139,033,928 | 100.0% |
| Agriculture & mining | 839 | 0.2% | 88 | 0.0% | 2,646,975 | 1.9% |
| Construction | 19,412 | 5.6% | 17,452 | 5.6% | 8,686,813 | 6.2% |
| Manufacturing | 21,063 | 6.1% | 25,036 | 8.0% | 14,439,691 | 10.4% |
| Wholesale trade | 8,192 | 2.4% | 12,919 | 4.1% | 3,941,066 | 2.8% |
| Retail trade | 33,180 | 9.6% | 31,641 | 10.1% | 16,203,408 | 11.7% |
| Transportation & utilities | 24,477 | 7.1% | 24,887 | 8.0% | 6,843,579 | 4.9% |
| Information | 11,875 | 3.5% | 10,909 | 3.5% | 3,015,521 | 2.2% |
| Finance, insurance, & real estate | 31,756 | 9.2% | 34,463 | 11.0% | 9,275,465 | 6.7% |
| Professional & administrative | 44,064 | 12.8% | 42,737 | 13.7% | 14,710,089 | 10.6% |
| Educational services & health care | 89,318 | 26.0% | 60,295 | 19.3% | 32,311,107 | 23.2% |
| Arts, entertain, hotel, food svcs | 25,779 | 7.5% | 23,187 | 7.4% | 12,859,572 | 9.2% |

| | | | | | | |
|--------------------------------------|---------|--------|---------|--------|-------------|--------|
| Other private services | 17,380 | 5.1% | 16,461 | 5.3% | 6,913,449 | 5.0% |
| Public administration | 16,811 | 4.9% | 12,405 | 4.0% | 7,187,193 | 5.2% |
| | | | | | | |
| INCOME AND BENEFITS | | | | | | |
| Total households | 275,417 | 100.0% | 238,692 | 100.0% | 114,567,419 | 100.0% |
| Less than \$10,000 | 28,243 | 10.3% | 19,411 | 8.1% | 8,757,190 | 7.6% |
| \$10,000 to \$14,999 | 16,478 | 6.0% | 14,462 | 6.1% | 6,668,865 | 5.8% |
| \$15,000 to \$24,999 | 28,288 | 10.3% | 24,152 | 10.1% | 13,165,380 | 11.5% |
| \$25,000 to \$34,999 | 25,719 | 9.3% | 20,533 | 8.6% | 12,323,322 | 10.8% |
| \$35,000 to \$49,999 | 32,635 | 11.8% | 29,768 | 12.5% | 16,312,385 | 14.2% |
| \$50,000 to \$74,999 | 44,176 | 16.0% | 44,776 | 18.8% | 20,940,859 | 18.3% |
| \$75,000 to \$99,999 | 31,262 | 11.4% | 26,814 | 11.2% | 13,526,500 | 11.8% |
| \$100,000 to \$149,999 | 32,280 | 11.7% | 31,304 | 13.1% | 13,544,839 | 11.8% |
| \$150,000 to \$199,999 | 14,778 | 5.4% | 11,757 | 4.9% | 4,809,998 | 4.2% |
| \$200,000 or more | 21,558 | 7.8% | 15,715 | 6.6% | 4,518,081 | 3.9% |
| Median household income (dollars) | 52,394 | 104.7% | 54,817 | 109.5% | 50,046 | |
| Mean household income (dollars) | 80,167 | 117.4% | 76,339 | 111.8% | 68,259 | |
| | | | | | | |
| Families | 175,731 | 100.0% | 147,709 | 100.0% | 76,089,045 | 100.0% |
| Less than \$10,000 | 12,211 | 6.9% | 8,382 | 5.7% | 3,824,251 | 5.0% |
| \$10,000 to \$14,999 | 6,627 | 3.8% | 7,409 | 5.0% | 2,660,781 | 3.5% |
| \$15,000 to \$24,999 | 15,282 | 8.7% | 14,311 | 9.7% | 6,770,812 | 8.9% |
| \$25,000 to \$34,999 | 15,561 | 8.9% | 12,795 | 8.7% | 7,332,318 | 9.6% |
| \$35,000 to \$49,999 | 19,250 | 11.0% | 20,209 | 13.7% | 10,578,051 | 13.9% |
| \$50,000 to \$74,999 | 26,811 | 15.3% | 27,360 | 18.5% | 14,990,631 | 19.7% |
| \$75,000 to \$99,999 | 21,661 | 12.3% | 16,708 | 11.3% | 10,638,931 | 14.0% |
| \$100,000 to \$149,999 | 25,935 | 14.8% | 21,969 | 14.9% | 11,261,766 | 14.8% |
| \$150,000 to \$199,999 | 13,439 | 7.6% | 8,032 | 5.4% | 4,130,868 | 5.4% |
| \$200,000 or more | 18,954 | 10.8% | 10,534 | 7.1% | 3,900,636 | 5.1% |
| Median family income (dollars) | 66,439 | 109.6% | 57,978 | 95.7% | 60,609 | |
| Mean family income (dollars) | 97,237 | 122.6% | 81,559 | 102.8% | 79,338 | |
| Per capita income (dollars) | 29,674 | 113.9% | 29,798 | 114.3% | 26,059 | |
| | | | | | | |
| Median earnings for workers | 32,961 | 114.1% | 35,677 | 123.5% | 28,899 | |
| Median earnings for male full-time | 49,597 | 106.7% | 50,563 | 108.7% | 46,500 | |
| Median earnings for female full-time | 41,317 | 113.0% | 41,173 | 112.6% | 36,551 | |
| | | | | | | |
| PERCENTAGE BELOW POVERTY LEVEL | | | | | | |
| All families | 13.9% | 123.0% | 13.7% | 121.2% | 11.3% | |
| All people | 16.7% | 109.2% | 16.5% | 107.8% | 15.3% | |

Please note that in these tables, the percentage figures in regular type refer to the overall category in that column, while the figures in red are relative to the U.S. average figures

The income distributions in Essex and Hudson Counties can best be described as “fat-tailed”, with greater than average percentages in the highest and lowest income brackets. To elaborate, 11% of families in each of the two counties earn less than \$15,000 a year, compared to 8% nationally – while 11% of Essex families and 7% of Hudson families earn \$200,000 or more, compared to 5% for the U.S. This dichotomy can also be seen in the high mean household incomes (\$80K in Essex and \$76K in

Hudson, versus \$68K for the U.S.) and large share of families living in poverty (14% in each county, versus 11% for the nation).

Turning to the occupation data, both counties have lower than average shares in manufacturing as well as the arts, entertainment, hotel, and food service industries – and higher than average shares in transportation and finance. The counties differ in the mix of workers in the education and health care industries, as Essex (26%) has a higher proportion than average and Hudson has a lower proportion at 19% – the smallest of the five counties.

Table 6-2. Key Economic Statistics for Union and Bergen Counties Compared to the U. S. Economy

| Category | Union | % | Bergen | % | U.S. | % |
|-----------------------------------|---------|--------|---------|--------|-------------|--------|
| EMPLOYMENT STATUS | | | | | | |
| | | | | | 2010 | |
| Population 16 years and over | 420,828 | 100.0% | 727,196 | 100.0% | 243,832,923 | 100.0% |
| In labor force | 291,604 | 69.3% | 478,944 | 65.9% | 156,966,769 | 64.4% |
| Civilian labor force | 291,560 | 69.3% | 478,892 | 65.9% | 155,917,013 | 63.9% |
| Employed | 255,497 | 60.7% | 438,302 | 60.3% | 139,033,928 | 57.0% |
| Unemployed | 36,063 | 8.6% | 40,590 | 5.6% | 16,883,085 | 6.9% |
| Armed Forces | 44 | 0.0% | 52 | 0.0% | 1,049,756 | 0.4% |
| Not in labor force | 129,224 | 30.7% | 248,252 | 34.1% | 86,866,154 | 35.6% |
| | | | | | | |
| OCCUPATION | | | | | | |
| Civilian employed population 16+ | 255,497 | 100.0% | 438,302 | 100.0% | 139,033,928 | 100.0% |
| Management & professional | 90,913 | 35.6% | 201,513 | 46.0% | 49,975,620 | 35.9% |
| Service occupations | 43,165 | 16.9% | 55,159 | 12.6% | 25,059,153 | 18.0% |
| Sales and office occupations | 62,273 | 24.4% | 114,453 | 26.1% | 34,711,455 | 25.0% |
| Construction, maintenance, repair | 22,283 | 8.7% | 28,908 | 6.6% | 12,697,304 | 9.1% |
| Production & transportation | 36,863 | 14.4% | 38,269 | 8.7% | 16,590,396 | 11.9% |
| | | | | | | |
| INDUSTRY | | | | | | |
| Civilian employed population 16+ | 255,497 | 100.0% | 438,302 | 100.0% | 139,033,928 | 100.0% |
| Agriculture & mining | 177 | 0.1% | 919 | 0.2% | 2,646,975 | 1.9% |
| Construction | 17,557 | 6.9% | 24,897 | 5.7% | 8,686,813 | 6.2% |
| Manufacturing | 24,870 | 9.7% | 40,015 | 9.1% | 14,439,691 | 10.4% |
| Wholesale trade | 10,869 | 4.3% | 19,216 | 4.4% | 3,941,066 | 2.8% |
| Retail trade | 25,990 | 10.2% | 47,458 | 10.8% | 16,203,408 | 11.7% |
| Transportation & utilities | 18,211 | 7.1% | 22,703 | 5.2% | 6,843,579 | 4.9% |
| Information | 7,394 | 2.9% | 16,169 | 3.7% | 3,015,521 | 2.2% |

| | | | | | | |
|--------------------------------------|---------|--------|---------|--------|-------------|--------|
| Finance, insurance, & real estate | 21,793 | 8.5% | 45,159 | 10.3% | 9,275,465 | 6.7% |
| Professional & administrative | 29,021 | 11.4% | 58,730 | 13.4% | 14,710,089 | 10.6% |
| Educational services & health care | 53,596 | 21.0% | 99,084 | 22.6% | 32,311,107 | 23.2% |
| Arts, entertain, hotel, food svcs | 19,342 | 7.6% | 28,699 | 6.5% | 12,859,572 | 9.2% |
| Other private services | 13,531 | 5.3% | 20,540 | 4.7% | 6,913,449 | 5.0% |
| Public administration | 13,146 | 5.1% | 14,713 | 3.4% | 7,187,193 | 5.2% |
| | | | | | | |
| INCOME AND BENEFITS | | | | | | |
| Total households | 183,882 | 100.0% | 333,002 | 100.0% | 114,567,419 | 100.0% |
| Less than \$10,000 | 10,740 | 5.8% | 15,136 | 4.5% | 8,757,190 | 7.6% |
| \$10,000 to \$14,999 | 6,138 | 3.3% | 12,370 | 3.7% | 6,668,865 | 5.8% |
| \$15,000 to \$24,999 | 15,300 | 8.3% | 24,587 | 7.4% | 13,165,380 | 11.5% |
| \$25,000 to \$34,999 | 14,321 | 7.8% | 23,753 | 7.1% | 12,323,322 | 10.8% |
| \$35,000 to \$49,999 | 23,549 | 12.8% | 33,430 | 10.0% | 16,312,385 | 14.2% |
| \$50,000 to \$74,999 | 31,943 | 17.4% | 53,157 | 16.0% | 20,940,859 | 18.3% |
| \$75,000 to \$99,999 | 21,678 | 11.8% | 40,999 | 12.3% | 13,526,500 | 11.8% |
| \$100,000 to \$149,999 | 31,378 | 17.1% | 56,634 | 17.0% | 13,544,839 | 11.8% |
| \$150,000 to \$199,999 | 11,796 | 6.4% | 34,456 | 10.3% | 4,809,998 | 4.2% |
| \$200,000 or more | 17,039 | 9.3% | 38,480 | 11.6% | 4,518,081 | 3.9% |
| Median household income (dollars) | 66,665 | 133.2% | 77,389 | 154.6% | 50,046 | |
| Mean household income (dollars) | 94,659 | 138.7% | 105,488 | 154.5% | 68,259 | |
| | | | | | | |
| Families | 131,811 | 100.0% | 236,574 | 100.0% | 76,089,045 | 100.0% |
| Less than \$10,000 | 6,001 | 4.6% | 6,237 | 2.6% | 3,824,251 | 5.0% |
| \$10,000 to \$14,999 | 2,973 | 2.3% | 4,959 | 2.1% | 2,660,781 | 3.5% |
| \$15,000 to \$24,999 | 8,903 | 6.8% | 11,365 | 4.8% | 6,770,812 | 8.9% |
| \$25,000 to \$34,999 | 8,224 | 6.2% | 12,914 | 5.5% | 7,332,318 | 9.6% |
| \$35,000 to \$49,999 | 15,365 | 11.7% | 19,255 | 8.1% | 10,578,051 | 13.9% |
| \$50,000 to \$74,999 | 23,157 | 17.6% | 36,079 | 15.3% | 14,990,631 | 19.7% |
| \$75,000 to \$99,999 | 15,838 | 12.0% | 29,860 | 12.6% | 10,638,931 | 14.0% |
| \$100,000 to \$149,999 | 25,630 | 19.4% | 49,242 | 20.8% | 11,261,766 | 14.8% |
| \$150,000 to \$199,999 | 10,400 | 7.9% | 31,650 | 13.4% | 4,130,868 | 5.4% |
| \$200,000 or more | 15,320 | 11.6% | 35,013 | 14.8% | 3,900,636 | 5.1% |
| Median family income (dollars) | 77,361 | 127.6% | 97,394 | 160.7% | 60,609 | |
| Mean family income (dollars) | 107,812 | 135.9% | 123,384 | 155.5% | 79,338 | |
| Per capita income (dollars) | 33,267 | 127.7% | 39,409 | 151.2% | 26,059 | |
| | | | | | | |
| Median earnings for workers | 35,214 | 121.9% | 44,350 | 153.5% | 28,899 | |
| Median earnings for male full-time | 51,195 | 110.1% | 63,074 | 135.6% | 46,500 | |
| Median earnings for female full-time | 43,496 | 119.0% | 51,103 | 139.8% | 36,551 | |

| PERCENTAGE BELOW POVERTY LEVEL | | | | | | |
|--------------------------------|--------|-------|------|-------|--------|--|
| All families | 8.70% | 77.0% | 5.6% | 49.6% | 11.30% | |
| All people | 11.10% | 72.5% | 6.8% | 44.4% | 15.30% | |

Union County is mixed, with many high-income suburban areas but also low-income areas by the railroad tracks. As a result it has a high proportion of households and families at the upper end of the income scale, but almost a proportional amount at the lower end of the scale. As a result, while the median and mean income levels are above average and the poverty levels are below average, these figures are smaller than would be expected from a typical suburban county, and well below Bergen County. By comparison, Bergen County has about three times the national average in the top income bracket, and only about half in the bottom bracket. As a result, median family income for Union County is 128% of the national average, while the figure for Bergen County is 161% of the average. Similarly, the poverty rate for all families is 77% of the national average for Union County, but only 50% for Bergen County.

In terms of employment distribution by occupation, both counties have a fairly robust manufacturing base, only slightly below the national average. Most of the other sectors are also close to those averages, with slightly higher proportions for financial and professional services.

Table 6-3. Key Economic Statistics for Morris and Passaic Counties Compared to the U. S. Economy

| Category | Morris | % | Passaic | % | U.S. | % |
|-----------------------------------|---------|--------|---------|--------|-------------|--------|
| EMPLOYMENT STATUS | | | | | | |
| | | | | | 2010 | |
| Population 16 years and over | 389,318 | 100.0% | 392,154 | 100.0% | 243,832,923 | 100.0% |
| In labor force | 265,835 | 68.3% | 251,834 | 64.2% | 156,966,769 | 64.4% |
| Civilian labor force | 265,835 | 68.3% | 251,834 | 64.2% | 155,917,013 | 63.9% |
| Employed | 242,762 | 62.4% | 223,928 | 57.1% | 139,033,928 | 57.0% |
| Unemployed | 23,073 | 5.9% | 27,906 | 7.1% | 16,883,085 | 6.9% |
| Armed Forces | 0 | 0.0% | 0 | 0.0% | 1,049,756 | 0.4% |
| Not in labor force | 123,483 | 31.7% | 140,320 | 35.8% | 86,866,154 | 35.6% |
| OCCUPATION | | | | | | |
| Civilian employed population 16+ | 242,762 | 100.0% | 223,928 | 100.0% | 139,033,928 | 100.0% |
| Management & professional | 117,011 | 48.2% | 72,732 | 32.5% | 49,975,620 | 35.9% |
| Service occupations | 31,488 | 13.0% | 41,066 | 18.3% | 25,059,153 | 18.0% |
| Sales and office occupations | 61,530 | 25.3% | 55,173 | 24.6% | 34,711,455 | 25.0% |
| Construction, maintenance, repair | 13,971 | 5.8% | 15,773 | 7.0% | 12,697,304 | 9.1% |
| Production & transportation | 18,762 | 7.7% | 39,184 | 17.5% | 16,590,396 | 11.9% |

| | | | | | | |
|------------------------------------|---------|--------|---------|--------|-------------|--------|
| INDUSTRY | | | | | | |
| Civilian employed population 16+ | 242,762 | 100.0% | 223,928 | 100.0% | 139,033,928 | 100.0% |
| Agriculture & mining | 605 | 0.2% | 106 | 0.0% | 2,646,975 | 1.9% |
| Construction | 13,025 | 5.4% | 12,406 | 5.5% | 8,686,813 | 6.2% |
| Manufacturing | 29,462 | 12.1% | 30,737 | 13.7% | 14,439,691 | 10.4% |
| Wholesale trade | 8,531 | 3.5% | 9,361 | 4.2% | 3,941,066 | 2.8% |
| Retail trade | 24,489 | 10.1% | 27,233 | 12.2% | 16,203,408 | 11.7% |
| Transportation & utilities | 11,615 | 4.8% | 10,168 | 4.5% | 6,843,579 | 4.9% |
| Information | 10,352 | 4.3% | 5,816 | 2.6% | 3,015,521 | 2.2% |
| Finance, insurance, & real estate | 26,164 | 10.8% | 17,055 | 7.6% | 9,275,465 | 6.7% |
| Professional & administrative | 33,295 | 13.7% | 25,463 | 11.4% | 14,710,089 | 10.6% |
| Educational services & health care | 55,177 | 22.7% | 50,431 | 22.5% | 32,311,107 | 23.2% |
| Arts, entertain, hotel, food svcs | 12,728 | 5.2% | 16,915 | 7.6% | 12,859,572 | 9.2% |
| Other private services | 8,589 | 3.5% | 11,461 | 5.1% | 6,913,449 | 5.0% |
| Public administration | 8,730 | 3.6% | 6,776 | 3.0% | 7,187,193 | 5.2% |
| | | | | | | |
| INCOME AND BENEFITS | | | | | | |
| Total households | 177,786 | 100.0% | 161,527 | 100.0% | 114,567,419 | 100.0% |
| Less than \$10,000 | 5,141 | 2.9% | 14,538 | 9.0% | 8,757,190 | 7.6% |
| \$10,000 to \$14,999 | 3,562 | 2.0% | 7,604 | 4.7% | 6,668,865 | 5.8% |
| \$15,000 to \$24,999 | 10,598 | 6.0% | 17,286 | 10.7% | 13,165,380 | 11.5% |
| \$25,000 to \$34,999 | 10,446 | 5.9% | 17,003 | 10.5% | 12,323,322 | 10.8% |
| \$35,000 to \$49,999 | 15,265 | 8.6% | 19,142 | 11.9% | 16,312,385 | 14.2% |
| \$50,000 to \$74,999 | 27,277 | 15.3% | 26,057 | 16.1% | 20,940,859 | 18.3% |
| \$75,000 to \$99,999 | 25,266 | 14.2% | 17,637 | 10.9% | 13,526,500 | 11.8% |
| \$100,000 to \$149,999 | 33,587 | 18.9% | 24,127 | 14.9% | 13,544,839 | 11.8% |
| \$150,000 to \$199,999 | 20,542 | 11.6% | 10,658 | 6.6% | 4,809,998 | 4.2% |
| \$200,000 or more | 26,102 | 14.7% | 7,475 | 4.6% | 4,518,081 | 3.9% |
| Median household income (dollars) | 91,469 | 182.8% | 53,993 | 107.9% | 50,046 | |
| Mean household income (dollars) | 121,784 | 178.4% | 73,618 | 107.9% | 68,259 | |
| | | | | | | |
| Families | 128,754 | 100.0% | 113,041 | 100.0% | 76,089,045 | 100.0% |
| Less than \$10,000 | 1,983 | 1.5% | 7,061 | 6.2% | 3,824,251 | 5.0% |
| \$10,000 to \$14,999 | 1,149 | 0.9% | 2,987 | 2.6% | 2,660,781 | 3.5% |
| \$15,000 to \$24,999 | 4,287 | 3.3% | 10,418 | 9.2% | 6,770,812 | 8.9% |
| \$25,000 to \$34,999 | 5,257 | 4.1% | 10,897 | 9.6% | 7,332,318 | 9.6% |
| \$35,000 to \$49,999 | 9,063 | 7.0% | 11,966 | 10.6% | 10,578,051 | 13.9% |
| \$50,000 to \$74,999 | 18,910 | 14.7% | 19,967 | 17.7% | 14,990,631 | 19.7% |
| \$75,000 to \$99,999 | 18,470 | 14.3% | 13,043 | 11.5% | 10,638,931 | 14.0% |

| | | | | | | |
|--------------------------------------|---------|--------|--------|--------|------------|-------|
| \$100,000 to \$149,999 | 27,700 | 21.5% | 20,577 | 18.2% | 11,261,766 | 14.8% |
| \$150,000 to \$199,999 | 18,007 | 14.0% | 9,254 | 8.2% | 4,130,868 | 5.4% |
| \$200,000 or more | 23,928 | 18.6% | 6,871 | 6.1% | 3,900,636 | 5.1% |
| Median family income (dollars) | 107,639 | 177.6% | 65,248 | 107.7% | 60,609 | |
| Mean family income (dollars) | 141,174 | 177.9% | 84,767 | 106.8% | 79,338 | |
| Per capita income (dollars) | 44,393 | 170.4% | 25,244 | 96.9% | 26,059 | |
| | | | | | | |
| Median earnings for workers | 48,157 | 166.6% | 30,444 | 105.3% | 28,899 | |
| Median earnings for male full-time | 77,163 | 165.9% | 46,945 | 101.0% | 46,500 | |
| Median earnings for female full-time | 55,422 | 151.6% | 37,130 | 101.6% | 36,551 | |
| | | | | | | |
| PERCENTAGE BELOW POVERTY LEVEL | | | | | | |
| All families | 3.7% | 32.7% | 12.5% | 110.6% | 11.30% | |
| All people | 6.0% | 39.2% | 15.7% | 102.6% | 15.30% | |

Morris County is a typical upscale suburban county; Passaic County is mixed, somewhat like Union County, with pockets of poverty as well as islands of affluence. In Morris County, median family income is 178% of the national average, similar to but even higher than Bergen County, while Passaic is only 108% of the average, similar to but lower than Union County. The poverty levels reflect this difference in income; for all families, the rate is only 1/3 of the national average for Morris County, but 110% of that average for Passaic County.

Both counties have a higher than average proportion of the workforce in manufacturing, at 12.1% for Morris County and 13.7% for Passaic County, compared to 10.4% nationally. Both counties also have a higher than average proportion of workers in financial and professional services, although the increment is much smaller for Passaic County. Offsetting these bulges, both counties have a much smaller than average proportion of workers in arts, entertainment, leisure, hotels, and restaurants.

Table 6-4. Economic Profile of Middlesex and Monmouth Counties and Comparison with the U.S., 2010 Data

| Category | Middlesex | % | Monmouth | % | U.S. | % |
|------------------------------|-----------|--------|----------|--------|-------------|--------|
| EMPLOYMENT STATUS | | | | | | |
| | | | | | 2010 | |
| Population 16 years and over | 647,766 | 100.0% | 499,682 | 100.0% | 243,832,923 | 100.0% |
| In labor force | 436,439 | 67.4% | 334,514 | 66.9% | 156,966,769 | 64.4% |
| Civilian labor force | 436,344 | 67.4% | 334,163 | 66.9% | 155,917,013 | 63.9% |
| Employed | 392,654 | 60.6% | 305,172 | 61.1% | 139,033,928 | 57.0% |
| Unemployed | 43,690 | 6.7% | 28,991 | 5.8% | 16,883,085 | 6.9% |
| Armed Forces | 95 | 0.0% | 351 | 0.1% | 1,049,756 | 0.4% |
| Not in labor force | 211,327 | 32.6% | 165,168 | 33.1% | 86,866,154 | 35.6% |
| | | | | | | |
| OCCUPATION | | | | | | |

| | | | | | | |
|------------------------------------|---------|--------|---------|--------|-------------|--------|
| Civilian employed population 16+ | 392,654 | 100.0% | 305,172 | 100.0% | 139,033,928 | 100.0% |
| Management & professional | 170,323 | 43.4% | 131,997 | 43.3% | 49,975,620 | 35.9% |
| Service occupations | 55,446 | 14.1% | 46,342 | 15.2% | 25,059,153 | 18.0% |
| Sales and office occupations | 99,238 | 25.3% | 81,326 | 26.6% | 34,711,455 | 25.0% |
| Construction, maintenance, repair | 25,049 | 6.4% | 21,803 | 7.1% | 12,697,304 | 9.1% |
| Production & transportation | 42,598 | 10.8% | 23,704 | 7.8% | 16,590,396 | 11.9% |
| | | | | | | |
| INDUSTRY | | | | | | |
| Civilian employed population 16+ | 392,654 | 100.0% | 305,172 | 100.0% | 139,033,928 | 100.0% |
| Agriculture & mining | 628 | 0.2% | 1,043 | 0.3% | 2,646,975 | 1.9% |
| Construction | 18,052 | 4.6% | 16,060 | 5.3% | 8,686,813 | 6.2% |
| Manufacturing | 39,615 | 10.1% | 20,781 | 6.8% | 14,439,691 | 10.4% |
| Wholesale trade | 17,826 | 4.5% | 10,399 | 3.4% | 3,941,066 | 2.8% |
| Retail trade | 43,951 | 11.2% | 33,644 | 11.0% | 16,203,408 | 11.7% |
| Transportation & utilities | 26,800 | 6.8% | 14,981 | 4.9% | 6,843,579 | 4.9% |
| Information | 12,486 | 3.2% | 13,058 | 4.3% | 3,015,521 | 2.2% |
| Finance, insurance, & real estate | 36,177 | 9.2% | 33,142 | 10.9% | 9,275,465 | 6.7% |
| Professional & administrative | 52,832 | 13.5% | 39,280 | 12.9% | 14,710,089 | 10.6% |
| Educational services & health care | 83,080 | 21.2% | 70,468 | 23.1% | 32,311,107 | 23.2% |
| Arts, entertain, hotel, food svcs | 29,705 | 7.6% | 24,158 | 7.9% | 12,859,572 | 9.2% |
| Other private services | 15,450 | 3.9% | 11,999 | 3.9% | 6,913,449 | 5.0% |
| Public administration | 16,052 | 4.1% | 16,159 | 5.3% | 7,187,193 | 5.2% |
| | | | | | | |
| INCOME AND BENEFITS | | | | | | |
| Total households | 278,877 | 100.0% | 234,582 | 100.0% | 114,567,419 | 100.0% |
| Less than \$10,000 | 9,344 | 3.4% | 8,749 | 3.7% | 8,757,190 | 7.6% |
| \$10,000 to \$14,999 | 8,634 | 3.1% | 7,916 | 3.4% | 6,668,865 | 5.8% |
| \$15,000 to \$24,999 | 20,963 | 7.5% | 20,280 | 8.6% | 13,165,380 | 11.5% |
| \$25,000 to \$34,999 | 17,484 | 6.3% | 16,779 | 7.2% | 12,323,322 | 10.8% |
| \$35,000 to \$49,999 | 28,013 | 10.0% | 21,105 | 9.0% | 16,312,385 | 14.2% |
| \$50,000 to \$74,999 | 52,023 | 18.7% | 34,504 | 14.7% | 20,940,859 | 18.3% |
| \$75,000 to \$99,999 | 41,574 | 14.9% | 30,287 | 12.9% | 13,526,500 | 11.8% |
| \$100,000 to \$149,999 | 59,641 | 21.4% | 43,322 | 18.5% | 13,544,839 | 11.8% |
| \$150,000 to \$199,999 | 23,338 | 8.4% | 23,299 | 9.9% | 4,809,998 | 4.2% |
| \$200,000 or more | 17,863 | 6.4% | 28,341 | 12.1% | 4,518,081 | 3.9% |
| Median household income (dollars) | 76,443 | 152.7% | 80,816 | 161.5% | 50,046 | |
| Mean household income (dollars) | 91,077 | 133.4% | 109,907 | 161.0% | 68,259 | |
| | | | | | | |
| Families | 203,542 | 100.0% | 159,264 | 100.0% | 76,089,045 | 100.0% |
| Less than \$10,000 | 3,425 | 1.7% | 3,542 | 2.2% | 3,824,251 | 5.0% |
| \$10,000 to \$14,999 | 3,594 | 1.8% | 2,250 | 1.4% | 2,660,781 | 3.5% |
| \$15,000 to \$24,999 | 10,298 | 5.1% | 7,999 | 5.0% | 6,770,812 | 8.9% |
| \$25,000 to \$34,999 | 10,039 | 4.9% | 8,157 | 5.1% | 7,332,318 | 9.6% |
| \$35,000 to \$49,999 | 18,530 | 9.1% | 11,826 | 7.4% | 10,578,051 | 13.9% |
| \$50,000 to \$74,999 | 36,692 | 18.0% | 20,099 | 12.6% | 14,990,631 | 19.7% |
| \$75,000 to \$99,999 | 32,490 | 16.0% | 23,504 | 14.8% | 10,638,931 | 14.0% |
| \$100,000 to \$149,999 | 51,013 | 25.1% | 36,806 | 23.1% | 11,261,766 | 14.8% |
| \$150,000 to \$199,999 | 21,178 | 10.4% | 19,441 | 12.2% | 4,130,868 | 5.4% |
| \$200,000 or more | 16,283 | 8.0% | 25,640 | 16.1% | 3,900,636 | 5.1% |
| Median family income (dollars) | 88,678 | 146.3% | 101,714 | 167.8% | 60,609 | |

| | | | | | | |
|--------------------------------------|---------|--------|---------|--------|--------|--|
| Mean family income (dollars) | 102,733 | 129.5% | 132,616 | 167.2% | 79,338 | |
| Per capita income (dollars) | 32,017 | 122.9% | 41,434 | 159.0% | 26,059 | |
| | | | | | | |
| Median earnings for workers | 40,270 | 139.3% | 42,266 | 146.3% | 28,899 | |
| Median earnings for male full-time | 61,557 | 132.4% | 71,576 | 153.9% | 46,500 | |
| Median earnings for female full-time | 47,101 | 128.9% | 52,072 | 142.5% | 36,551 | |
| | | | | | | |
| PERCENTAGE BELOW POVERTY LEVEL | | | | | | |
| All families | 5.1% | 45.1% | 5.0% | 44.2% | 11.3% | |
| All people | 7.7% | 50.3% | 6.6% | 43.1% | 15.3% | |

Middlesex and Monmouth Counties are prototypical wealthy suburbs, with median household incomes more than 50% higher than the U.S. figures and poverty rates half of the national averages or less. Monmouth County has an especially high share of the wealthy, with 12% of households earning \$200,000 or more – compared to 4% for the U.S.

Consistent with their high-income profiles, both counties have high percentages of white-collar workers – 43% in each county, compared to 36% nationally. Similar to the other counties in the region, Middlesex (9%) and Monmouth (11%) have high shares of workers in the finance and insurance industries – compared to 7% for the U.S. Unlike Middlesex County, Monmouth County has a lower than average proportion of its workforce in manufacturing, at 7%.

Table 6-5. Labor Market Statistics for 8 Counties in Northern New Jersey, 2002-2011 Data

| | Labor Force | Employed | Unemployed | Un Rate, % |
|------------|-------------|-----------|------------|------------|
| New Jersey | | | | |
| 2002 | 4,370,809 | 4,117,265 | 253,544 | 5.8 |
| 2003 | 4,363,896 | 4,108,397 | 255,499 | 5.9 |
| 2004 | 4,358,908 | 4,144,223 | 214,685 | 4.9 |
| 2005 | 4,404,451 | 4,207,738 | 196,713 | 4.5 |
| 2006 | 4,465,067 | 4,257,899 | 207,168 | 4.6 |
| 2007 | 4,456,306 | 4,264,617 | 191,689 | 4.3 |
| 2008 | 4,509,110 | 4,262,281 | 246,829 | 5.5 |
| 2009 | 4,546,443 | 4,138,364 | 408,079 | 9.0 |
| 2010 | 4,554,076 | 4,116,640 | 437,436 | 9.6 |
| 2011 | 4,556,186 | 4,131,832 | 424,354 | 9.3 |
| Bergen | | | | |
| 2002 | 466,326 | 442,760 | 23,566 | 5.1 |
| 2003 | 465,115 | 441,480 | 23,635 | 5.1 |
| 2004 | 462,702 | 443,247 | 19,455 | 4.2 |

| | | | | |
|------|---------|---------|--------|-----|
| 2005 | 467,206 | 449,791 | 17,415 | 3.7 |
| 2006 | 473,275 | 455,022 | 18,253 | 3.9 |
| 2007 | 472,991 | 456,594 | 16,397 | 3.5 |
| 2008 | 478,584 | 457,046 | 21,538 | 4.5 |
| 2009 | 480,720 | 443,620 | 37,100 | 7.7 |
| 2010 | 476,243 | 436,522 | 39,721 | 8.3 |
| 2011 | 479,131 | 441,277 | 37,854 | 7.9 |

Essex

| | | | | |
|------|---------|---------|--------|------|
| 2002 | 371,383 | 344,532 | 26,851 | 7.2 |
| 2003 | 369,164 | 342,304 | 26,860 | 7.3 |
| 2004 | 363,454 | 340,905 | 22,549 | 6.2 |
| 2005 | 361,843 | 341,544 | 20,299 | 5.6 |
| 2006 | 364,175 | 343,012 | 21,163 | 5.8 |
| 2007 | 362,785 | 343,281 | 19,504 | 5.4 |
| 2008 | 366,007 | 341,853 | 24,154 | 6.6 |
| 2009 | 367,125 | 329,526 | 37,599 | 10.2 |
| 2010 | 370,372 | 329,355 | 41,017 | 11.1 |
| 2011 | 370,417 | 330,337 | 40,080 | 10.8 |

Hudson

| | | | | |
|------|---------|---------|--------|------|
| 2002 | 296,200 | 273,503 | 22,697 | 7.7 |
| 2003 | 292,204 | 270,633 | 21,571 | 7.4 |
| 2004 | 287,381 | 269,725 | 17,656 | 6.1 |
| 2005 | 288,312 | 272,630 | 15,682 | 5.4 |
| 2006 | 290,204 | 274,266 | 15,938 | 5.5 |
| 2007 | 290,990 | 276,383 | 14,607 | 5.0 |
| 2008 | 294,408 | 275,666 | 18,742 | 6.4 |
| 2009 | 299,839 | 268,570 | 31,269 | 10.4 |
| 2010 | 310,845 | 277,281 | 33,564 | 10.8 |
| 2011 | 312,467 | 280,302 | 32,165 | 10.3 |

Middlesex

| | | | | |
|------|---------|---------|--------|-----|
| 2002 | 413,685 | 390,439 | 23,246 | 5.6 |
| 2003 | 411,128 | 388,372 | 22,756 | 5.5 |
| 2004 | 410,464 | 391,663 | 18,801 | 4.6 |
| 2005 | 415,943 | 398,420 | 17,523 | 4.2 |
| 2006 | 421,868 | 403,617 | 18,251 | 4.3 |
| 2007 | 421,754 | 405,387 | 16,367 | 3.9 |
| 2008 | 425,916 | 404,463 | 21,453 | 5.0 |
| 2009 | 427,408 | 391,354 | 36,054 | 8.4 |
| 2010 | 436,381 | 398,449 | 37,932 | 8.7 |
| 2011 | 436,228 | 399,546 | 36,682 | 8.4 |

| Monmouth | | | | |
|----------|---------|---------|--------|------|
| 2002 | 325,726 | 308,550 | 17,176 | 5.3 |
| 2003 | 323,789 | 306,191 | 17,598 | 5.4 |
| 2004 | 322,012 | 307,448 | 14,564 | 4.5 |
| 2005 | 324,105 | 310,869 | 13,236 | 4.1 |
| 2006 | 329,093 | 315,612 | 13,481 | 4.1 |
| 2007 | 332,191 | 319,687 | 12,504 | 3.8 |
| 2008 | 335,353 | 318,975 | 16,378 | 4.9 |
| 2009 | 336,577 | 308,793 | 27,784 | 8.3 |
| 2010 | 329,433 | 300,427 | 29,006 | 8.8 |
| 2011 | 329,571 | 301,254 | 28,317 | 8.6 |
| Morris | | | | |
| 2002 | 265,499 | 253,291 | 12,208 | 4.6 |
| 2003 | 266,068 | 253,862 | 12,206 | 4.6 |
| 2004 | 265,376 | 255,660 | 9,716 | 3.7 |
| 2005 | 267,813 | 259,088 | 8,725 | 3.3 |
| 2006 | 272,237 | 263,196 | 9,041 | 3.3 |
| 2007 | 272,580 | 264,282 | 8,298 | 3.0 |
| 2008 | 275,584 | 264,528 | 11,056 | 4.0 |
| 2009 | 275,118 | 255,839 | 19,279 | 7.0 |
| 2010 | 272,994 | 252,965 | 20,029 | 7.3 |
| 2011 | 272,849 | 253,719 | 19,130 | 7.0 |
| Passaic | | | | |
| 2002 | 236,848 | 220,154 | 16,694 | 7.0 |
| 2003 | 236,729 | 219,363 | 17,366 | 7.3 |
| 2004 | 233,946 | 219,516 | 14,430 | 6.2 |
| 2005 | 235,518 | 222,610 | 12,908 | 5.5 |
| 2006 | 237,194 | 223,944 | 13,250 | 5.6 |
| 2007 | 237,294 | 224,527 | 12,767 | 5.4 |
| 2008 | 240,836 | 224,443 | 16,393 | 6.8 |
| 2009 | 244,838 | 218,118 | 26,720 | 10.9 |
| 2010 | 244,764 | 216,367 | 28,397 | 11.6 |
| 2011 | 246,012 | 218,724 | 27,288 | 11.1 |
| Union | | | | |
| 2002 | 269,672 | 252,547 | 17,125 | 6.4 |
| 2003 | 268,107 | 251,137 | 16,970 | 6.3 |
| 2004 | 265,034 | 250,970 | 14,064 | 5.3 |
| 2005 | 265,654 | 252,991 | 12,663 | 4.8 |
| 2006 | 268,521 | 255,487 | 13,034 | 4.9 |

| | | | | |
|------|---------|---------|--------|-----|
| 2007 | 267,960 | 255,865 | 12,095 | 4.5 |
| 2008 | 271,553 | 255,902 | 15,651 | 5.8 |
| 2009 | 273,728 | 248,504 | 25,224 | 9.2 |
| 2010 | 275,137 | 248,502 | 26,635 | 9.7 |
| 2011 | 275,886 | 249,244 | 26,642 | 9.7 |

8 counties

| | | | | |
|------|-----------|-----------|---------|-----|
| 2002 | 2,645,339 | 2,485,776 | 159,563 | 6.0 |
| 2003 | 2,632,304 | 2,473,342 | 158,962 | 6.0 |
| 2004 | 2,610,369 | 2,479,134 | 131,235 | 5.0 |
| 2005 | 2,626,394 | 2,507,943 | 118,451 | 4.5 |
| 2006 | 2,656,567 | 2,534,156 | 122,411 | 4.6 |
| 2007 | 2,658,545 | 2,546,006 | 112,539 | 4.2 |
| 2008 | 2,688,241 | 2,542,876 | 145,365 | 5.4 |
| 2009 | 2,705,353 | 2,464,324 | 241,029 | 8.9 |
| 2010 | 2,716,169 | 2,459,868 | 256,301 | 9.4 |
| 2011 | 2,722,561 | 2,474,403 | 248,158 | 9.1 |

The unemployment rate for this part of New Jersey is very similar to the profile for the overall U. S., although the figures in 2010 and 2011 are marginally lower. By individual county, Hudson, Essex, Union, and Passaic counties have rates that are above the 8.9% level for 2011, while Bergen, Middlesex, Morris, and Monmouth are below average. According to BLS statistics as of December 1, 2012, there were almost 250,000 unemployed people in this 8-county region in 2011.

Table 6-6. Level and Growth Rate of Population, State of New Jersey, 8 Counties in the Northern New Jersey, and the Total of these Counties

(Table is divided into Sections A and B for easier viewing)

| | New Jersey | Bergen | Essex | Hudson | Union | Middlesex |
|---------|------------|---------|---------|---------|---------|-----------|
| 2011 | 8,821,155 | 911,004 | 785,137 | 641,224 | 539,494 | 814,217 |
| 2010 | 8,799,593 | 906,184 | 784,099 | 634,979 | 537,475 | 810,747 |
| 2009 | 8,755,602 | 900,319 | 781,943 | 628,572 | 532,434 | 805,204 |
| 2008 | 8,711,090 | 895,328 | 778,165 | 619,533 | 527,528 | 799,191 |
| 2007 | 8,677,885 | 890,817 | 778,996 | 613,637 | 524,960 | 792,137 |
| 2006 | 8,661,679 | 889,406 | 781,027 | 613,577 | 525,153 | 786,890 |
| 2005 | 8,651,974 | 891,446 | 786,341 | 614,664 | 526,161 | 787,329 |
| 2004 | 8,634,561 | 893,378 | 791,305 | 614,607 | 526,916 | 781,582 |
| 2003 | 8,601,402 | 892,214 | 795,167 | 614,813 | 527,611 | 775,973 |
| 2002 | 8,552,643 | 890,647 | 795,625 | 615,554 | 527,625 | 769,280 |
| 2011/10 | 0.25% | 0.53% | 0.13% | 0.98% | 0.38% | 0.43% |
| 2010/09 | 0.50% | 0.65% | 0.28% | 1.02% | 0.95% | 0.69% |
| 2009/08 | 0.51% | 0.56% | 0.49% | 1.46% | 0.93% | 0.75% |

| | | | | | | |
|---------|-------|--------|--------|--------|--------|--------|
| 2008/07 | 0.38% | 0.51% | -0.11% | 0.96% | 0.49% | 0.89% |
| 2007/06 | 0.19% | 0.16% | -0.26% | 0.01% | -0.04% | 0.67% |
| 2006/05 | 0.11% | -0.23% | -0.68% | -0.18% | -0.19% | -0.06% |
| 2005/04 | 0.20% | -0.22% | -0.63% | 0.01% | -0.14% | 0.74% |
| 2004/03 | 0.39% | 0.13% | -0.49% | -0.03% | -0.13% | 0.72% |
| 2003/02 | 0.57% | 0.18% | -0.06% | -0.12% | 0.00% | 0.87% |
| 2011/02 | 0.34% | 0.25% | -0.15% | 0.45% | 0.25% | 0.63% |

| | Middlesex | Monmouth | Morris | Passaic | 8 counties |
|------|-----------|----------|---------|---------|------------|
| 2011 | 814,217 | 631,020 | 494,976 | 502,007 | 5,319,079 |
| 2010 | 810,747 | 630,920 | 492,681 | 501,606 | 5,298,691 |
| 2009 | 805,204 | 628,669 | 490,779 | 498,641 | 5,266,561 |
| 2008 | 799,191 | 627,348 | 489,743 | 494,904 | 5,231,740 |
| 2007 | 792,137 | 626,644 | 488,355 | 492,886 | 5,208,432 |
| 2006 | 786,890 | 626,934 | 487,486 | 492,730 | 5,203,203 |
| 2005 | 787,329 | 627,838 | 485,472 | 493,600 | 5,212,851 |
| 2004 | 781,582 | 628,605 | 483,997 | 493,981 | 5,214,371 |
| 2003 | 775,973 | 627,413 | 481,000 | 494,915 | 5,209,106 |
| 2002 | 769,280 | 624,532 | 477,234 | 494,571 | 5,195,068 |

| | | | | | |
|---------|--------|--------|-------|--------|--------|
| 2011/10 | 0.43% | 0.02% | 0.47% | 0.08% | 0.38% |
| 2010/09 | 0.69% | 0.36% | 0.39% | 0.59% | 0.61% |
| 2009/08 | 0.75% | 0.21% | 0.21% | 0.76% | 0.67% |
| 2008/07 | 0.89% | 0.11% | 0.28% | 0.41% | 0.45% |
| 2007/06 | 0.67% | -0.05% | 0.18% | 0.03% | 0.10% |
| 2006/05 | -0.06% | -0.14% | 0.41% | -0.18% | -0.19% |
| 2005/04 | 0.74% | -0.12% | 0.30% | -0.08% | -0.03% |
| 2004/03 | 0.72% | 0.19% | 0.62% | -0.19% | 0.10% |
| 2003/02 | 0.87% | 0.46% | 0.79% | 0.07% | 0.27% |
| 2011/02 | 0.63% | 0.11% | 0.41% | 0.17% | 0.26% |

Population growth in this 8-county area was not only well below the 1% rate for the U.S, but was less than half the rate in New Jersey; since that is the figure for the entire state, the growth rate was only about 1/5 of that for the other 9 counties in New Jersey. The pattern reversed course at mid-decade, with an actual decline from 2004 through 2007 being followed by an average growth rate of 0.5% from 2008 to 2011.

Table 6-7. Level and Growth Rate of Personal Income, Billions of Dollars, State of New Jersey, 8 Counties in Northern New Jersey, and the Total of these Counties

| | New Jersey | Bergen | Essex | Hudson | Union |
|------|------------|--------|-------|--------|-------|
| 2011 | 462.49 | 60.21 | 41.58 | 30.38 | 27.98 |

| | | | | | |
|---------|-----------|----------|--------|---------|------------|
| 2010 | 443.74 | 57.44 | 40.01 | 28.75 | 26.63 |
| 2009 | 430.96 | 56.36 | 37.98 | 26.82 | 25.76 |
| 2008 | 454.21 | 61.09 | 40.20 | 26.57 | 27.59 |
| 2007 | 436.12 | 60.04 | 38.83 | 24.21 | 26.64 |
| 2006 | 411.43 | 55.78 | 36.93 | 22.69 | 25.54 |
| 2005 | 379.65 | 50.55 | 33.99 | 21.15 | 23.28 |
| 2004 | 365.26 | 48.66 | 32.77 | 19.99 | 22.54 |
| 2003 | 347.69 | 45.62 | 30.81 | 19.24 | 21.87 |
| 2002 | 341.56 | 46.24 | 30.14 | 19.00 | 21.51 |
| 2011/10 | 4.23% | 4.83% | 3.91% | 5.66% | 5.08% |
| 2010/09 | 2.97% | 1.91% | 5.34% | 7.20% | 3.35% |
| 2009/08 | -5.12% | -7.73% | -5.53% | 0.96% | -6.63% |
| 2008/07 | 4.15% | 1.75% | 3.53% | 9.76% | 3.57% |
| 2007/06 | 6.00% | 7.63% | 5.14% | 6.69% | 4.31% |
| 2006/05 | 8.37% | 10.34% | 8.65% | 7.26% | 9.72% |
| 2005/04 | 3.94% | 3.90% | 3.73% | 5.81% | 3.29% |
| 2004/03 | 5.05% | 6.65% | 6.37% | 3.88% | 3.06% |
| 2003/02 | 1.80% | -1.33% | 2.21% | 1.30% | 1.70% |
| 2011/02 | 3.42% | 2.98% | 3.63% | 5.35% | 2.96% |
| | Middlesex | Monmouth | Morris | Passaic | 8 counties |
| 2011 | 40.06 | 36.82 | 35.50 | 21.69 | 294.23 |
| 2010 | 38.34 | 35.59 | 34.18 | 20.64 | 281.58 |
| 2009 | 37.58 | 34.79 | 32.98 | 20.03 | 272.31 |
| 2008 | 39.53 | 37.22 | 36.25 | 20.57 | 289.02 |
| 2007 | 37.22 | 36.15 | 34.77 | 19.83 | 277.68 |
| 2006 | 34.78 | 33.68 | 33.11 | 18.66 | 261.17 |
| 2005 | 32.14 | 30.87 | 30.55 | 17.41 | 239.95 |
| 2004 | 31.00 | 29.78 | 29.42 | 16.48 | 230.64 |
| 2003 | 30.07 | 27.75 | 27.32 | 16.13 | 218.81 |
| 2002 | 29.55 | 27.36 | 26.93 | 15.92 | 216.63 |
| 2011/10 | 4.50% | 3.45% | 3.87% | 5.09% | 4.49% |
| 2010/09 | 2.02% | 2.31% | 3.65% | 3.04% | 3.41% |
| 2009/08 | -4.95% | -6.53% | -9.04% | -2.60% | -5.78% |
| 2008/07 | 6.20% | 2.97% | 4.28% | 3.74% | 4.08% |
| 2007/06 | 7.01% | 7.35% | 5.01% | 6.26% | 6.32% |
| 2006/05 | 8.22% | 9.09% | 8.37% | 7.17% | 8.84% |
| 2005/04 | 3.70% | 3.66% | 3.85% | 5.61% | 4.04% |
| 2004/03 | 3.10% | 7.32% | 7.67% | 2.22% | 5.41% |
| 2003/02 | 1.76% | 1.43% | 1.47% | 1.28% | 1.00% |

2011/02 3.44% 3.35% 3.12% 3.49% 3.46%

The growth in personal income over the decade for this 8-county region was the same as the rest of New Jersey, and about 0.3% per year lower than the U.S. economy. The decline in 2009 was obviously tied to the financial markets, but was not nearly as severe as the swings in Manhattan and the suburban counties in New York State. Of particular interest is that income actually continued to rise in Hudson County in 2009 in spite of the increasing concentration of financial institutions who have moved across the river from New York City; it was the only county in this group where income did not decline in 2009. The rebound in 2010 and 2011 for the entire region continued to be close to the national average; for Hudson County, the increase was well above average.

Finally, we turn to the commuting patterns. In determining the economic impact of new job creation, it is necessary to choose the counties that form the relevant area for analysis. The economic multipliers will be higher as the number of counties included in the area increases. If the proportion of the workforce covered rises above 95%, that would include too many jobs that are not directly related to the new project. If that proportion falls below 90%, the multipliers would probably be understated. Hence the commuting patterns of the workforce data from the 2000 Census are used to determine the optimal mix of counties to be included in the multiplier calculations. These commuters spend most of their paychecks in the counties where they live, so the economic impact of the new project creates some new induced jobs in bordering counties. Also, some of the goods and services purchased by the new businesses are produced or purchased from establishments in neighboring counties.

Table 6-8 can be interpreted as follows. In 2000, there were 223,225 people in the Hudson County workforce. Of these, 121,352 lived in Hudson County, 25,444 lived in Bergen County, and so on. We have included counties that accounted for 84.1% of the total Hudson County workforce, which is below the usual level because many of the commuters live in far-flung counties that have few links with Hudson County.

| Table 6-8. Commuting Patterns for Hudson County, NJ | |
|--|---------|
| Total Hudson County Workforce | 223,225 |
| Living in these counties: | |
| Hudson Co. NJ | 121,352 |
| Bergen Co. NJ | 25,444 |
| Essex Co. NJ | 16,193 |
| Middlesex Co. NJ | 8,706 |
| Union Co. NJ | 8,251 |
| Passaic Co. NJ | 6,468 |
| Monmouth Co. NJ | 6,165 |
| Morris Co. NJ | 4,806 |
| Total these 8 counties | 197,835 |
| % in these 8 counties | 84.1% |

7. Location of Building, Maps of Area, and TEA Analysis

Figure 7-1. Location of 88 Morgan Street, Jersey City

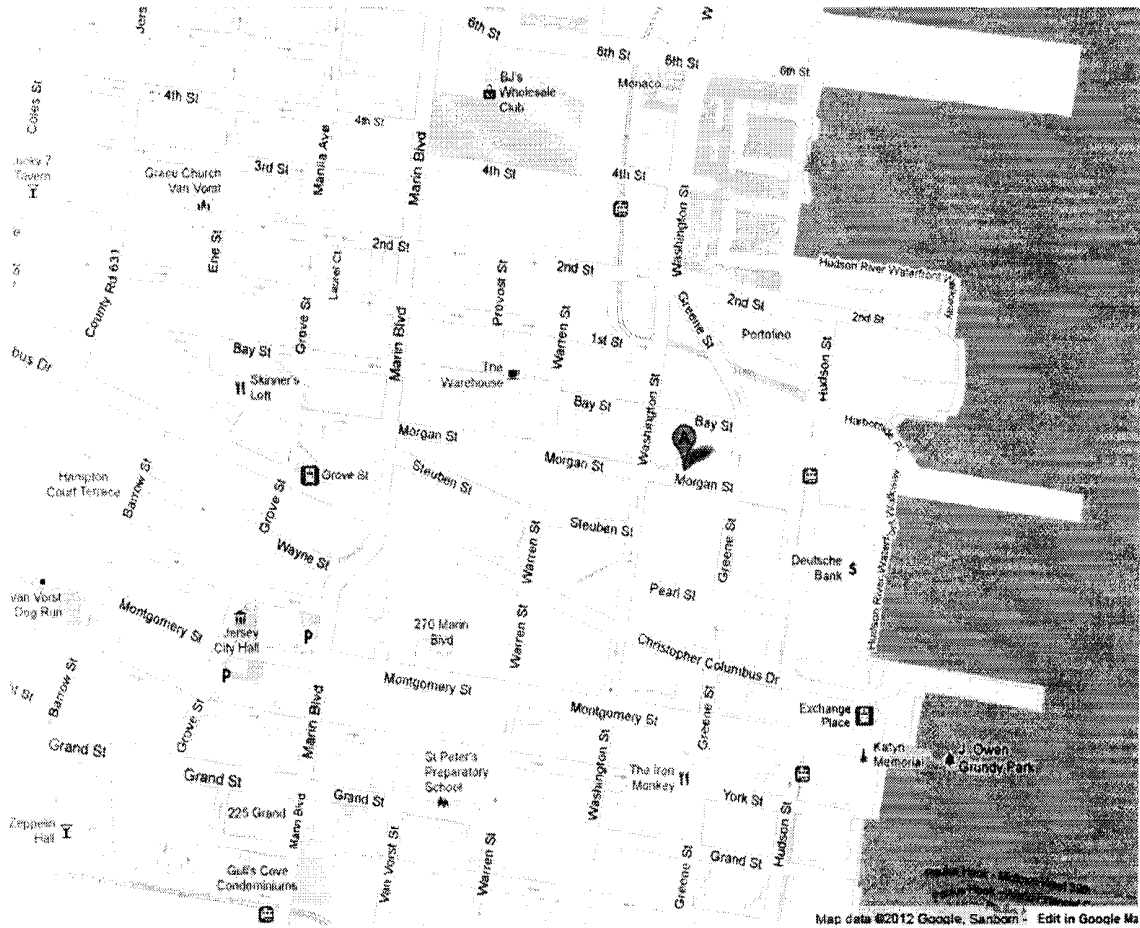


Figure 7-2. Location of Building in the 8-County Area

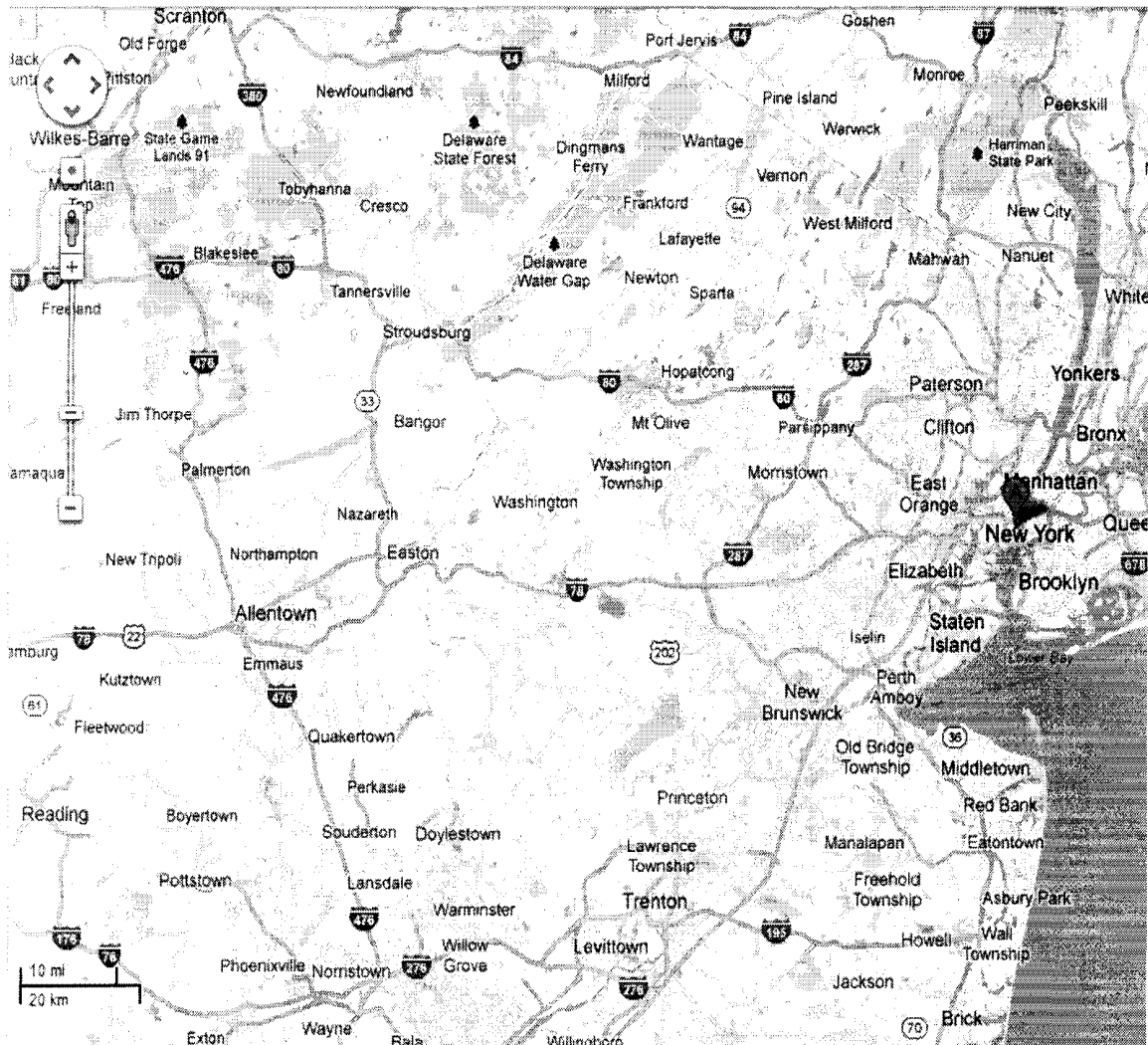
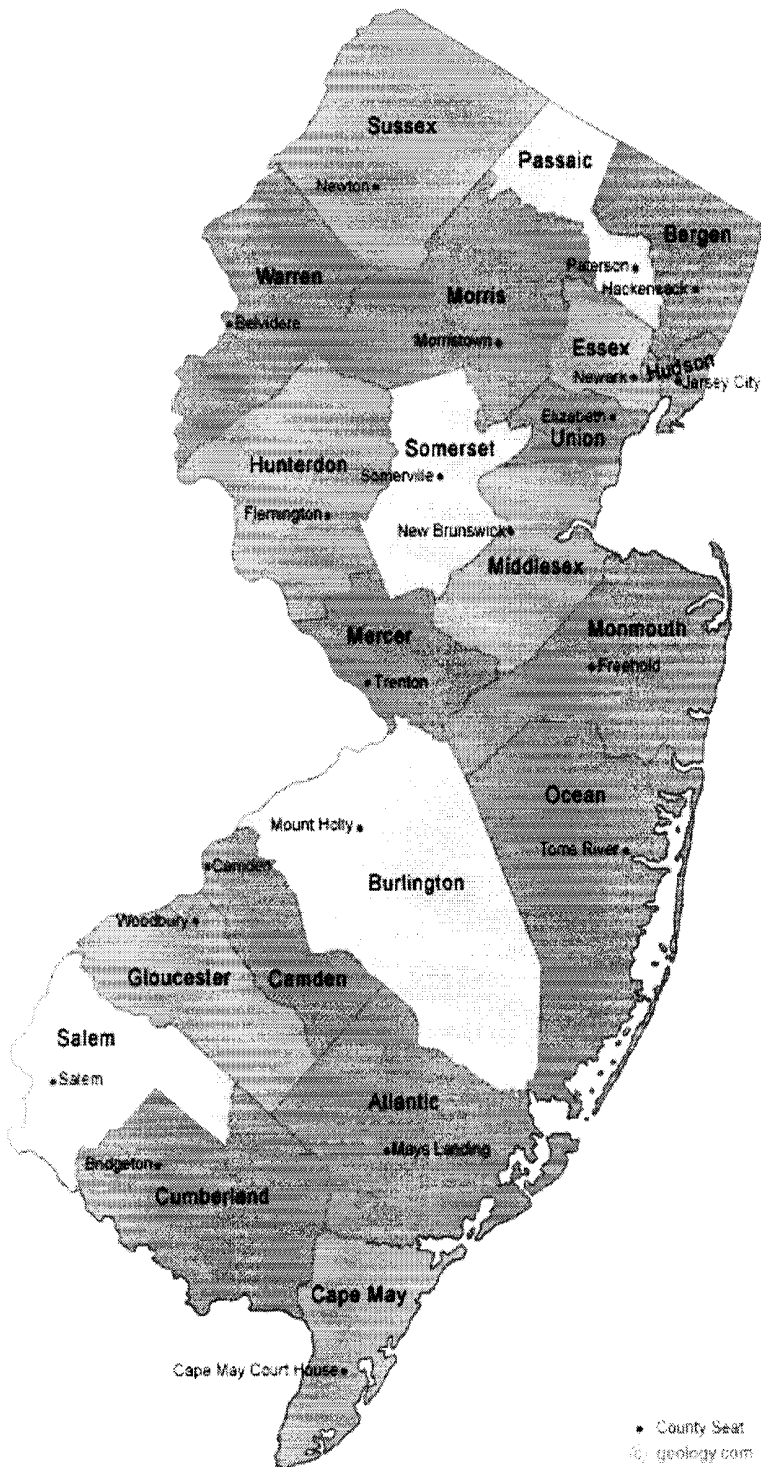


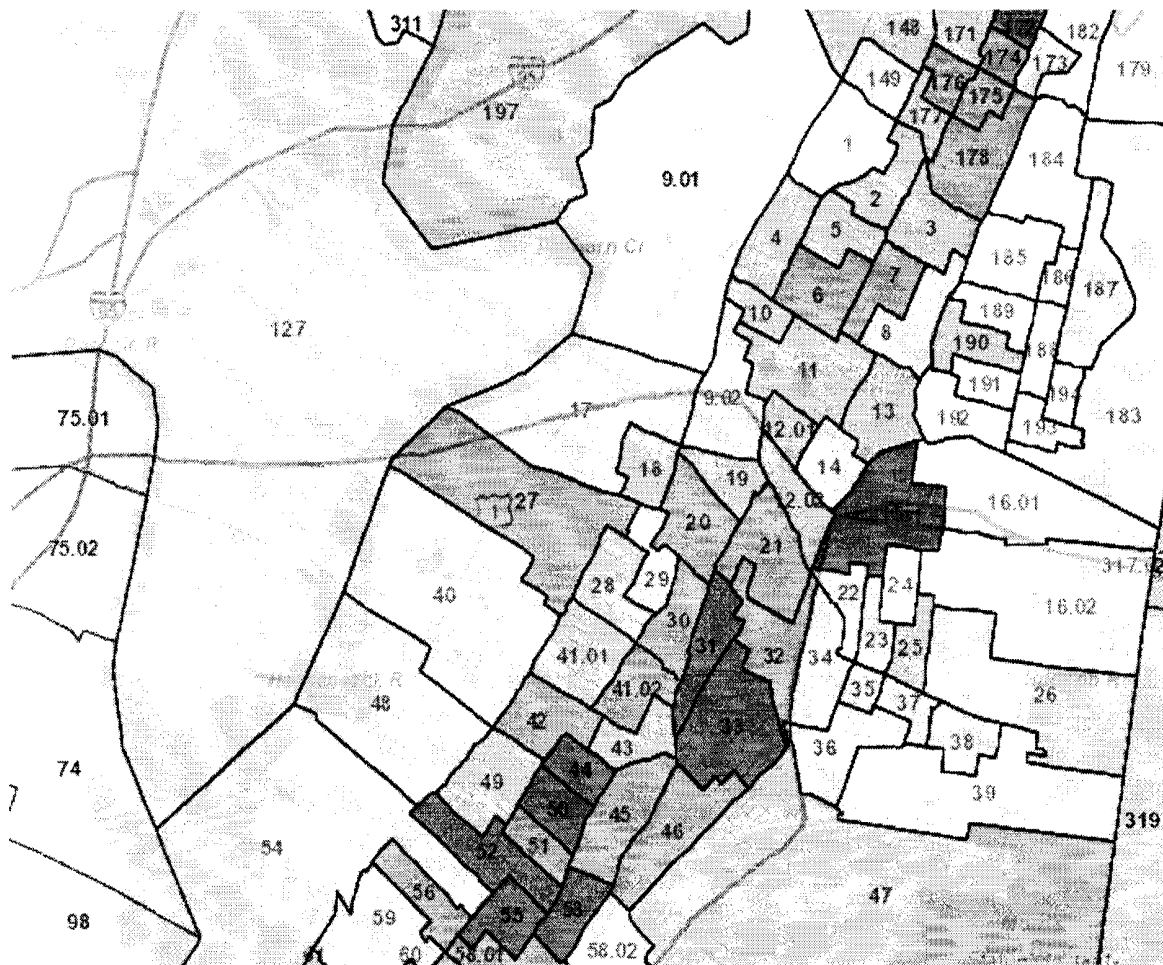
Figure 7-3. County Map of New Jersey



TEA Analysis

A TEA can be formed from CTs 3,4,5,6,7,8,11, 12,01,12.02, 15, 22,23, 25, 26, 30, 31, 32 33, 44, 45,46,50, 51, 52, 53, and 55; the locations of these CTs are shown in Figure 7-4. The Property is located in CT 26. A letter of certification is expected from the New Jersey Department of Labor.

Figure 7-4. Census Tract Map of Jersey City



8. Economic Impact of Construction Expenditures

(b)(4) Table 8-1 shows the total development budget of [redacted]. Of this amount, about [redacted] is EB-5 eligible hard construction costs [redacted] is architectural, engineering, and related fees, and [redacted] is purchases of furniture, fixtures, and equipment (FF&E). The remaining [redacted] consists primarily of land costs, interest costs, contingencies, and fees. The total [redacted] in EB-5 eligible hard construction costs used in the RIMS II calculation expressly excludes, the following figures stated in the Detailed Construction Budget set out in Table 8-2: (i) [redacted] in Construction Contingency; (ii) [redacted] for Bond Completion, and (iii) [redacted] for Jersey City Police.

Table 8-1. Sources and Uses of Funds

(b)(4)

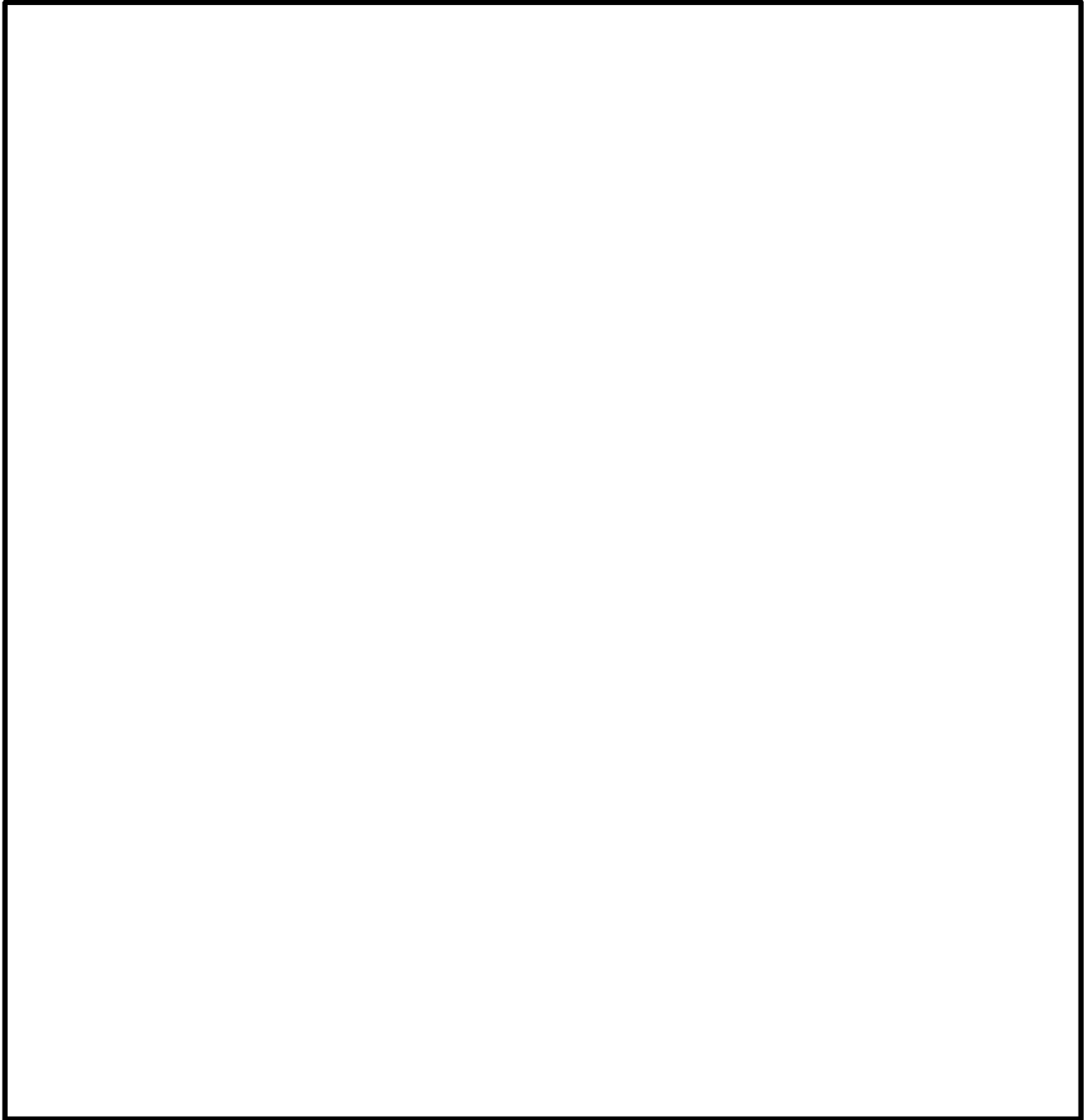
| |
|------------|
| [redacted] |
|------------|

The details of the budget are given in Table 8-2. We have subtracted certain items from the Hard Cost figure given in Table 8-1 that are not EB-5 eligible; the remaining amount includes building, parking, and site preparation. EB-5 eligible soft costs are architectural, engineering, and surveying fees. The line items included in the hard cost are the building costs of [redacted] and the parking garage costs of [redacted] for a total of [redacted] million.

(b)(4)

Table 8-2. Detailed Construction Budget

(b)(4)



USCIS has requested that these figures be related to industry standards. According to R. S. Means, Square Foot Costs, 34th Annual Edition (2013), the average construction cost per square foot for an apartment building on a national average basis is [REDACTED], the average cost for an underground parking garage is [REDACTED]. These figures should be multiplied by the regional coefficient for Jersey City, NJ, which is 1.10, hence raising these figures to about [REDACTED] respectively. These numbers can

(b)(4)

(b)(4) be compared with the cost per square foot given in the above table of [redacted] and [redacted]. The figure for the apartment building is below industry standards; the figure for the parking garage is above industry standards, but the weighted average of these two components of the building is [redacted] compared to the R. S. Means average figure of [redacted]. The additional cost of the parking garage reflects is attributable to design features related to the land being near the water and within a flood zone.

In general, USCIS has indicated that current-dollar numbers should be deflated to the year in which the input/output coefficients were calculated, which in this case is 2008. For construction expenditures, however, prices have actually dropped since then, as shown in the Turner construction index.

The estimated values used in the impact analysis are as follows: 2012, 829; 2013, 845, and 2014, 862 (a 2% annual growth rate). For projects being constructed in 2013 and 2014, the average level would be 854, which is well below the 908 level reached in 2008.

| Quarter | Index | Δ% |
|------------------|-------|------|
| 3rd Quarter 2012 | 832 | 0.73 |
| 2nd Quarter 2012 | 826 | 0.61 |
| 1st Quarter 2012 | 821 | 0.37 |
| 4th Quarter 2011 | 818 | 0.49 |

| Year | Average Index | Δ% |
|------|---------------|------|
| 2011 | 812 | 1.6 |
| 2010 | 799 | -4.0 |
| 2009 | 832 | -8.4 |
| 2008 | 908 | 6.3 |
| 2007 | 854 | 7.7 |
| 2006 | 793 | 10.6 |
| 2005 | 717 | 9.5 |
| 2004 | 655 | 5.4 |
| 2003 | 621 | 0.3 |
| 2002 | 619 | 1.0 |
| 2001 | 613 | 3.0 |
| 2000 | 595 | 4.4 |
| 1999 | 570 | 3.8 |

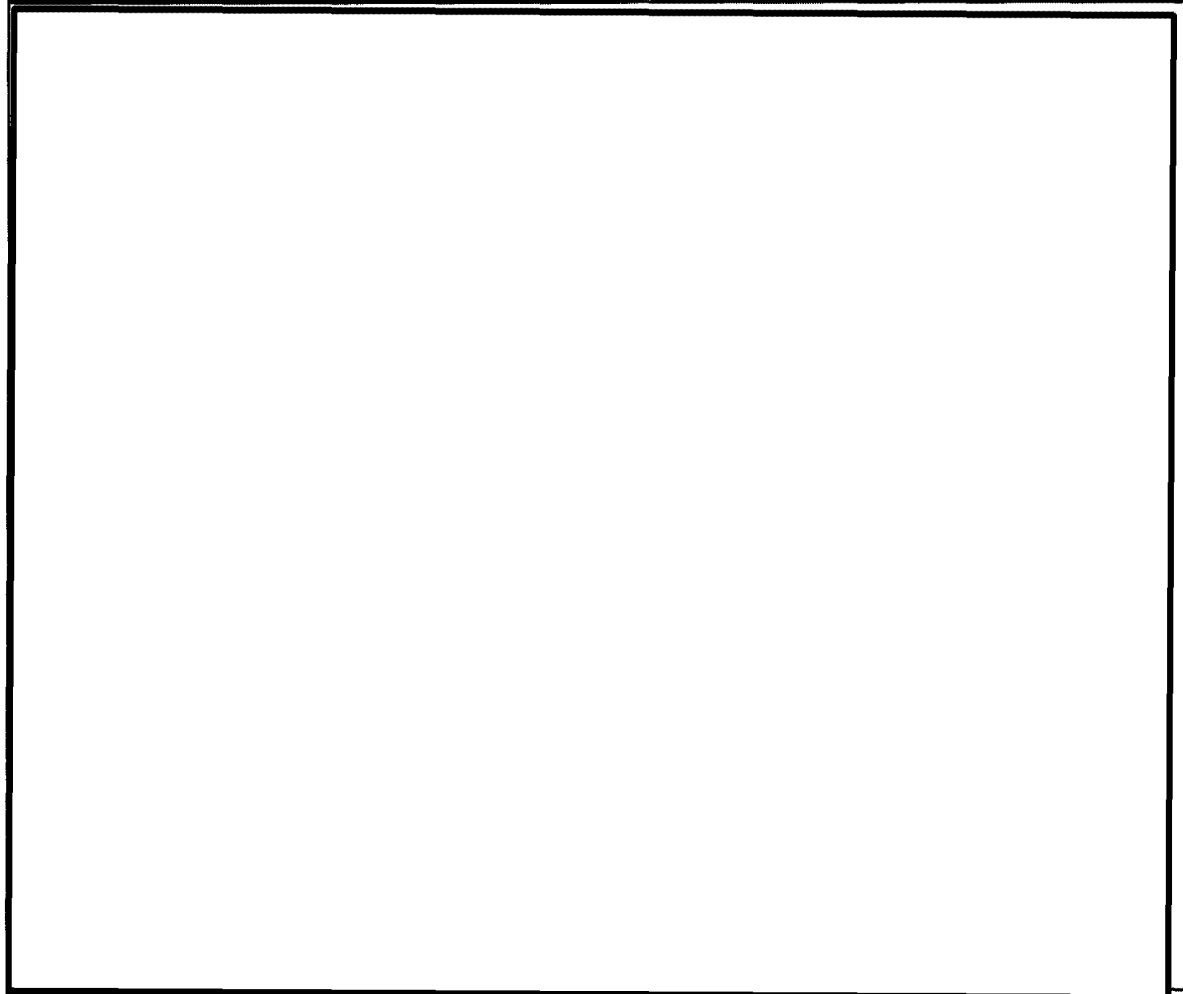
Turner has prepared the construction cost forecast for more than 80 years. Used widely by the construction industry and Federal and State governments, the building costs and price trends tracked by The Turner Building Cost Index may or may not reflect

regional conditions in any given quarter. The Cost Index is determined by several factors considered on a nationwide basis, including labor rates and productivity, material prices and the competitive condition of the marketplace. This index does not necessarily conform to other published indices because others do not generally take all of these factors into account. Further information about this index is available at: <http://www.turnerconstruction.com/cost-index>

The next six tables show the economic impact of (a) hard construction costs, (b) EB-5 eligible soft costs, and (c) purchases of FF&E. In all cases, the tables show the impact for the 20 major industrial classifications in the RIMS II input/output model; in all cases, only indirect and induced impacts are included. Please note that in these and succeeding tables, output and earnings are given in thousands of dollars.

Table 8-3. Increase in Employment, Output, and Earnings for Hard Construction Costs of 88 Morgan Street

(b)(4)



(b)(4) Table 8-3 shows there will be a total of [] jobs created from the hard construction costs of the 88 Morgan Street building. Output would rise about [] while household earnings would increase by about [] Table 8-4 shows the average output per new worker is about [] while average earnings are about []

Table 8-4. Output and Earnings Per New Worker, Hard Construction Costs for 88 Morgan Street

(b)(4)

| |
|--|
| |
|--|

For equipment purchases, USCIS has agreed to count jobs indirectly created outside the geographical boundaries of a Regional Center (RC) in determining whether the RC's business plan complies with EB-5 regulations. The policy change was expressed in a December 3, 2010, letter from USCIS Director Alejandro Mayorkas in response to a letter from Senator Patrick Leahy, Chairman of the Senate Judiciary Committee.

Mayorkas wrote: "USCIS interprets the law to require that a regional center focus its EB-5 capital investment activities on a single, contiguous area within the defined geographic jurisdiction requested by the regional center. Nevertheless, we agree that

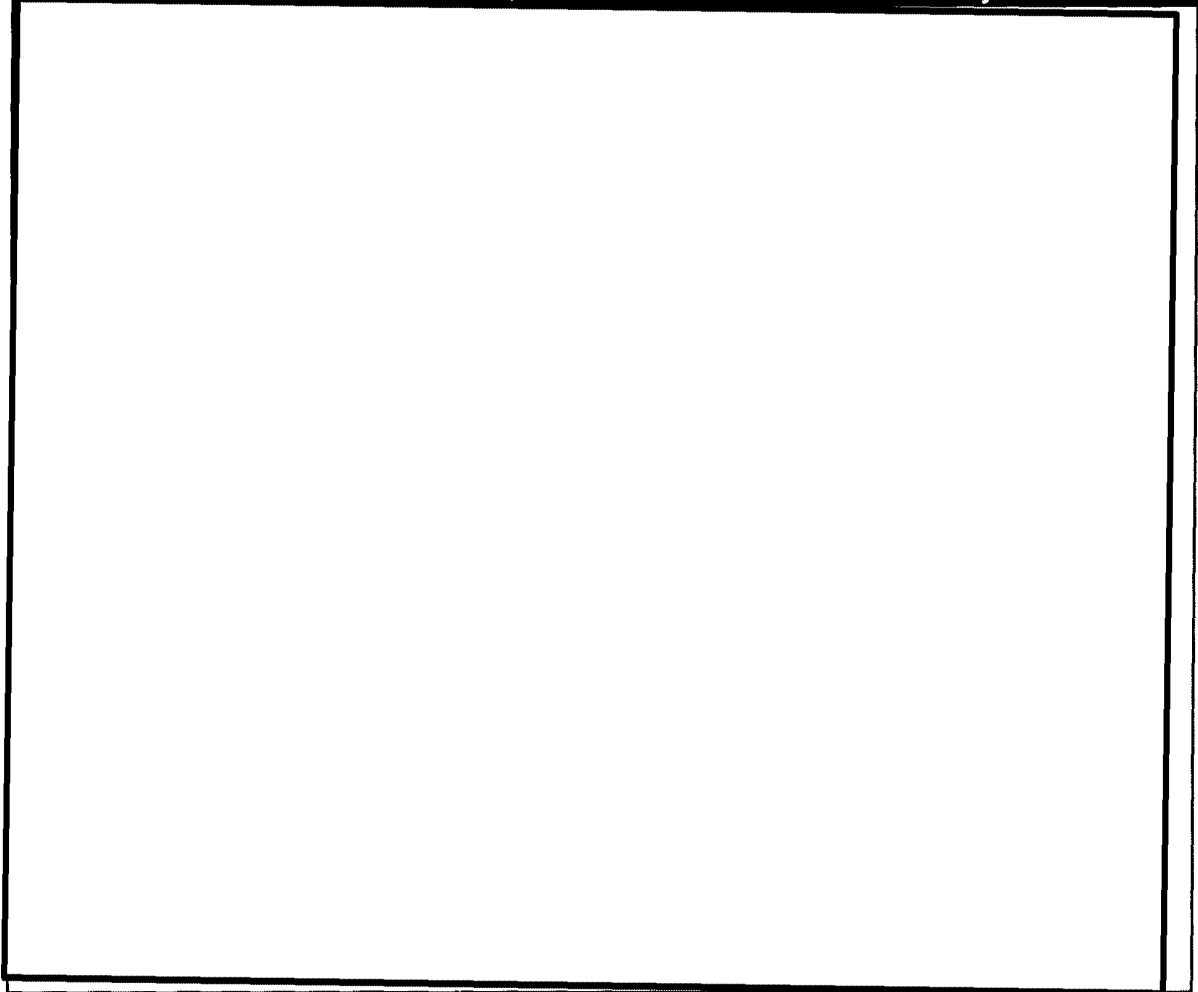
the law does not further mandate that all indirect job creation attributable to a regional center take place within that jurisdiction. I will, therefore, ensure that USCIS policy reflects this understanding of the law."

The regulations include the following language: "The regulation at 8 CFR 204.6(m) provides [that] ... Each regional center ... shall submit a proposal, which ... 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" (emphasis added).

The FF&E are probably not produced in the Jersey City region, but they are purchased there. Hence the indirect and induced jobs from wholesale trade can be included in these calculations

(b)(4)

Table 8-5. Increase in Employment, Output, and Earnings, Purchases of FF&E for 88 Morgan Street , Indirect and Induced Effects Only



(b)(4) Table 8-5 shows there will be a total of 10 indirect and induced jobs created from the purchases of FF&E for the 88 Morgan Street building. Output would rise about [redacted] while household earnings would increase by about [redacted]. Table 8-6 shows the average output per new worker is about [redacted] while average earnings are about [redacted].

Table 8-6. Output and Earnings Per New Worker, Purchases of FF&E for 88 Morgan Street , Indirect and Induced Effects Only

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

(b)(4)

In terms of what soft costs are EB-5 eligible, we rely on the information given in the NAICS coding manual, which is summarize as follows:

541310 Architectural Services

This industry comprises establishments primarily engaged in planning and designing residential, institutional, leisure, commercial, and industrial buildings and structures by applying knowledge of design, construction procedures, zoning regulations, building codes, and building materials.

541330 Engineering Services

This industry comprises establishments primarily engaged in applying physical laws and principles of engineering in the design, development, and utilization of machines, materials, instruments, structures, processes, and systems. The assignments undertaken by these establishments may involve any of the following activities: provision of advice, preparation of feasibility studies, preparation of preliminary and final plans and designs, provision of technical services during the construction or installation phase, inspection and evaluation of engineering projects, and related services.

236220 Nonresidential Building Construction

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

Table 8-7. Increase in Employment, Output, and Earnings for EB-5 Eligible Soft Construction Costs of 88 Morgan Street Project

| |
|--|
| |
|--|

(b)(4)

(b)(4) Table 8-7 shows there will be a total of [redacted] jobs created from the EB-5 eligible soft construction costs of the 88 Morgan Street building. Output would rise about [redacted] while household earnings would increase by about [redacted]. Table 8-8 shows the average output per new worker is about [redacted] while average earnings are about [redacted].

Table 8-8. Output and Earnings Per New Worker for EB-5 Eligible Soft Construction Costs of 88 Morgan Street Project

(b)(4)

| |
|--------------------------|
| [Redacted Table Content] |
|--------------------------|

9. Economic Impact of Rental Income for Apartments, Retail Space, and Parking Space

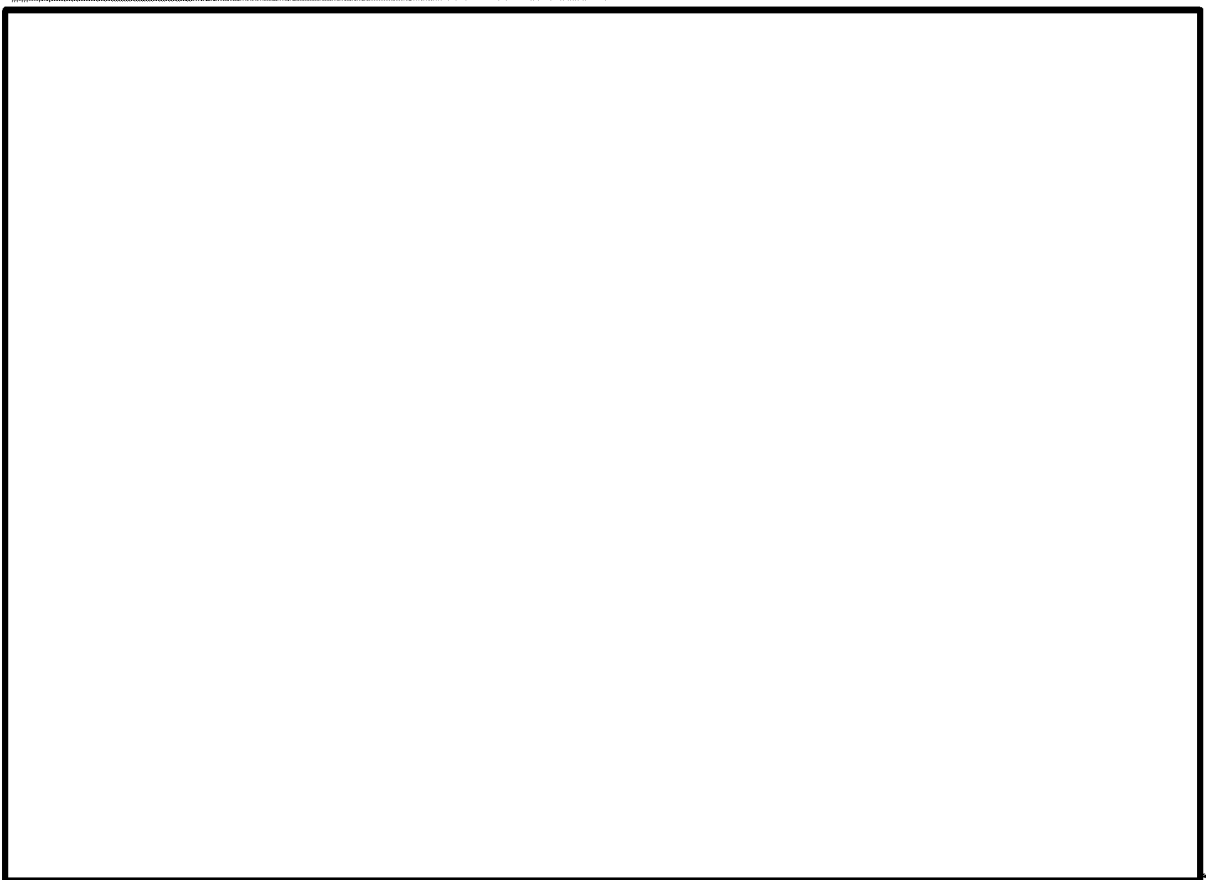
The building at 88 Morgan Street will be primarily residential, containing 417 apartments, 214 parking spaces, and about 4,000 square feet of retail space. According to the developer, the Jersey City market place is one of the strongest rental markets in New Jersey. Rents at comparable developments are well over [redacted] per sq ft and occupancies hover in the high [redacted]. The operating assumptions are shown in Table 9-1.

(b)(4)

Table 9-1. Operating Assumptions for 88 Morgan Street, Jersey City, NJ

Operating Assumptions

(b)(4)

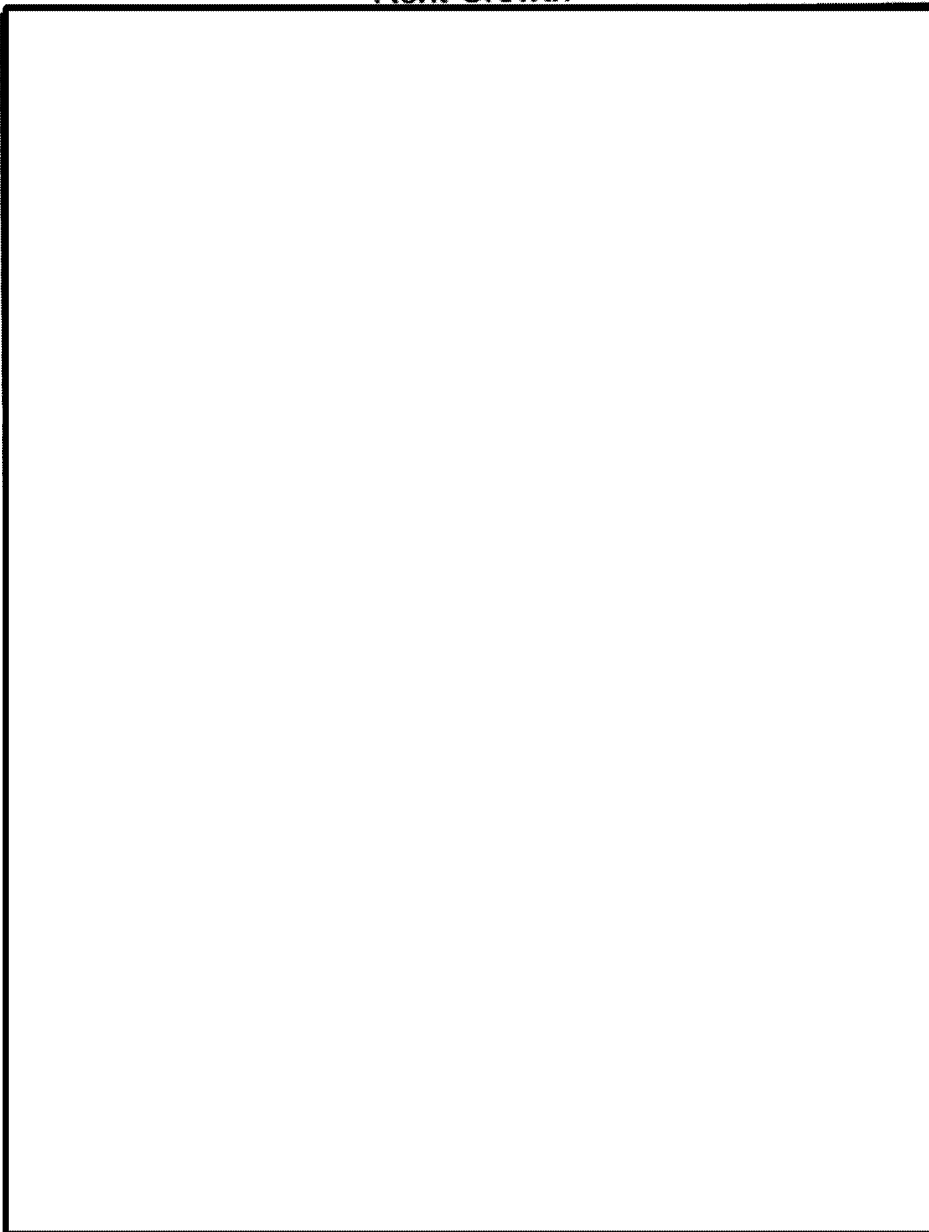


The monthly rentals for comparable apartment buildings in Jersey City are shown in Table 9-2.

Table 9-2. Comparable Monthly Rents in Jersey City

Rent Growth

(b)(4)



Sources: "REIS SubTrend Futures: Apartment- 3Q 2011, Metro: Northern New Jersey, Submarket: Hudson County"

The total annual rental income entered into the RIMS II model is hence calculated as follows, based on the operating projections provided by the developer. The figures for "Year 4", which is the first full year of occupancy, are used for these calculations.

Table 9-3. Operating Projections, first 4 Years, for 88 Morgan Street Building

Detailed Operating Projections

(b)(4)



(b)(4)

In the first full year of operation, gross potential rent would be [redacted] however that figure must be reduced by an expected 3% vacancy rate, 0.5% loss for bad debts, and first-year rent concessions (essentially one free month) that amount to another [redacted]. Hence total apartment rentals after subtracting these items equals [redacted]. This figure is then boosted by the expected revenue for retail income, and other fees. Retail space of 4,000 square feet is expected to rent for [redacted] per square foot, which is well below the average for comparable locations. Finally, fees from other income are expected to be [redacted] per month per occupied unit, with the first-year adjustment for one month of free rent. Summing all these factors indicates total annual rental income of [redacted] for the first full year of operation. Parking revenue has been excluded from the rental revenue estimate.

(b)(4)

This figure is in 2016 dollars, while the input/output coefficients are based on 2008 dollars, so it must be deflated. The CPI for rental; income medium-sized cities rose 1.6% per year from 2008 to 2012, as shown in Table 9-4, so continuing that rate forward to 2016, the deflator would be 1.134, indicating rental income of [redacted] in 2008 dollars. (b)(4)

Table 9-4. CPI for Primary Rental Income, Medium-Sized Cities

Area: Size Class B/C (between 50,000 and 1,500,000)

Item: Rent of primary residence

Base Period: DECEMBER 1997=100

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

The detailed industry results for \$ [redacted] in rental income are shown in the next two tables.

(b)(4)

Table 9-5. Increase in Employment, Output, and Earnings, Rental Income for 88 Morgan Street Building, 2008 Dollars

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

(b)(4)

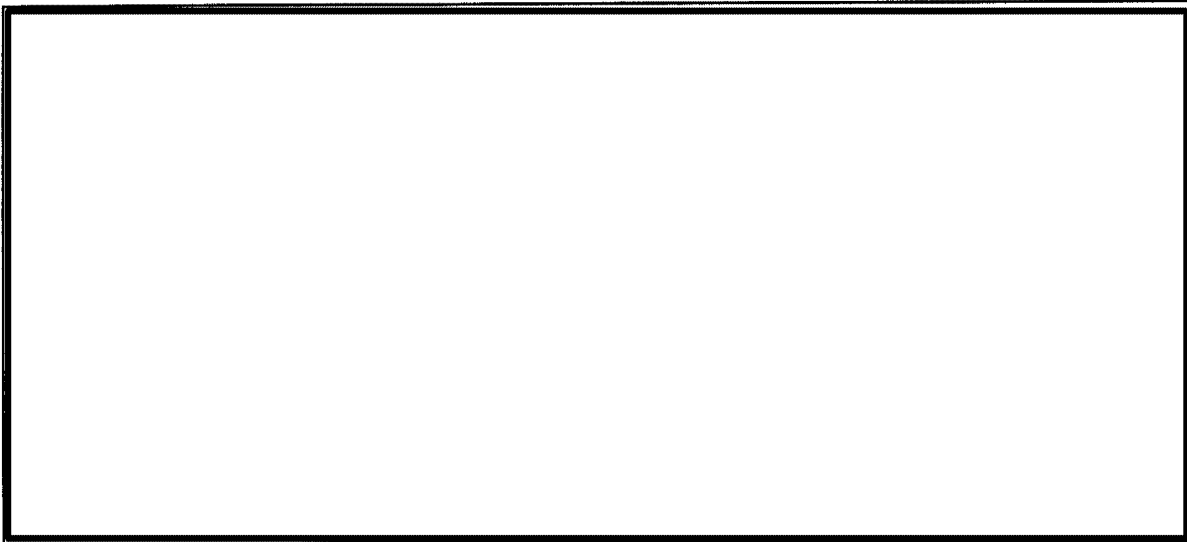


Table 9-5 shows there would be an increase of [redacted] permanent new jobs from the rental income of the 88 Morgan Street building. Total output would rise about [redacted] [redacted] and household earnings would increase by about [redacted]. Table 9-6 shows output per new worker would be about [redacted] with average annual earnings of about [redacted].

(b)(4)

Table 9-6. Output and Earnings Per New Worker, Rental Income for 88 Morgan Street Building, 2008 Dollars

A large rectangular area representing the content of Table 9-6, which has been completely redacted, leaving a blank white space within a black border.

(b)(4)



10. Summary Statistics for the Construction and Rental Income for the 88 Morgan Street Building

Tables 10-1 and 10-2 show the combined economic impact of constructing and rental income for the 88 Morgan Street Building. These results are the summation of the data given in Sections (8) and (9), so the individual cells simply represent the sum (or average) of these figures in the previous two sections.

Table 10-1. Increase in Employment, Output, and Earnings for Construction and Operation of the 88 Morgan Street Building

(b)(4)

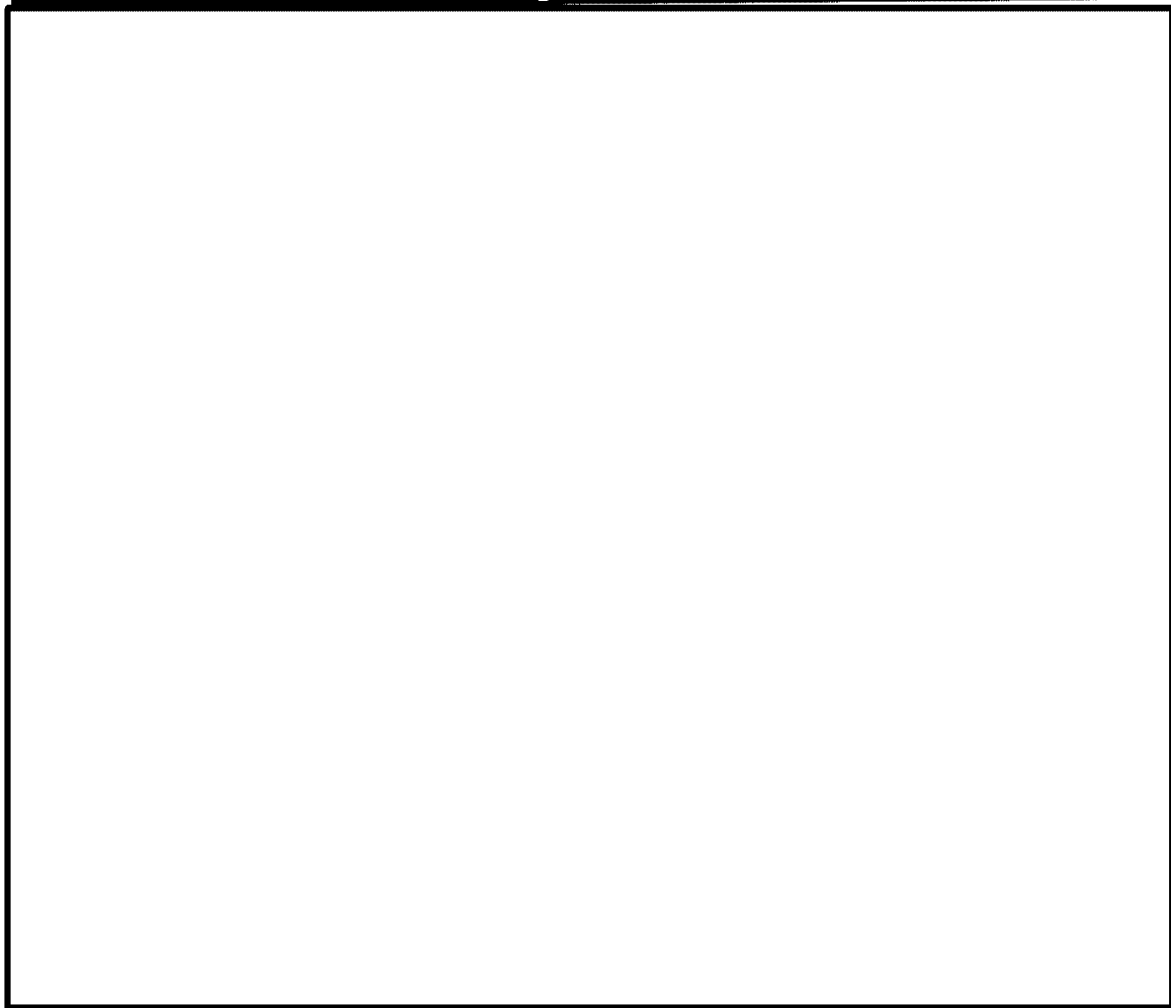
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|---------------|
| <p>(b)(4)</p> |
|---------------|

Table 10-1 shows that [redacted] permanent new jobs would be created by the construction and rental income for the 88 Morgan Street building. Output would rise by about [redacted] and household earnings would increase by about [redacted]. Table 10-2 shows that the average output per new worker would be about [redacted] while average annual earnings would be about [redacted].

(b)(4)

Table 10-2. Output and Earnings Per New Worker for Construction and Operation of 88 Morgan Street Building

(b)(4)



Appendix: Resume of Dr. Michael K. Evans

mevans@evanscarrollecon.com

CURRENT AND PREVIOUS POSITIONS

- Chairman, *Evans, Carroll & Associates, Inc.*, 1980-present (previously Evans Economics)

Economic consulting firm specializing in EB-5 immigration analysis, economic impact studies of development projects and new construction, models of state and local tax receipts, impact of current and proposed government legislation, and construction of econometric models for individual industries and companies.

- Chief Economist, *American Economics Group*, 2000-2008.

Built a comprehensive state modeling system that provides economic analysis for a variety of consulting projects (see below).

- Clinical Professor of Economics, Department of Managerial Economics and Decision Sciences (MEDS), Kellogg Graduate School of Management, Northwestern University, 1996-99.

Taught courses in macroeconomics and business forecasting. Wrote textbooks for both courses.

- Winner of Blue Chip Economic Indicator Award for most accurate macroeconomic forecasts during the past four years, November 1999

- Founder and President, *Chase Econometric Associates*, 1970-1980

- Assistant and Associate Professor of Economics, Wharton School, University of Pennsylvania, 1964-69. Co-developer of the original Wharton Model.

- Visiting Professor, Radford University, (Radford, VA), 1987

Chairman of Institute for International Economic Competitiveness

- Visiting Lecturer, Hebrew University (Jerusalem), 1966-67

Built econometric model of the Israeli economy

- Ph. D. in Economics, Brown University. Dissertation, "A Postwar Quarterly Model of the United States Economy, 1948-1962". A. B. in Mathematical Economics, Brown University

PREVIOUS ACTIVITIES AND EDUCATION

- Contributing Editor, *Industry Week*

Wrote a column in each issue on economic and financial trends as they impact the manufacturing sector.

- Editor, *The Evans Report*

Weekly newsletter discussing economic trends and financial markets. Pioneered the concept of the Monthly Tracking Model to incorporate recent economic releases into the overall economic forecast, including methods to predict these economic data.

- Consultant, *National Printing Equipment and Supply Association*

Prepared quarterly forecasts of shipments of printing equipment and graphic arts supplies by product line, based on an econometric model constructed for NPES. Also prepares analysis and forecasts of exports and imports by principal product line.

- Consultant, *APICS -- The Educational Society for Resource Management*,

Designed and developed the *APICS Business Outlook Index*, which used survey data collected by the Evans Group to measure current production, production plans, shipments, employment, new orders, unfilled orders, inventory stocks, and the comparison of the actual to desired inventory/sales ratio to predict short-term changes in manufacturing sector activity. The results of this survey appeared every month in *APICS: The Performance Advantage*

- Consultant, *American Hardware Manufacturing Association*

Wrote a separate weekly edition of the Evans Report analyzing recent trends in the hardware and housing industries, including forecasts of the hardware industry based on an econometric model developed for AHMA.

- Board of Economists, *Los Angeles Times*

Wrote column every 6 weeks (5 other economists on the Board)

- Columnist, *United Press International*

Wrote twice-weekly column, "Dollars and Trends"

- Consultant, Senate Finance Committee,

Built the first large-scale supply-side model of the U. S. economy

- Consultant, Environmental Protection Agency and Council on Environmental Quality

Estimated inflationary impact of government regulations

- Consultant, National Aeronautics and Space Administration

Estimate impact of R&D spending on productivity growth

- Consultant, U. S. Treasury

Estimated impact of investment tax credit and accelerated depreciation on capital spending by industry

- Consultant, U. S. Department of Agriculture

Built large-scale econometric model of agricultural sector of U. S. economy

- Consultant, Organization of Economic Cooperation and Development

Built econometric model of the French economy

SAMPLE OF RECENT CONSULTING PROJECTS

A. Economic Impact of EB-5 Immigrant Investor Programs and New Markets Tax Credits

For more information on these projects, see www.evanseb5.com

Key to symbols: N, new regional center, E, extension of existing center

List is current as of November 5, 2010. Totals to date are 136 new regional centers, 72 extensions, and 7 new markets tax credits, for a total of 215 projects

- N● Calculated the economic impact of the construction and operation of an assisted living center in Santa Ana, CA
- N● Calculated the economic impact of the construction and operation of several BBQ restaurants in South Florida.
- N● Calculated the economic impact of the drilling oil wells in 8 counties in Texas and Louisiana.

- N● Calculated the economic impact of operating coal mines for metallurgical coal in West Virginia.
- N● Calculated the economic impact of operating gold mines in Alaska.
- N● Calculated the economic impact of constructing and operating a mixed-use commercial center in Flushing, NY
- N● Calculated the economic impact of constructing and operating two hotels, one in downtown San Diego, and one in Escondido, CA
- N● Calculated the economic impact of expanding and operating an auto racing track in Palm Beach, FL
- N● Calculated the economic impact of building and operating mobile housing villages for disaster relief.
- N● Calculated the economic impact of operating an “incubator” for research on medical devices, preparations, and services in Houston, TX.
- N● Calculated the economic impact of constructing and operating a mixed-use commercial center in Denver, CO.
- N● Calculated the economic impact of constructing and operating a charter school in Miami/Dade County, FL
- E● Calculated the economic impact of constructing and operating a hotel in Manhattan, NY
- N● Calculated the economic impact of constructing and operating hotels, assisted living centers, and mixed-use commercial buildings in 8 counties in Southern California
- N● Calculated the economic impact of constructing and operating a charter school in Broward County, FL
- N● Calculated the economic impact of renovating a former public housing project in Chicago, IL
- N● Calculated the economic impact of starting a high-tech company for optical displays in Orlando and Gainesville, FL
- N● Calculated the economic impact of constructing and operating luxury hotels in four Southern California counties
- E● Calculated the economic impact of expanding a manufacturing company in Ann Arbor, MI

- N● Calculated the economic impact of reconvertng an old mill building into offices and other commercial uses in Bristol County, MA
- N● Calculated the economic impact of a film and TV production studio in Los Angeles, CA
- N● Calculated the economic impact of constructing and operating various residential and commercial buildings in 35 Texas counties.
- N● Calculated the economic impact of constructing and operating the world's tallest residential structure in Chicago, IL
- N● Calculated the economic impact of constructing and operating a mixed-use commercial and residential building in Seattle, WA
- N● Calculated the economic impact of constructing and operating a hotel in Cleveland, OH
- N● Calculated the economic impact of a research facility in Jupiter, FL
- N● Calculated the economic impact of constructing and operating an assisted living center in Horry County, SC
- N● Calculated the economic impact of constructing and operating a chain pharmacy in Chicago, IL
- E● Calculated the economic impact of constructing and operating a high-end hotel and resort in Aspen, CO
- N● Calculated the economic impact of constructing and operating an assisted living center in Dallas, TX
- E● Calculated the economic impact of constructing and operating an medical assistance company in Bronx, NY
- E● Calculated the economic impact of constructing and operating a mixed-use commercial building in Queens, NY
- E● Calculated the economic impact of operating a livery service in Queens, NY
- N● Calculated the economic impact of constructing and operating residential properties in Southern California
- N● Calculated the economic impact of operating a film and TV production studio in Los Angeles, CA
- N● Calculated the economic impact of drilling oil wells in Montana

- N● Calculated the economic impact of constructing and operating various residential and commercial buildings for 43 counties in Texas
- E● Calculated the economic impact of constructing and operating a restaurant and dinner theater in Guam
- N● Constructed an input/output model for the Commonwealth of the Northern Mariana Islands, and used it to calculate the economic impact of constructing and operating a restaurant in Saipan.
- E● Calculated the economic impact of constructing and operating a new hotel in Miami, FL
- E● Calculated the economic impact of constructing and operating a resort and wellness center in South Florida
- N● Calculated the economic impact of expanding and operating a ski resort in Vermont.
- N● Calculated the economic impact of constructing and operating residential and commercial buildings in 20 counties in South Central Texas
- N● Calculated the economic impact of constructing and operating a hotel near the Newark, NJ airport
- E● Calculated the economic impact of constructing and operating a company to process health insurance benefits in South Florida
- E● Calculated the economic impact of constructing and operating a veterinary hospital in Palm Beach County, FL
- N● Calculated the economic impact of constructing and operating various residential and commercial buildings for all counties in MA, CT, RI, and NH
- N● Calculated the economic impact of constructing and operating a residential construction company in Maryland
- N● Calculated the economic impact of constructing and operating various residential and commercial buildings for the entire state of Oklahoma
- N● Calculated the economic impact of constructing and operating a company for manufacturing dental implants in Cuyahoga County, OH
- N● Calculated the economic impact of constructing and operating a mixed-use commercial facility in Brooklyn, NY

- N● Calculated the economic impact of constructing and operating an office building for financial services in downtown Manhattan, NY
- N● Calculated the economic impact of constructing and operating a mixed-use facility in Southern California
- N● Calculated the economic impact of constructing and operating a retail shopping center in Tampa, FL
- N● Calculated the economic impact of constructing and operating a retail shopping center in Tampa, FL
- N● Calculated the economic impact of constructing and operating a mixed-use commercial building in Seattle, WA
- N● Calculated the economic impact of constructing and operating a charter school in Arizona
- N● Calculated the economic impact of constructing and operating a resort in northeastern Utah
- N● Calculated the economic impact of operating an online video game company
- N● Calculated the economic impact of constructing and operating a hotel in New York City
- N● Calculated the economic impact of constructing and operating a fashion mall in South Florida
- E● Calculated the economic impact of construction and operation of a new automobile assembly plant in Petersburg, VA
- N● Calculated the economic impact of operating a call center for the U.S. government in Muskogee, OK
- N● Calculated the economic impact of developing a mixed-use commercial and residential center in Scottsdale, AZ
- N● Calculated the economic impact of constructing and operating a “Green Box” facility in New Jersey to process waste material on a pollution-free basis.
- N● Calculated the economic impact of constructing and operating a “Green Box” facility in Washington State to process waste material on a pollution-free basis.
- E● Calculated the economic impact of constructing and operating a new hotel in Coral Gables, FL

- E● Calculated the economic impact of developing a new residential community in Brevard County, and retail stores and restaurants in St. Lucie County, FL
- N● Calculated the economic impact of a new business to store and process field crops in Madison, MS
- N● Calculated the economic impact of operating food service establishments and assisted living centers in 40 counties in Texas.
- E● Calculated the economic impact of developing a mixed-use commercial center in Miami, FL
- N● Calculated the economic impact of renovating a theater in New York City to show film highlights of previous Broadway hits.
- N● Calculated the economic impact of renovating and operating distressed buildings in the San Francisco Bay area.
- E● Calculated the economic impact of a mixed-use commercial center in Montgomery County, TX
- E● Calculated the economic impact of expanding a manufacturing facility to produce more energy-efficient lighting in Sarasota, FL
- N● Calculated the economic impact of developing facilities for amateur sporting events in northern GA
- N● Calculated the economic impact of developing a mixed-use commercial center in Missoula, MT
- N● Calculated the economic impact of operating call centers in Las Vegas, NV, and other western Nevada counties
- E● Calculated the economic impact of constructing and operating a proton cancer treatment center in Boca Raton, FL
- E● Calculated the economic impact of constructing and operating a "Green Box" facility in Detroit to process waste material on a pollution-free basis.
- E● Calculated the economic impact of renovating and expanding commercial property in Lower Manhattan
- N● Calculated the economic impact of constructing student housing and retail stores in Davie, FL

- E● Calculated the economic impact of constructing residential housing near Harvard University
- E● Calculated the economic impact of developing mixed-use commercial centers in Broward County, FL
- E● Calculated the economic impact of renovating a Dallas apartment building
- E● Calculated the economic impact of renovating and operating a nursing home in Las Vegas, NV
- E● Calculated the economic impact of constructing a hotel and shopping center in Miami, FL
- E● Calculated the economic impact of developing a design center in Miami/Dade county, FL
- E● Calculated the economic impact of developing and operating a chain of children's playrooms and party facilities in South Florida
- E● Calculated the economic impact of developing a new stadium for the Nets basketball team, to be located in Brooklyn, NY
- E● Calculated the economic impact of developing a Marriott hotel in Washington, D.C.
- E● Calculated the economic impact of developing and operating a casino for foreign patrons in Las Vegas, NV
- E● Calculated the economic impact of operating a series of yogurt fast-food restaurants in South Florida
- E● Calculated the economic impact of constructing steel homes and commercial buildings in South Florida
- N● Calculated the economic impact of construction and operation of a farm distillery in Vermont
- N● Calculated the economic impact of purchase and renovation of deeply discounted residential properties in South Florida
- N● Calculated the economic impact of a hotel to be built near LaGuardia Airport in Queens, NY
- N● Calculated the economic impact for several mixed-use commercial and residential properties for a regional center covering southern Wisconsin and northern Illinois.

- N● Calculated the economic impact for mixed-use commercial project in Flushing, NY
- E● Calculated the economic impact for major new hotel near the Washington, D. C. conference center
- N● Calculated the economic impact of an assisted living center in suburban Atlanta, GA
- N● Calculated the economic impact of an office tower in mid-town Manhattan for the diamond trade
- N● Calculated the economic impact of three mixed-use commercial and residential projects in Santa Clara County, CA
- N● Calculated the economic impact of six mixed-use commercial and residential projects in Los Angeles, Orange, Riverside, and San Bernardino counties
- N● Calculated the economic impact of operating a chain of pizza restaurants in southern Florida.
- N● Calculated the economic impact of constructing and operating an assisted living facility in Atlanta, GA
- E● Calculated the economic impact of constructing and operating an expansion of University Hospital in Cleveland, OH
- E● Calculated the economic impact of a wastewater treatment plant in Victorville, CA
- N● Calculated the economic impact of drilling for geothermal energy and constructing and operating power plants in several counties in Nevada
- E● Calculated the economic impact of a vacation club operation in Orlando, FL
- E● Calculated the economic impact of constructing and operating an extended-stay hotel in Boston, MA
- E● Calculated the economic impact of constructing and operating an assisted living facility in Walton County, FL
- N● Calculated the economic impact of manufacturing and constructing residential and commercial steel modular buildings in Lee County, FL
- E● Calculated the economic impact of a chain of yogurt and juice stores and restaurants in southern Florida

- E● Calculated the economic impact of two mixed-use commercial developments in Orange County, CA.
- E● Calculated a Targeted Employment Area by census tracts for six counties in the Houston, TX metropolitan area
- E● Calculated the expansion of new hybrid car manufacturing facility from Mississippi to Tennessee and Virginia.
- E● Calculated the economic impact of construction and operation of a skilled nursing facility in Las Vegas, NV.
- N● Calculated the economic impact of construction and operation of a proton cancer treatment center and medical offices buildings in Los Angeles County, CA.
- E● Determined the economic impact of improving facilities at the Port of Baltimore in order to attract more shipping from the Panama Canal when the locks are widened.
- N● Calculated the economic impact of a major hotel and resort area in Ft. Lauderdale, FL.
- N● Calculated the economic impact of building steel homes in South Florida, including the local manufacture of steel fabricated parts.
- E● Calculated the economic impact of constructing and operating a hotel at Times Square in New York City.
- N● Calculated the economic impact of a mixed-used residential and commercial project in Atlanta, GA.
- E● Calculated the economic impact of expanding and opening new restaurants in Dallas, TX. In a separate project, calculated the economic impact of renovating, refurbishing, and operating a boutique hotel in Dallas, TX.
- E● Calculated the economic impact of building and operating low-income housing in Boston, MA.
- N● Calculated the economic impact of constructing and operating assisted living facilities in eight rural Texas counties.
- N● Calculated the economic impact of a mixed-use commercial project in Riverside County, CA.
- E● Calculated the economic impact of opening a manufacturing plant for “green” motor vehicles in the Detroit, MI area.

- E● Calculated the economic impact of constructing and operating hotels and restaurants in Columbus, MS.
- E● Calculated the economic impact of operating restaurants in the Hotel W in Hollywood, CA.
- N● Calculated the economic impact of a mixed-use commercial project in McCook, IL (suburban Chicago).
- N● Calculated the economic impact of constructing and operating a water-based amusement facility in San Diego, CA.
- N● Calculated the economic impact of a mixed-use commercial facility in suburban Cincinnati, OH (project is in KY).
- E● Calculated the economic impact of constructing and operating a casino, hotel, and restaurant in Las Vegas, NV.
- N● Calculated the economic impact of a new academic institution for alternative energy in Santa Clarita, CA.
- N● Calculated the economic impact of several mixed-used projects in San Francisco, Alameda County, Santa Clara County, and Fresno County.
- N● Calculated the economic impact of a super energy store and solar farm in Riverside County, CA.
- N● Calculated the economic impact of a prostate cancer treatment center in South Carolina.
- E● Calculated the economic impact of refurbishing and expanding retail space at the George Washington Bridge in New York City.
- E● Calculated the economic impact of building Atlantic Yards, new stadium for the New York Nets, in Brooklyn, NY
- N● Calculated the economic impact of an assisted living center and several mixed-use commercial facilities in the Reno, NV area.
- E● Calculated the economic impact of buying residential properties at deep discount prices, refurbishing and selling them, in South Florida.
- N● Calculated the economic impact for a fractional-ownership marina in Port Charlotte, FL, plus office space, retail stores, restaurants, and a home brokerage office.
- N● Calculated the economic impact of construction and operation of four retirement homes in Vermont.

- E• Calculated the economic impact of an upscale retail shopping center in Vail, CO. and a medical office building in Edwards, CO (both in Eagle County).
- E• Calculated economic impact of a wind turbine manufacturing plant in Larimer County, CO
- N• Calculated economic impact of a hotel, retail stores, restaurants, office buildings, and bank facilities in Pasadena, CA
- N• Calculated economic impact of a luxury hotel and condominiums in Destin, FL
- N• Calculated economic impact of constructing and operating a mixed-use commercial project in Jupiter, FL
- E• Determined whether 17 possible restaurant locations in Miami/Dade and Broward Counties qualified as Targeted Employment Areas.
- E• Determined the economic impact of opening and operating a slot-machine casino in Hanover, MD, as part of a proposed EB-5 regional center for the Baltimore metropolitan area.
- N• Calculated the economic impact of renovating and expanding a restaurant on Martha's Vineyard, MA, as part of an EB-5 regional center in that state.
- N• Determined the economic impact of assembling and installing solar panels for residences in the state of LA.
- E• Determined a Targeted Employment Area for Dallas, TX as part of a proposed EB-5 regional center for the Dallas area.
- N• Calculated the economic impact for various mixed used projects for a proposed regional center for the entire State of Texas, including shopping centers, office buildings, restaurants, assisted living centers, medical technology facilities, and other personal and business services.
- N• Calculated the economic impact for the construction and operation of several fast-food restaurants in 10 counties in central California.
- N• Calculated the economic impact for the renovation and expansion of a shopping mall in Greenville, SC.
- E• Calculated the economic impact of buying existing apartment buildings at deep discount prices, renovating and operating them, in 21 counties in FL.
- N• Calculated the economic impact of building and operating an institute for proton cancer therapy for a proposed EB-5 regional center in Brooklyn, NY.

N• Calculated the economic impact of building and operating a mixed-use facility with medical offices, hotels, and apartments for a proposed EB-5 regional center in Queens, NY.

E• Determined a Targeted Employment Area for Philadelphia, PA as part of a proposed EB-5 regional center for the Philadelphia area.

N• Calculated the economic impact of a proposed office building and mixed-use facility for an EB-5 regional center in Dallas, Texas

N• Calculated the economic impact for various mixed-use projects for a proposed EB-5 regional center in the greater New York City area, including an extended stay hotel, urgent care center, financial lending firm for alternative assets, retail stores, apartments, office space, warehouses, industrial “flex” space, entertainment centers, restaurants, conference and convention centers, nursing home and assisted living facilities, medical offices, medical technology facilities, and high-tech manufacturing.

N• Calculated the economic impact of “green” hotels in 10 counties in Central California.

N• Calculated the economic impact of generic projects in manufacturing, financial services, health services, hotels, and restaurants for a proposed regional center for the state of Florida.

E• Calculated the economic impact of 12 different types of economic activity for an expansion of the Palm Beach Regional Center to five contiguous counties.

N• Calculated the economic impact of a new auto parts plant in Alabama to supply parts to Kia automobiles.

N• Calculated the economic impact of opening fast-food restaurants in Miami/Dade and Broward counties in FL.

N• Calculated the economic impact of a mixed-use commercial center in Flushing, Queens County, NY.

E• Calculated the economic impact of revitalizing and renovating part of the Brooklyn Navy Yard for “green” manufacturing facilities.

E• Calculated the economic impact of 12 different types of economic activity for various counties in Charlotte and Sarasota counties, FL

E• Calculated the economic impact of four new manufacturing and distribution companies in Palm Beach County, FL.

N• Calculated the economic impact of developing a resort area and building residences in rural Tennessee.

- N• Calculated the economic impact of developing and operating a resort area in Southern Arizona.
- N• Calculated the economic impact of revitalizing the depressed East Side of Cleveland, Ohio, with new commercial and industrial buildings.
- N• Determined the nationwide economic impact of a \$1 billion investment in Mississippi for a new hybrid motor vehicle plant.
- N• Determined the economic impact of expanding a shipyard in Southeastern Louisiana.
- N• Calculated the economic impact of a new shopping center in Buena Vista, California, and two other generic shopping centers in Los Angeles and San Bernardino counties.
- E• Calculated the economic impact of enhancing resort areas in eight rural counties in Colorado.
- N• Calculated the economic impact of the rehabilitation of Fitzsimons Village in Aurora, Colorado, by adding an office building with medical labs, hotel, shopping center, and residences.
- E• Determined the economic impact of a mixed-use commercial center for the Kansas City metropolitan area.
- N• Calculated the number of jobs created for a film production company in New York City.
- N• Calculated economic impact of small-scale rooftop solar panels in various counties in California.
- N• Calculated economic impact of 7 different types of proposed businesses for a proposed regional center in the Bay Area of California.
- N• Determined the economic impact of a new biological research park, office building, and logistics center in Wooster, Ohio.
- E• Calculated the economic effect of a mixed-use urban renewal project in Cleveland, Ohio.
- N• Calculated economic impact of dairy farm and cheese processing plant in Northern California.

- N• Determined economic impact of a shipyard, food processing plant, and semiconductor plant for a proposed regional center in Louisiana and Mississippi.
- N• Calculated the economic impact of a new gaming casino in Natchez, Mississippi.
- N• Developed an Input/output Model for Guam, which was then used to calculate the economic impact of several generic projects.
- N• Calculated the economic impact of a retail shopping center in suburban Los Angeles County.
- N• Prepared an economic impact analysis for the “timber to homes” project for a proposed regional center in Colorado.
- N• Calculated the economic impact for a proposed regional center in Baltimore, Maryland that would include the rebuilding of depressed areas in East Baltimore and along the riverfront.
- N• Prepared the economic analysis for a proposed EB-5 regional center for the entire state of Florida that included impact calculations for 14 different types of industries.
- N• Prepared the economic analysis for a proposed EB-5 regional center in the San Francisco Bay area that included calculations for 10 different types of industries.
- N• Prepared economic impact calculations for proposed EB-5 regional centers in New York City and Northeastern New Jersey.
- Calculated the economic impact of a rehabilitated office building in Albuquerque, New Mexico, including the increase in high quality jobs. NEW MARKETS
- Calculated the economic impact of a rehabilitated skilled nursing center in East Los Angeles, California, including the impact on nearby census tracts. NEW MARKETS
- N• Calculated the economic impact of development of warehouse and light industrial manufacturing space in Las Vegas, Nevada.
- N• Calculated the economic impact of rehabilitation and expansion of a vacation and health spa in Sharon Springs, New York
- N• Calculated economic impact of revitalizing an old resort hotel and adding new facilities for Lake Geneva, WI.
- Calculated the employment and tax effects for a portfolio of projects undertaken under the New Market capital program. NEW MARKETS

E• Calculated generic employment changes for proposed EB-5 project for an Inland Port in Palm Beach County, FL

N• Calculated the economic impact of construction of El Monte Village in El Monte, CA.

- Calculated the economic impact of moving the Social Security Administration building in Birmingham, AL, and revitalizing the surrounding neighborhood. NEW MARKETS

- Calculated the economic impact of rehabbing and expanding the Everett Mall in Everett, WA. NEW MARKETS

- Determined the economic impact of building a new medical center in Charleston, SC
NEW MARKETS

N• Calculated economic impact of expanding Sugarbush resort in VT. Study included expansion of existing facilities and addition of new facilities.

- Calculated economic impact for new market tax credit program in Portsmouth, N.H. Study included both overall economic impact, and the increase in employment and income and the decrease in the unemployment rate and incidence of poverty in individual census tracts. NEW MARKETS

N• Calculated the economic benefits of EB-5 programs for foreign investors for a mixed-use construction project, including a hotel, retail stores, apartments, and a sports stadium in the Washington, D. C. metropolitan area

N• Calculated the economic benefits of EB-5 programs for a mixed-used retail shopping center in the New York City metropolitan area.

N• Calculated the economic benefits of EB-5 programs for foreign investors for proposed shopping centers in five separate counties in Southern California, including differential impacts of building the shopping centers in different counties.

B. Projects for State and Local Governments

- Constructed an econometric model for the State of New York and determined the change in employment, labor income, and tax revenues for 43 different tax changes proposed by the Governor's office.

- Constructed a detailed econometric model for the State of Pennsylvania to determine the economic impact of the complete panoply of state taxes levied; the model contains over 1,000 equations. In cooperation with American Economics Group, the model was

developed to simulate the effect of changes in any state tax rate on households and businesses by income deciles, household status, age of individuals, size of households, and many other demographic variables. The change in business taxes can also be simulated for detailed industry classifications.

- Determined whether the Washington, D.C. water and sewer authority should accept a high bid for a new waste disposal system. Decision to reject has saved the authority over \$200 million, as construction prices turned down sharply as predicted.
- Built an econometric model to determine the “tax gap” caused by Internet sales for the state of Minnesota.
- Determined appropriate levels of shelter grants individual counties in New York State, and for utility allowances in New York City. Reviewed and prepared testimony in ongoing court cases in these areas.
- Calculated the economic impact of the revitalization of downtown Milwaukee, Wisconsin.

C. Economic Impact of Casino Gaming

- Built an econometric model to predict the growth of the gaming industry over the next decade, and the economic impact of that industry on employment and tax revenues at the Federal and state levels.
- Estimated the economic impact of Indian casino gaming nationally and for the State of Wisconsin.
- Determined the economic impact of the Oneida Indian gaming casino on the Green Bay metropolitan area.
- Estimated the negative economic impact on the Milwaukee area if a new Indian gaming casino were to be built in Kenosha, Wisconsin.

D. Economic Impact of Smoking Bans and Higher Taxes

- Testified on economic impact of smoking bans in Canada; certified as an expert witness by the Court.
- Examined the impact of smoking bans on restaurant sales in several different locations in the U.S. to determine how much sales changed when these bans were imposed, and the differential effects depending on whether these bans were partial or total.

- Determined the cross-border effects on retail sales from differential rates in cigarette, gasoline, and alcohol excise taxes
- Determined the economic impact of higher cigarette taxes on minority group employment.
- Estimated the economic impact and loss of Federal and state tax revenues when higher cigarette prices lead to increased smuggling.

E. Consulting Projects for Travel and Tourism

- Built an econometric model to predict tourism trips and revenues for the major regions of the U.S. economy.
- Constructed econometric models to predict tourism in Las Vegas and Orlando.
- Using the IMPLAN model, predicted economic impact of tourism and travel expenditures for all counties in Pennsylvania.

F. Other Private Sector Consulting Projects

- Calculated the revenue gain at the Federal, state and local level generated by domestic manufacturing of Airbus parts and equipment.
- Calculated the economic impact of proposed EPA bans on fluoropolymer production.
- Estimated the size and economic importance of the fluoropolymer industry, and calculated economic impact of shutting down domestic production.
- Built an econometric model to examine how U.S. tax and regulatory policies help determine whether the gold mining industry would invest in the U.S. or other countries. Testified before Congress to help defeat legislation inimical to the mining industry.
- Built an econometric model to predict consumer bankruptcies, based on recent growth in consumer credit outstanding, the overall economic environment, and recent changes in credit regulations
- Estimated the economic impact of the ethanol subsidy on the U.S. economy and Farm Belt States, including the impact on the balance of payments, employment, and tax receipts. Testified before Congress to help pass legislation to extend subsidies to the ethanol industry.

- Built an econometric model to determine the impact of updating and improving the system of locks on the Upper Mississippi River on corn prices and exports, farm income, and the overall economy.

BOOKS PUBLISHED

Macroeconomics for Managers, Blackwell, 2003

Practical Business Forecasting, Blackwell, 2002

Economic Impact of the Demand for Ethanol, Diane Publishing Company, 1998

How to Make Your Shrinking Salary Support You in Style for the Rest of Your Life, Random House, 1991

The Truth About Supply-Side Economics. Basic Books, 1983.

A Supply-Side Model of the U. S. Economy, mimeo (prepared for Senate Finance Committee), 1980.

An Econometric Model of the French Economy: A Short-Term Forecasting Model. O.E.C.D, March 1969.

Econometric Gaming (with L. R. Klein and M. J. Hartley). Random House, 1969.

Macroeconomic Activity: Theory, Forecasting and Control. Harper & Row, 1969.

The Wharton Econometric Forecasting Model (with L.R. Klein), Economics Research Unit, Wharton School: University of Pennsylvania Press, 1967. Enlarged edition, 1968.

Over 30 articles in major academic journals and publications (list on request)

**Expedited Processing Requested
For I-924
To Attract Investment To
Devastated Counties in
New Jersey**

EXHIBIT LIST

I-924 APPLICATION FOR REGIONAL CENTER U.S. IMMIGRATION FUND-NJ

| EXHIBIT NAME | TAB NUMBER |
|--|------------|
| Formation of Applicant, U.S. IMMIGRATION FUND-NJ, LLC | |
| Articles of Formation of the U.S. Immigration Fund-NJ, LLC registered with the Secretary of State for Delaware on December 7, 2012. | 1. |
| Minutes of the Action of the Sole Member of U.S. Immigration Fund-NJ, LLC, in Lieu of Organization Meeting, dated December 7, 2012. | 2. |
| Company Agreement of U.S. Immigration Fund -NJ, LLC, executed by the Sole Member, dated December 6, 2012. | 3. |
| Certificate of Membership Interest No. 1 of U.S. Immigration Fund-NJ, LLC, duly executed on December 7, 2012. | 4. |
| Maps Outlining the Territory of the U.S. Immigration Fund-NJ. | 5. |
| Diagram of the Corporate Structure of the U.S. Immigration Fund-NJ. | 6. |
| Letter dated December 7, 2012 from U.S. Immigration Fund-NJ, LLC, requesting designation as an EB-5 Regional Center, and confirming that all funds raised from EB-5 foreign investors will be used entirely for expenses of the job creating project activities. | 7. |
| Financial Commitment Letter dated December 12, 2012, issued by U.S. Immigration Fund, LLC to U.S. Immigration Fund—NJ, LLC, with copy of the bank account statement of the operating checking account of U.S. Immigration Fund, LLC confirming a recent balance of over US\$1,000,000. | 8. |
| Written statement dated December 7, 2012, of the principal of U.S. Immigration Fund-NJ, LLC confirming that all funds raised from EB-5 foreign investors will be used entirely for expenses of the job creating project activities. | 9. |

Formation of the Manager of U.S. Immigration Fund-NJ

Certificate of Formation of U.S. Immigration Fund, LLC, issued by the Secretary of State for Delaware dated July 25, 2012. 10.

Entity Details web page report issued by the Secretary of State for Delaware (Division of Corporations) for U.S. Immigration Fund, LLC. 11.

Operations & Financing of U.S. Immigration Fund—NJ

Operations Plan of the U.S. Immigration Fund – NJ 12.

Sample paid invoices by U.S. Immigration Fund, LLC for the expenses of applying for USCIS regional center designation for U.S. Immigration Fund—NJ, LLC. 13.

Sample Subscription Documents for Investors

Sample Investor Suitability Evaluation. 14.

Sample Subscription Agreement. 15.

Sample Escrow Agreement. 16.

Sample Limited Liability Company Agreement of 88 Morgan Street Project. 17.

Sample Offering Memorandum of 88 Morgan Street Project. 18.

Project Business Plans & Economic Analysis

Business Plan of 88 Morgan Street Project. 19.

Economic Analysis of Job Creation of the 88 Morgan Street Project by Evans, Carroll & Associates dated December 7, 2012 (RIMS II methodology). 20.

Sample Investor Flow Chart. 21.

Sample Loan Terms. 22.

Evidence for Request for Expedited Processing

Memorandum Supporting Expedited Processing Request 23.

U.S. Government Evidence of the Devastation from Hurricane Sandy 24.

- President Obama’s Executive Order Declaring Disaster Area for New Jersey Counties that form part of the Regional Center’s Territory, dated October 30, 2012.
- President Obama’s Executive Order Creating the Hurricane Sandy Rebuilding Task Force dated December 7, 2012.

- President Obama’s Appropriations Request to the House of Representatives for Hurricane Sandy Relief, dated December 7, 2012.
- U.S. Department of Labor, Bureau of Labor Statistics, “Hurricane Sandy: A Pre-Storm Look at Affected Areas,” dated November, 2012.
- U.S. Department of Labor, “Employment Losses After Hurricane”, dated December 5, 2012. Analysis on the impact of Hurricanes confirming the negative impact of the storm on employment and household earnings.

| | |
|---|-----|
| Newspaper articles of the impact of Hurricane Sandy | 25. |
| Maps of the areas in New Jersey impacted by Hurricane Sandy showing the impact in Middlesex, Essex, Union and Hudson Counties (which form part of the Territory). | 26. |
| Photographs of the devastation wrought by Hurricane Sandy in cities located within the Territory including Jersey City; Union City & Elizabeth. | 27. |

EXHIBIT NAME

**TAB
NUMBER**

Formation of Applicant, U.S. IMMIGRATION FUND-NJ, LLC

Articles of Formation of the U.S. Immigration Fund-NJ, LLC registered with the Secretary of State for Delaware on December 7, 2012.

1.

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 "U.S. IMMIGRATION FUND - NJ, LLC", FILED IN THIS OFFICE ON THE SEVENTH DAY OF DECEMBER, A.D. 2012, AT 4:52 O'CLOCK P.M.

5254960 8100

121311998

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




Jeffrey W. Bullock, Secretary of State
AUTHENTICATION: 0047507

DATE: 12-07-12

STATE of DELAWARE
LIMITED LIABILITY COMPANY
CERTIFICATE of FORMATION

First: The name of the limited liability company is U.S. Immigration Fund - NJ, LLC

Second: The address of its registered office in the State of Delaware is 2711 Centerville Road, Suite 400 in the City of Wilmington.
Zip code 19808. The name of its Registered agent at such address is Corporation Service Company

Third: (Use this paragraph only if the company is to have a specific effective date of dissolution: "The latest date on which the limited liability company is to dissolve is _____.")

Fourth: (Insert any other matters the members determine to include herein.)

In Witness Whereof, the undersigned have executed this Certificate of Formation this 7th day of December, 2012.

By: /s/ Nicholas A. Mastroianni II
Authorized Person (s)

Name: Nicholas A. Mastroianni II



DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
CINCINNATI OH 45999-0023

Date of this notice: 12-11-2012

Employer Identification Number:

(b)(3)

Form: SS-4

Number of this notice: CP 575 G

US IMMIGRATION FUND - NJ LLC
NICHOLAS A MASTROIANNI II SOLE MBR
1295 US HIGHWAY 1
N PALM BEACH, FL 33408

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

IF YOU WRITE, ATTACH THE
STUB AT THE END OF THIS NOTICE.

(b)(3)

WE ASSIGNED YOU AN EMPLOYER IDENTIFICATION NUMBER

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 the IRS will not be able to generate a duplicate copy for you.**
- * 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.

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 the stub. Thank you for your cooperation.

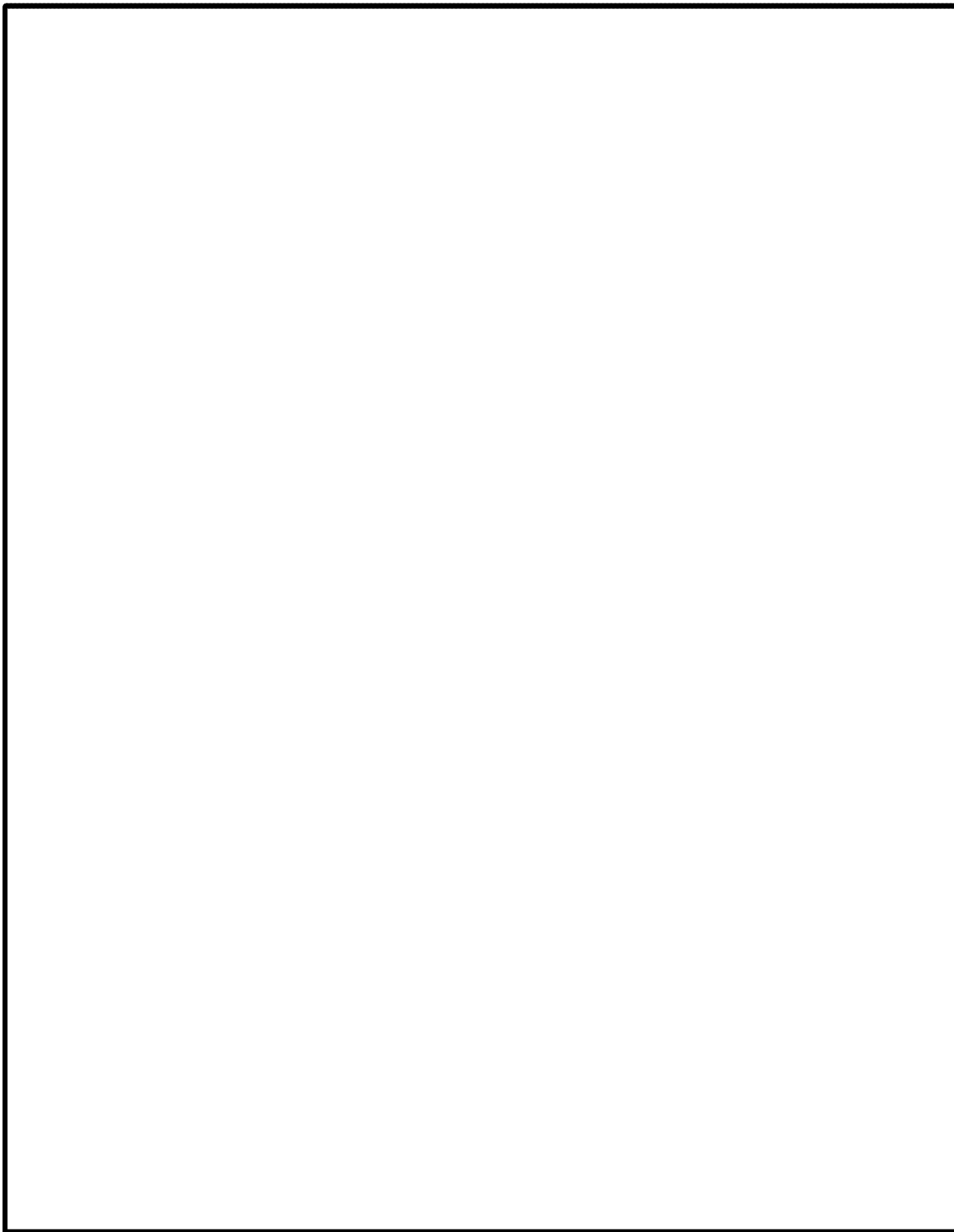
EXHIBIT NAME

**TAB
NUMBER**

Minutes of the Action of the Sole Member of U.S. Immigration Fund-NJ,
LLC, in Lieu of Organization Meeting, dated December 7, 2012.

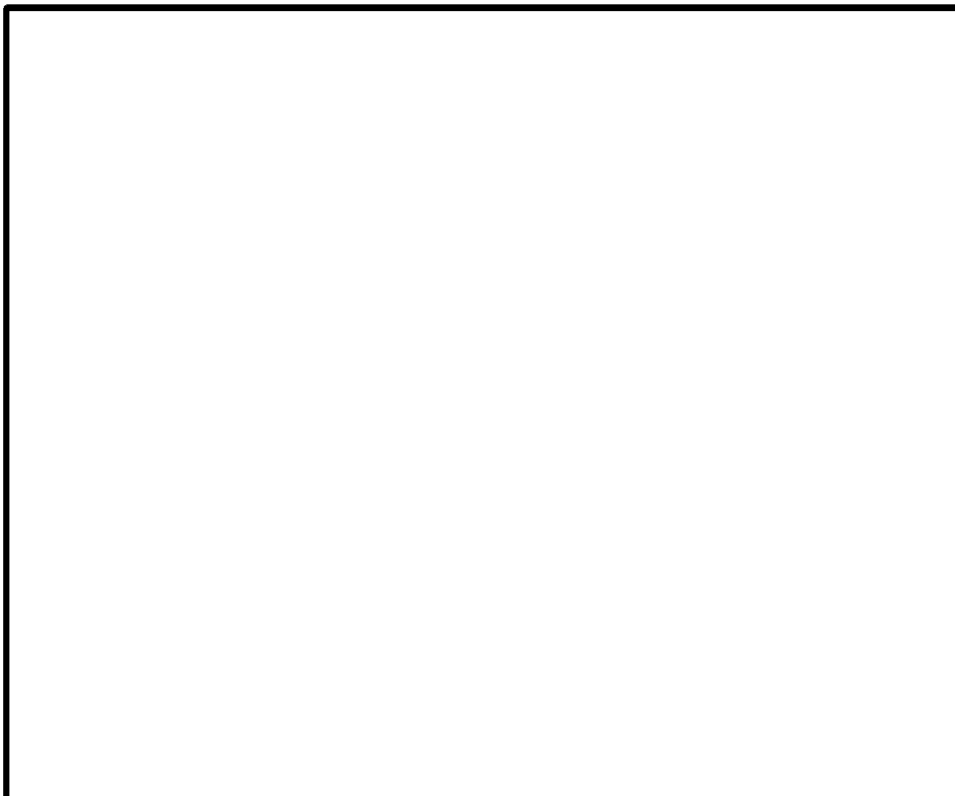
2.

**RESOLUTION OF THE SOLE MEMBER IN LIEU OF THE ORGANIZATIONAL
MEETING OF THE MEMBERS
OF
U.S. IMMIGRATION FUND - NJ, LLC**



(b)(4)

(b)(4)




Approved by the Sole Member as of December 7, 2012:

U.S. IMMIGRATION FUND – NJ, LLC, a FLorida limited liability company

By: U.S. IMMIGRATION FUND, LLC,
a Delaware limited liability company, Sole Member



(b)(4)

By: 

Nicholas A. Mastroianni, II, Managing Member

EXHIBIT NAME

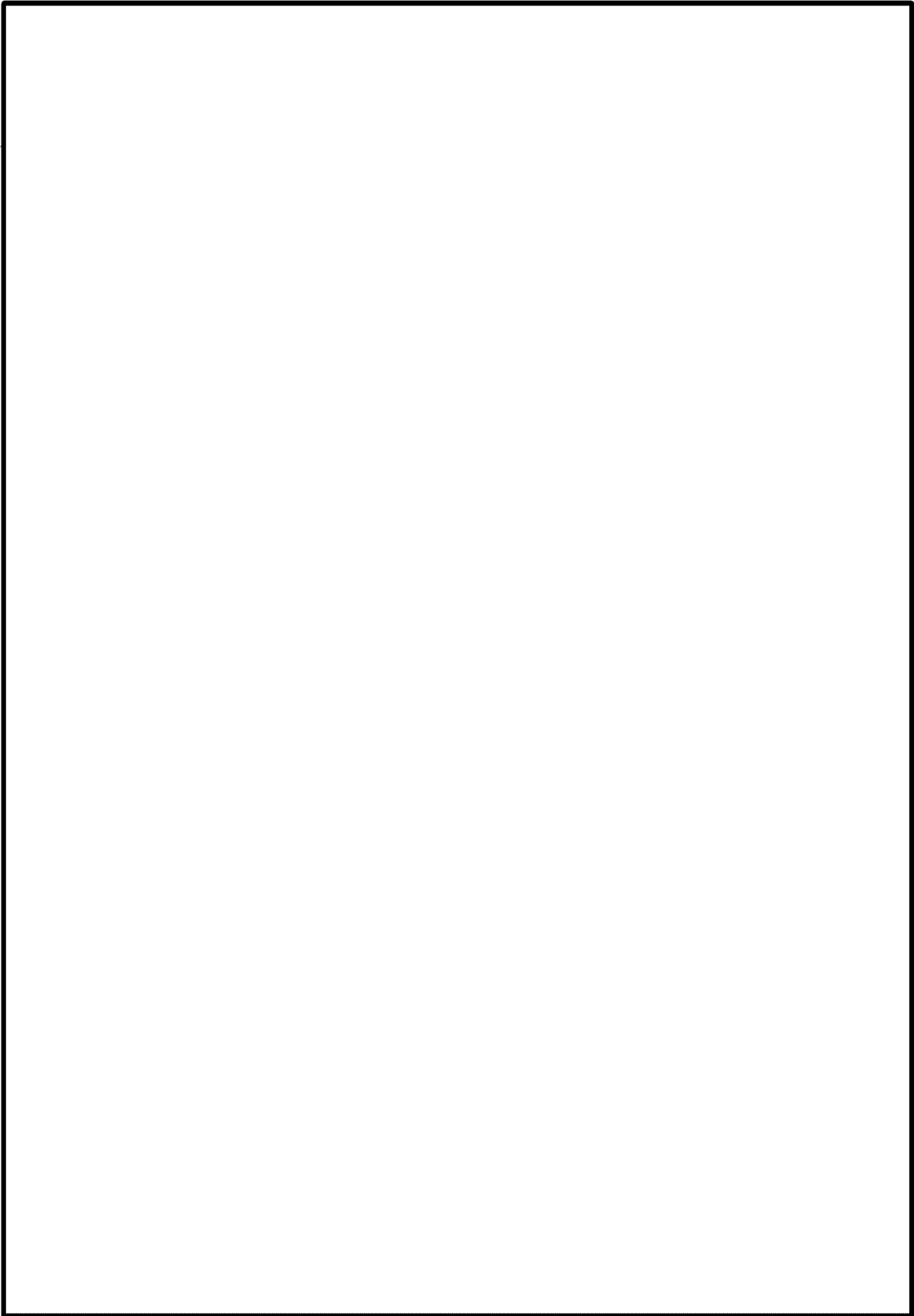
**TAB
NUMBER**

Company Agreement of U.S. Immigration Fund -NJ, LLC, executed by the
Sole Member, dated December 7, 2012.

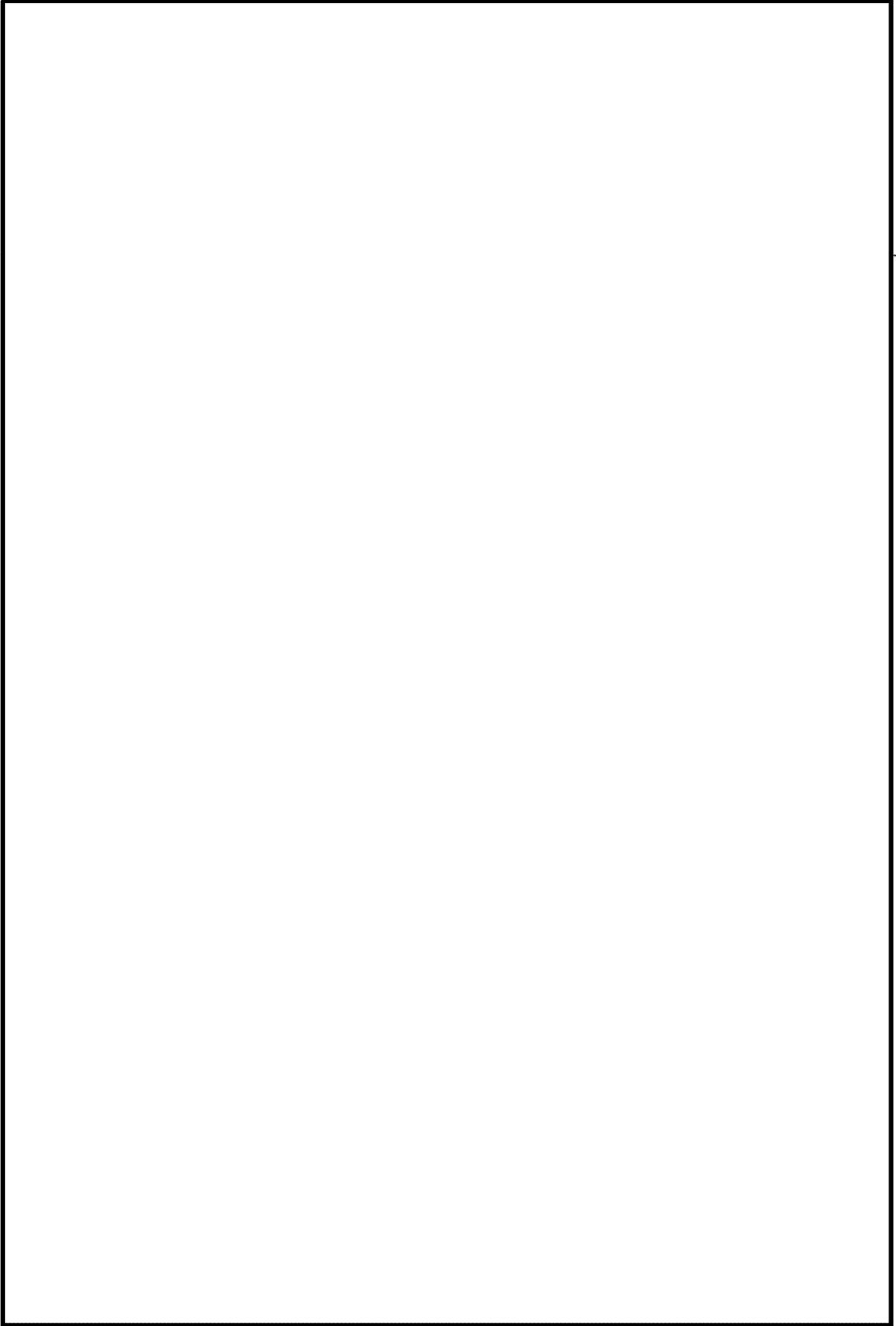
3.

**LIMITED LIABILITY COMPANY AGREEMENT
OF
U.S. IMMIGRATION FUND – NJ, LLC**

(b)(4)



(b)(4)



(b)(4)

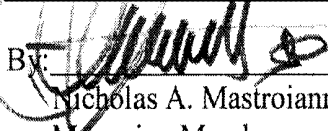


SOLE MEMBER:

U.S. Immigration Fund, LLC, a
Delaware limited liability company

(b)(4)



By: 
Nicholas A. Mastroianni, II
Managing Member

Schedule A

| | |
|--|--|
| | |
| | |

(b)(4)

EXHIBIT NAME

**TAB
NUMBER**

Certificate of Membership Interest No. 1 of U.S. Immigration Fund-NJ,
LLC, duly executed on December 7, 2012.

4.

CERTIFICATE OF MEMBERSHIP INTEREST No. 1

U.S. IMMIGRATION FUND - NJ, LLC

(b)(4)

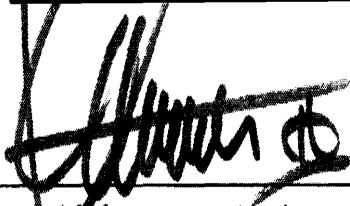
A Limited Liability Company Organized Under the Laws of the State of Delaware

This document certifies that U.S. IMMIGRATION FUND, LLC is the owner units of the issued and outstanding membership units of U.S. IMMIGRATION FUND—NJ, LLC, a limited liability company organized under the laws of the state of Delaware, and shall have the right of the Members established under the State Law, the Formation Documents and the Operating Agreement. Units of said Company are transferable only on the books of the Company, subject to any restrictions set forth in State Law; the Formation Documents, and the Operating Agreement, by the holder of this certificate in person or by authorized agent, properly endorsed.

U.S. IMMIGRATION FUND - NJ, LLC has caused this certificate to signed and issued by its duly authorized representatives. This Certificate is dated December 7, 2012

U.S. Immigration Fund - NJ, LLC, a Delaware limited liability company
By: ~~U.S. Immigration Fund, LLC a Delaware limited liability company, Sole Member~~

(b)(4)



Nicholas A. Mastroianni II Managing
Member



Witness

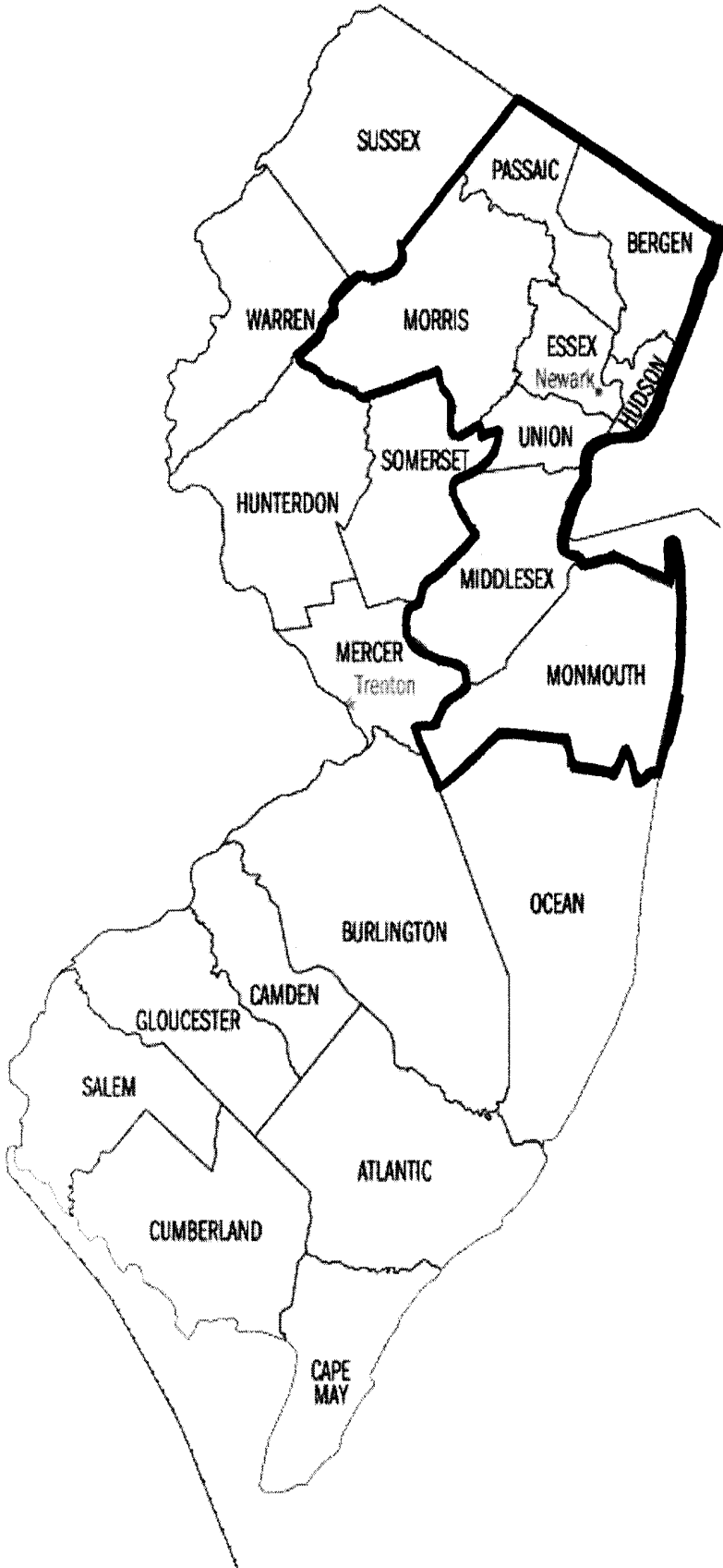
EXHIBIT NAME

**TAB
NUMBER**

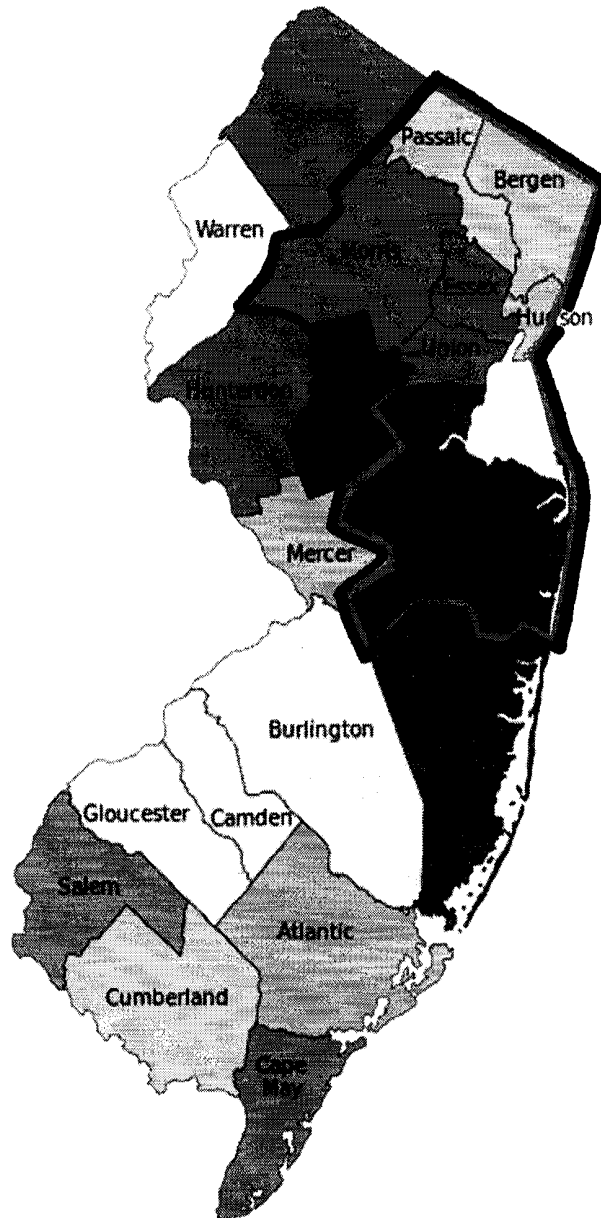
Maps Outlining the Territory of the U.S. Immigration Fund-NJ.

5.

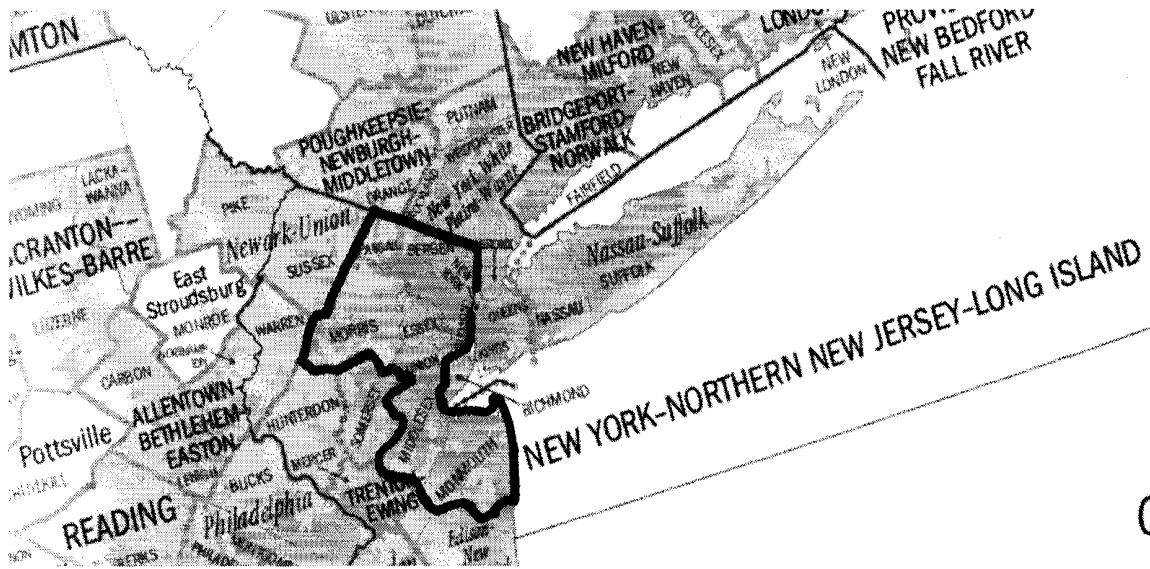
COUNTY MAP OF NEW JERSEY SHOWING BOUNDARY OF
USIF-NJ TERRITORY



County Map - State of New Jersey
Perimeter of Territory of
U.S. Immigration Fund-NJ, LLC Regional Center
Shown In RED ———



MAP OF METROPOLITAN STATISTICAL AREAS
IN THE TERRITORY OF THE
U.S. IMMIGRATION FUND-NJ REGIONAL CENTER



OLYI

EXHIBIT NAME

**TAB
NUMBER**

Diagram of the Corporate Structure of the U.S. Immigration Fund-NJ.

6.

**Diagram of Corporate Structure of
U.S. Immigration Fund - NJ**

(b)(4)

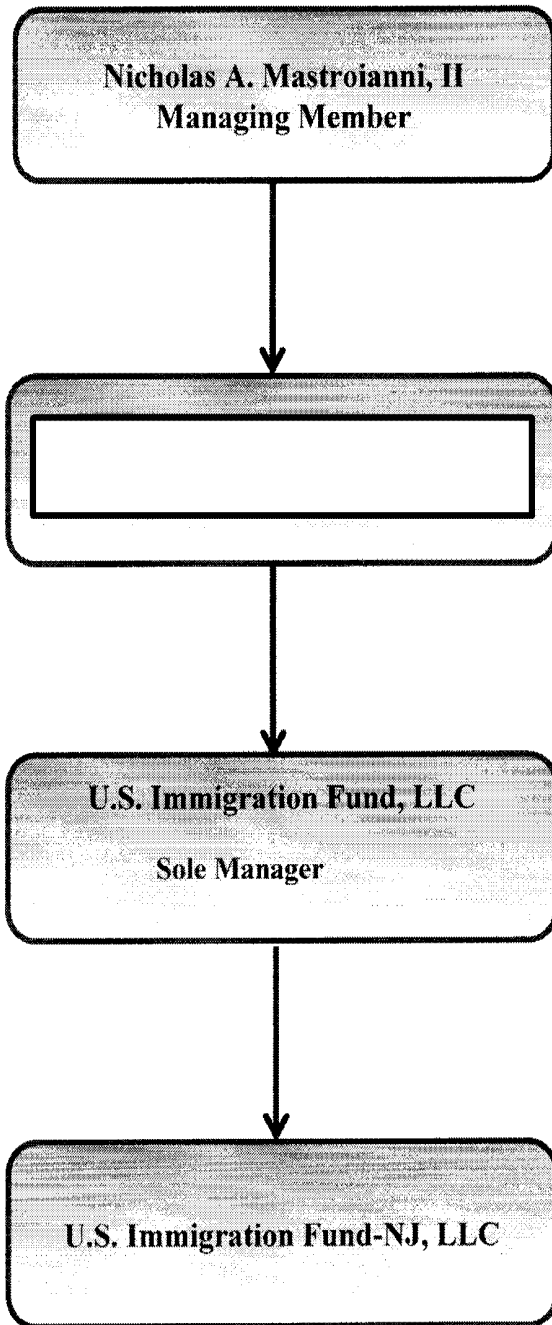
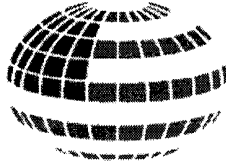


EXHIBIT NAME

**TAB
NUMBER**

Letter dated December 7, 2012 from U.S. Immigration Fund-NJ, LLC,
requesting designation as an EB-5 Regional Center, and confirming that all
funds raised from EB-5 foreign investors will be used entirely for expenses
of the job creating project activities.

7.



U.S IMMIGRATION FUND-NJ, LLC

1298 US HIGHWAY 1
NORTH PALM BEACH, NJ 33408

December 7, 2012, 2012

Attention: EB-5 RC Proposal
U.S. Citizenship & Immigration Services
California Service Center
24000 Avila Road, 2nd Floor
Laguna Niguel, CA 92607

Re: Written Statement of Principal of U.S. Immigration Fund-NJ, LLC (“USIF-NJ”)

To Whom It May Concern:

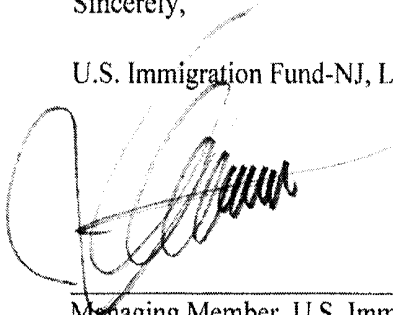
I am writing in reference to the I-924 Application filed by the USIF-NJ for Regional Center designation in my capacity as its Managing Member. I hereby certify the following:

1. I hereby acknowledge, authorize and confirm that USIF-NJ is applying to the U.S. Citizenship & Immigration Services for initial designation of the USIF-NJ as a Regional Center under the EB-5 Pilot Program, on the terms set out in the enclosed Form I-924, its attached exhibits and in the attorney letter from our legal counsel, FosterQuan, LLP.
2. USIF-NJ is wholly owned by U.S. Immigration Fund, LLC (“USIF”). And both these companies are indirectly owned and controlled by me, Nicholas A. Mastroianni, II.
3. All funds raised from EB-5 foreign investors for projects of the USIF-NJ shall be entirely used to pay for costs related to job creating capital project activities and shall not be reimbursed or be reimbursable to EB-5 investors during the conditional residency period.

Please do not hesitate to contact the undersigned regarding this letter.

Sincerely,

U.S. Immigration Fund-NJ, LLC

A handwritten signature in black ink, appearing to read "Nicholas A. Mastroianni, II". The signature is written in a cursive style with a large initial "N" and "M".

Managing Member, U.S. Immigration Fund, LLC
By its authorized representative: Nicholas A. Mastroianni, II

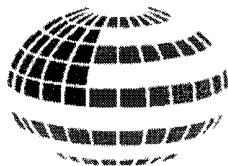
EXHIBIT NAME

**TAB
NUMBER**

Financial Commitment Letter dated December 12, 2012, issued by U.S.
Immigration Fund, LLC to U.S. Immigration Fund—NJ, LLC, with copy of
the bank account statement of the operating checking account of U.S.
Immigration Fund, LLC confirming a recent balance of over

8.

(b)(4)



U.S IMMIGRATION FUND, LLC
1295 US HIGHWAY 1
NORTH PALM BEACH, NJ 33408

December 7, 2012

Attention: EB-5 RC Proposal
U.S. Citizenship & Immigration Services
California Service Center
24000 Avila Road, 2nd Floor
Laguna Niguel, CA 92607

Re: U.S. Immigration Fund - NJ, LLC ("USIF-NJ")

The purpose of this letter is to provide assurances to the United States Citizenship & Immigration Services ("USCIS") of the financial strength and wherewithal of USIF-NJ in connection with the I-924 Application filed with the USCIS for Regional Center designation in the territory of South Florida. USIF-NJ is a wholly-owned subsidiary of U.S. Immigration Fund, LLC ("USIF") in which I am the principal owner and Managing Member.

USIF has sufficient resources to financially support the EB-5 Pilot Program projects it will sponsor.

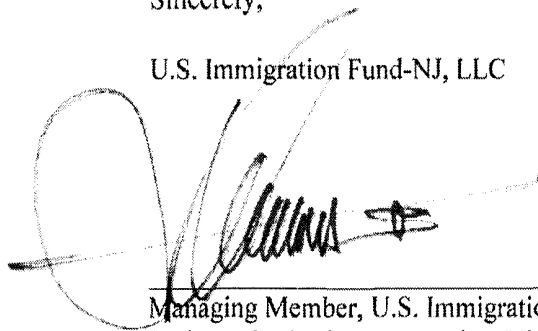
USIF has already paid approximately [redacted] of expenses on behalf of the USIF-NJ related to the start-up of operations. USIF is committed to continue funding USIF-NJ's obligations up to [redacted] per year for the next [redacted] (with a limit of up to [redacted] per month). USIF will pay those expenses and provide USIF with the required capital to continue paying its obligations on a continuous basis and achieve full operational status. (b)(4)

USIF is financially sound and has working capital in excess of \$ [redacted] in cash. Enclosed as **Exhibit B**, hereto is a copy of the bank account statement of USIF as of November 14, 2012 which shows cash deposits of [redacted]

Please do not hesitate to contact the undersigned regarding this letter and thank you for your cooperation in this matter.

Sincerely,

U.S. Immigration Fund-NJ, LLC

A handwritten signature in black ink, appearing to read "Nicholas A. Mastroianni, II", is written over a horizontal line. The signature is stylized and includes a large loop on the left side.

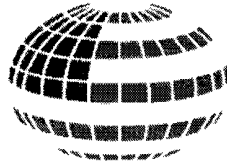
Managing Member, U.S. Immigration Fund, LLC
By its authorized representative: Nicholas A.
Mastroianni, II

EXHIBIT NAME

**TAB
NUMBER**

Written statement dated December 7, 2012, of the principal of U.S. Immigration Fund-NJ, LLC confirming that all funds raised from EB-5 foreign investors will be used entirely for expenses of the job creating project activities.

9.



U.S IMMIGRATION FUND-NJ, LLC

1298 US HIGHWAY 1
NORTH PALM BEACH, NJ 33408

December 7, 2012, 2012

Attention: EB-5 RC Proposal
U.S. Citizenship & Immigration Services
California Service Center
24000 Avila Road, 2nd NJoor
Laguna Niguel, CA 92607

**Re: Written Statement of U.S. Immigration Fund-NJ,LLC (“USIF-NJ”)
regarding Funds Raised from EB-5 Investors**

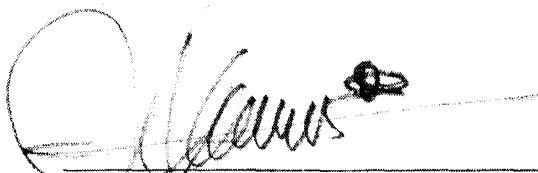
To Whom It May Concern:

USIF-NJ, hereby certifies the following: (b)(4)

1. Except for processing or administration fees of all funds raised from EB-5 investors for projects of USIF-NJ regional center shall be used entirely in capital investment activities of the job creating project sponsored by the regional center. Capital investments from EB-5 foreign investors shall not be reimbursed or be reimbursable during the conditional residency period. A profit from operations may be paid, in compliance with applicable EB-5 rules.
2. All of the subscription documents of the USIF- NJ will make evident to EB-5 investors that their investments are fully at-risk, with no redemption rights for the EB-5 investors.

Sincerely,

U.S. Immigration Fund-NJ, LLC

A handwritten signature in black ink, appearing to read "Nicholas A. Mastroianni, II". The signature is written over a horizontal line that extends across the page.

Managing Member, U.S. Immigration Fund, LLC
By its authorized representative: Nicholas A. Mastroianni, II

EXHIBIT NAME

**TAB
NUMBER**

Formation of the Manager of U.S. Immigration Fund-NJ

Certificate of Formation of U.S. Immigration Fund, LLC, issued by the
Secretary of State for Delaware dated July 25, 2012.

10.

STATE of DELAWARE
LIMITED LIABILITY COMPANY
CERTIFICATE of FORMATION

First: The name of the limited liability company is U.S. Immigration Fund, LLC

Second: The address of its registered office in the State of Delaware is One Commerce Center - 1201 Orange St. #600 in the City of Wilmington.
Zip code 19899. The name of its Registered agent at such address is Incorp Services, Inc.

Third: (Use this paragraph only if the company is to have a specific effective date of dissolution: "The latest date on which the limited liability company is to dissolve is _____.")

Fourth: (Insert any other matters the members determine to include herein.)

In Witness Whereof, the undersigned have executed this Certificate of Formation this
20th day of July, 2012.

By: 
Authorized Person (s)

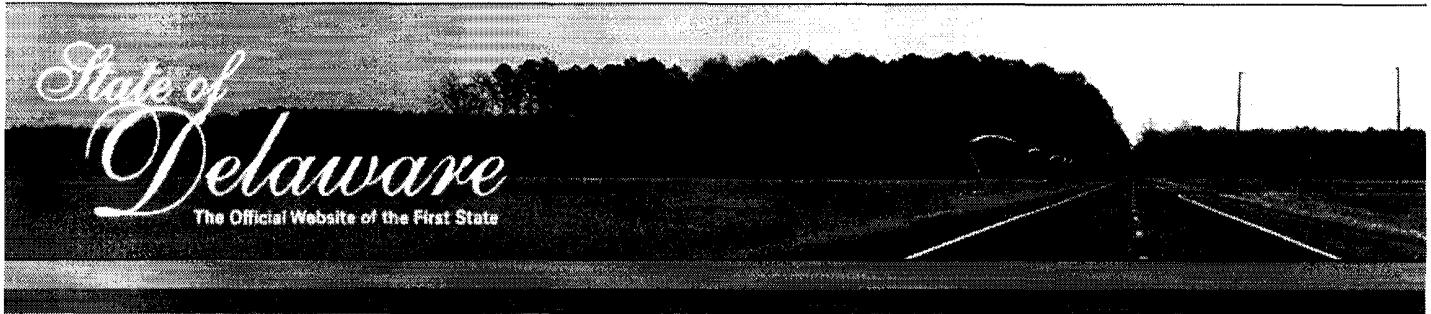
Name: Sandy Albanese

EXHIBIT NAME

**TAB
NUMBER**

Entity Details web page report issued by the Secretary of State for Delaware
(Division of Corporations) for U.S. Immigration Fund, LLC.

11.



Department of State: Division of Corporations

HOME

- About Agency
- Secretary's Letter
- Newsroom
- Frequent Questions
- Related Links
- Contact Us
- Office Location

SERVICES

- Pay Taxes
- File UCC's
- Delaware Laws Online
- Name Reservation
- Entity Search
- Status
- Validate Certificate
- Customer Service
- Survey

INFORMATION

- Corporate Forms
- Corporate Fees
- UCC Forms and Fees
- Taxes
- Expedited Services
- Service of Process
- Registered Agents
- Get Corporate Status
- Submitting a Request
- How to Form a New Business Entity
- Certifications, Apostilles & Authentication of Documents

[Frequently Asked Questions](#) [View Search Results](#)

Entity Details

THIS IS NOT A STATEMENT OF GOOD STANDING

File Number: 5189171 **Incorporation Date / Formation Date:** 07/25/2012 (mm/dd/yyyy)

Entity Name: U.S. IMMIGRATION FUND, LLC

Entity Kind: LIMITED LIABILITY COMPANY (LLC) **Entity Type:** GENERAL

Residency: DOMESTIC **State:** DE

REGISTERED AGENT INFORMATION

Name: INCORP SERVICES, INC.

Address: 1201 ORANGE ST STE 600 ONE COMMERCE CENTER

City: WILMINGTON **County:** NEW CASTLE

State: DE **Postal Code:** 19899

Phone: (800)246-2677

Additional Information is available for a fee. You can retrieve Status for a fee of \$10.00 or more detailed information including current franchise tax assessment, current filing history and more for a fee of \$20.00.

Would you like Status Status, Tax & History Information

To contact a Delaware Online Agent [click here](#).

EXHIBIT NAME

**TAB
NUMBER**

| | |
|---|-----|
| Operations & Financing of U.S. Immigration Fund—NJ | |
| Operations Plan of the U.S. Immigration Fund – NJ | 12. |



U.S. IMMIGRATION FUND-NJ, LLC

OPERATIONS PLAN

FOR

USCIS REGIONAL CENTER DESIGNATION

DECEMBER 4, 2012

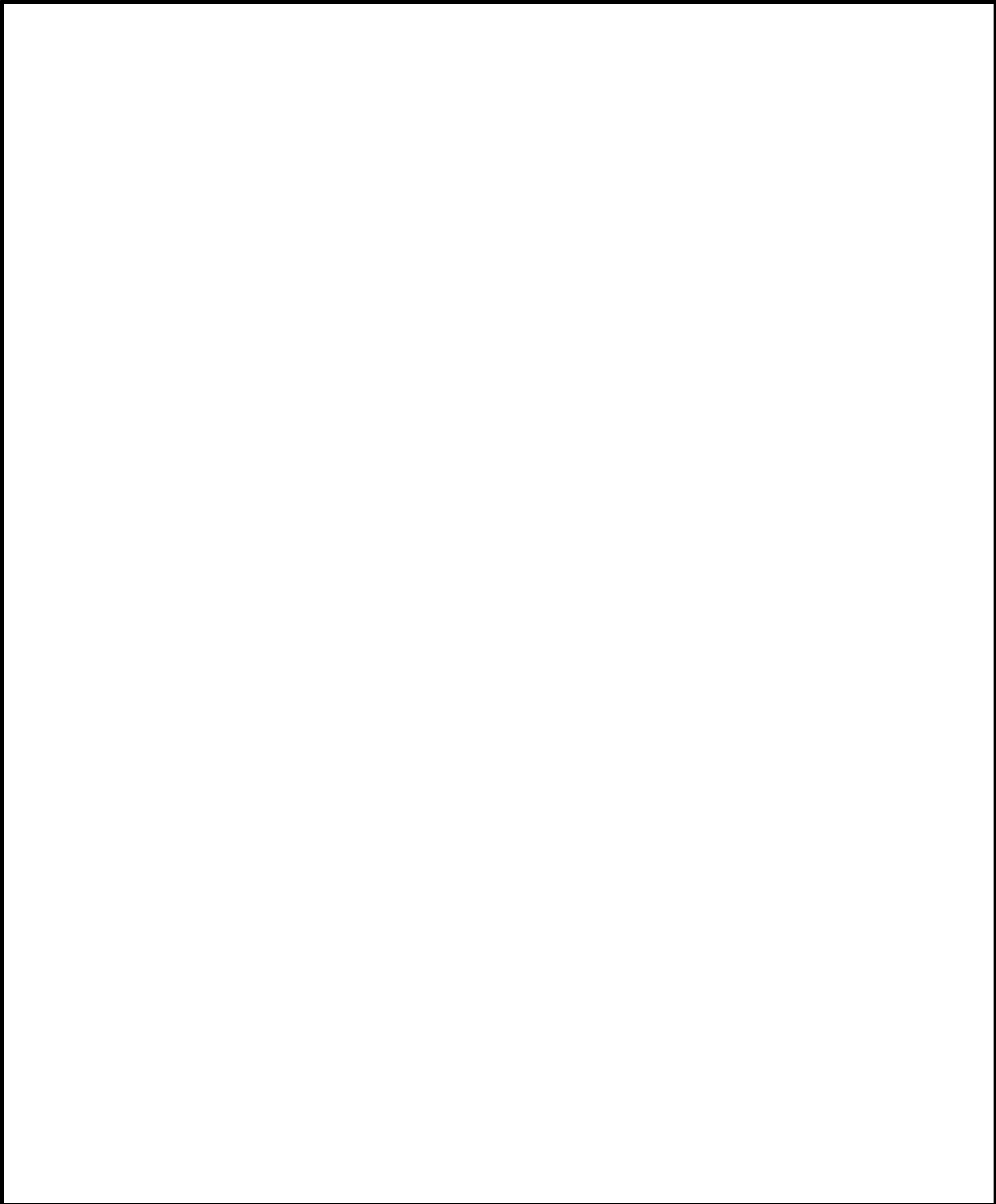
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| III. REGIONAL CENTER TERRITORY: | 4 |
| IV. ORGANIZATIONAL STRUCTURE: | 5 |
| V. MANAGEMENT: | 6 |
| VI. TARGETED INDUSTRIES & ECONOMETRIC METHODOLOGY: | 10 |
| VII. OPERATIONS: | 11 |
| Project Evaluation | 11 |
| Project Company Structure | 12 |
| Project Management | 13 |
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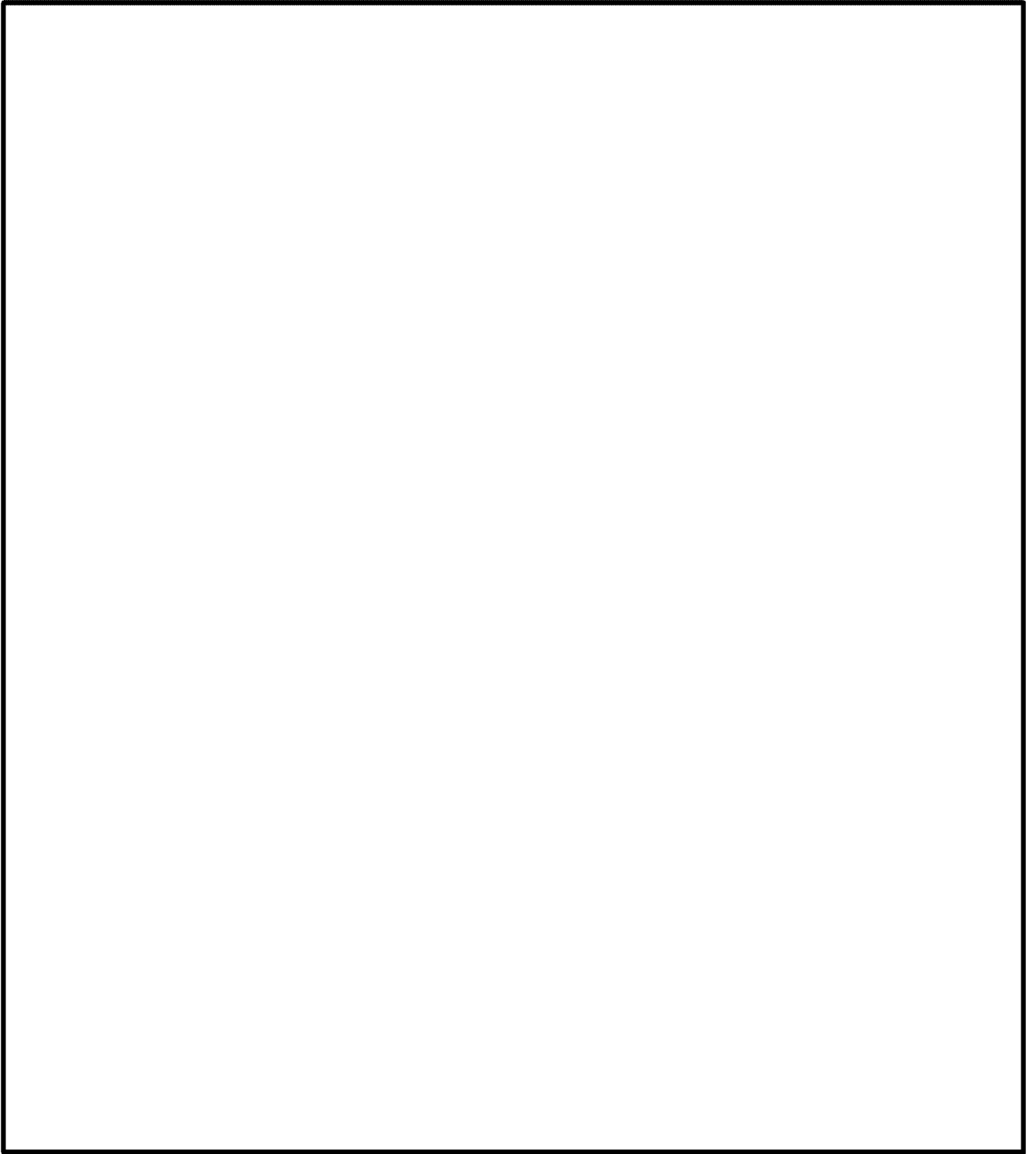
U.S. IMMIGRATION FUND – NJ, LLC

Operations Plan

(b)(4)



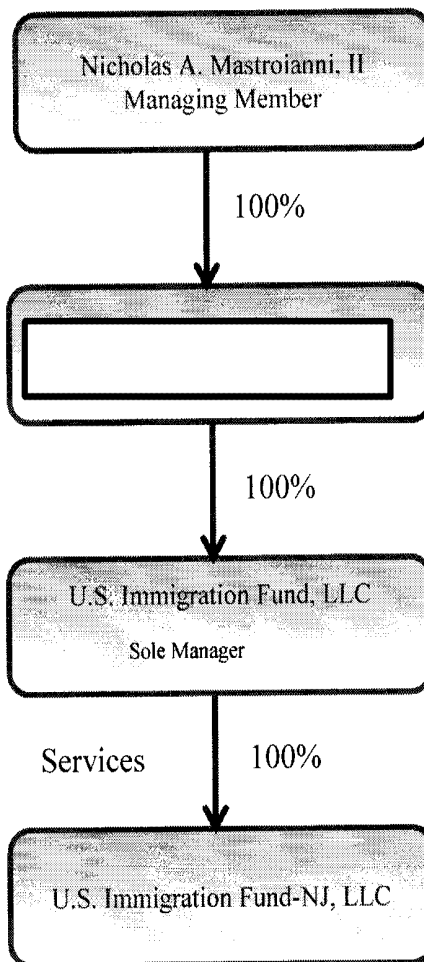
(b)(4)



IV. ORGANIZATIONAL STRUCTURE:

USIF has been formed as a limited liability company. The ownership structure is depicted below in the following chart:

(b)(4)



(b)(4)



Nicholas A. Mastroianni, II, is also the principal owner of a successful operating EB-5 Regional Center, the Florida Regional Center (RCW 319-10194 / Unique I.D. # 1031910194).

V. MANAGEMENT:

USIF will be managed by USIF-DEL, which employs an experienced team of professionals who have the expertise and experience necessary to make the Regional Center a great success. The areas of expertise and operating capability include: real estate development, finance, marketing, legal and accounting.

USIF-DEL will provide all of the expertise and services to its wholly-owned subsidiary, USIF. USIF-DEL will charge a fee for its services to USIF. USIF will pay for the services delivered by USIF-DEL from revenue from the Management Fees described in Section IV below. As USIF grows, additional capability will be added to the company.

Key members of management are as follows:

1) Manager: Nicholas A. Mastroianni, II

Job Duties:

- Provide the necessary leadership to assure that the Regional Center successfully performs its company objectives as overseer of the performance of Regional Center projects, especially assuring compliance with USCIS EB-5 standards and objectives;
- Develop and maintain a current list of the principal official and point of contact for the management and administration of approved projects and maintain company policies, procedures and processes to assure the Regional Center operates effectively and in accordance with the law;
- Hire and maintain competent and productive staff who are well trained in the USCIS policies and procedures, including all reporting responsibilities pursuant to USCIS regulations;
- 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, this role will assure that Regional Center capital investment projects create the requisite number of jobs and that the projects are well managed to assure that immigrant investors receive their permanent green cards within the required timeframe.
- Ensure that all books and records are maintained relative to:
 - The name, date of birth, nationality, and alien registration number for each foreign investor who makes a capital investment and files an I-526 petition with USCIS, specifying whether the petition was approved, denied or withdrawn by the petitioner,

- The capital invested by investors in new commercial enterprises,
- Current list of approved methodologies to evaluate and track job creation that result from an approved business enterprise of each foreign investor's investment capital,
- Current list by U.S. municipality and state of residence of each alien investor who makes an investment and files an I-526 petition with USCIS
- The amount of alien investor capital and the amounts of other capital that have been invested in each job creating commercial enterprise, distinguishing the separate totals for each,

Resume:

(b)(6)



2) Chief Financial Officer – David Finkelstein

Job Duties:

- Oversee all financial matters of the Regional Center (accounting, budgeting, banking).
- Manage tracking of all funds from EB-5 Investors deposited into designated escrow bank accounts for EB-5 Projects. Manage tracking and reconciliation of funds released from escrow to the new commercial enterprise and then to the EB-5 Project under a loan.
- Manage EB-5 Immigrant tracking system to assure such information is readily available to meet the requirements of the USCIS guidelines.

- Manage preparation of quarterly and annual financial documents for all USIF EB-5 projects and USIF operations, including review of pro-forma financial statements and supervision of all outside accountants.

Resume:

(b)(6)

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3) Marketing: Nicholas A. Mastroianni, III

Job Duties:

- Oversee all marketing initiatives of the Regional Center, including managing the relationships with foreign agents and finders who introduce prospective foreign investors to the capital investment projects.
- Develop and manage all marketing materials to deliver to foreign agents.

Resume:

(b)(6)

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4) Paralegal & Administration – Sandy Albanese


Job Duties:

- Oversee all paralegal and supporting functions.
- Work with Finance and assist in the management of the EB-5 Immigrant tracking system to assure such information is readily available to meet the requirements of the USCIS guidelines.
- Report the total aggregate number of approved EB-5 alien investor I-526 petitions per Federal Fiscal Year made through the Regional Center
- Report the total number of approved alien investor I-829 petitions per Federal Fiscal year to date made through the Regional Center
- Manage all communications with foreign agents and investors in the job-creating new commercial enterprise.
- Ensure that all foreign investors complete and sign all appropriate legal documents, including questionnaires to ensure that the alien investor is a

sophisticated “accredited investor” and that the person’s source of funds satisfies USCIS requirements and applicable law.

Resume:

(b)(6)

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5) USIF-DEL Legal Counsel - Mark Giresi

Job Duties:

- Ensure compliance with all applicable laws and regulations, including immigration laws and regulations, securities laws, and USCIS policy.
- Oversee and manage all legal matters on behalf of USIF-NJ.
- Work in concert with the USIF-NJ “preferred” Form I-526 immigration attorneys to ensure accuracy of petitions prior to filing with the USCIS.
- Ensure that all foreign investors complete and sign all appropriate legal documents, including questionnaires to ensure that the alien investor is a sophisticated “accredited investor” and that the person’s source of funds satisfies USCIS requirements and applicable law Licensed Attorney at Law of the State of New Jersey - 1983 to present.
- Burger King Corporation: Senior Vice President and General Counsel 1993-1998 and Senior Vice President, U.S. Franchise Operations and Development 1998 – 2000.
- Limited Brands, Inc. - Executive Vice President, Retail Operations 2000-2008.

6) Lead Securities Law Counsel - Attorney Andrew Kingston

- Andrew Kingston will be the lead Securities Law counsel to the Regional Center. Andrew Kingston has over 15 years of experience in public and private offerings of securities and has successfully advised EB-5 regional centers on previous private securities offerings.

7) Lead Immigration Counsel - FosterQuan, LLP

- An experienced immigration law firm with extensive experience in EB-5 projects. The expertise of experienced EB-5 attorneys will ensure compliance with USCIS rules and standards in the content of deal

structuring; I-526 visa petitions, and I-829 petitions on behalf of the Regional Center. The lead attorney for FosterQuan, LLP will be Ignacio A. Donoso, Esq.

8) Economic Analyst - Evans, Carroll & Associates

- Evans, Carroll & Associates has prepared hundreds of successful economic impact analyses for EB-5 regional center projects throughout the United States. Michael Evans, Ph.D., will be the lead economist for the Regional Center.
- Dr. Evans is highly experienced in conducting job creation analysis for EB-5 Projects using RIMS II econometric methodology.
- Dr. Evans has developed clear guidance for the USIF on compliance with the USCIS Tenant-Occupancy guidance issued on February 17, 2012 and May 8, 2012 (Operational Guidance on EB-5 Adjudications Involving the Tenant-Occupancy Methodology, OG-602.06-001).

VI. TARGETED INDUSTRIES & ECONOMETRIC METHODOLOGY:

NAICS Codes

USIF investment in new EB-5 projects will focus in the following industries and economic sectors, which are described according to the North American Industry Classification System (NAICS) codes and titles:

| Industry Name | NAICS Code |
|---|------------|
| Commercial and Institutional Real Estate Construction | 2362 |
| Residential Real Estate Construction | 2361 |
| Lessors of Real Estate | 53111 |
| Architectural, Engineering & Related Services | 5413 |

In the future, additional NAICS codes will be added through possible I-924 Amendments of the USIF, based on qualifying EB-5 Projects and economic analysis of job creation based on USCIS approved methodology

RIMS II Econometric Methodology

USIF will estimate job creation from an EB-5 Project based on eligible investments in the Targeted Industries using RIMS II econometric methodology. Direct, indirect and induced jobs creation analysis will conform to USCIS guidance on job creation estimates, including compliance with the Tenant-Occupancy guidance issued by USCIS in February 17, 2012 and

VII. OPERATIONS:

Project Evaluation

USIF will evaluate potential EB-5 Projects to ensure compliance with the USCIS regional center designation and the objectives of USIF. USIF will give priority to projects in which commercial loans are made for the construction and operation of mixed-use real estate development that will prove profitable and successful investments for foreign investors. In addition to the two EB-5 projects, which are now scheduled to be developed (described below in Section VII), a pipeline of future projects will be created.

USIF will have a project evaluation committee to analyze potential EB-5 Projects before USIF agrees to sponsor such a project for EB-5 Investors. The project evaluation committee is comprised of seasoned professionals with backgrounds in transactions, investment management, construction, development, operations, marketing, and economic development. The project evaluation committee will initially include the following individuals:

- Nicholas A. Mastroianni, II, Chair and Principal of USIF-DEL.
- David Finkelstein, CFO of USIF-DEL.
- Mark Giresi, Chief Counsel of USIF-DEL.
- Nicholas A. Mastroianni, III, Marketing.

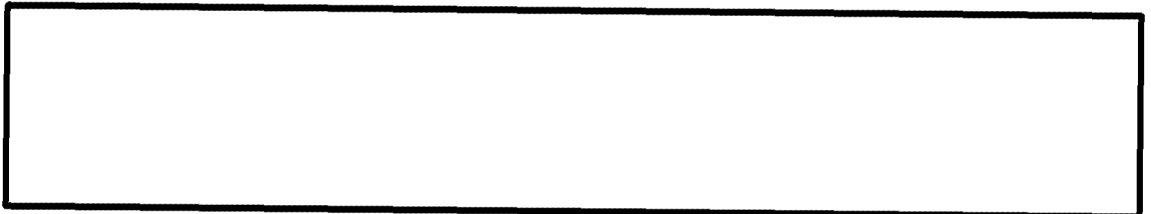
Additionally, advice will be sought from key outside consultants and advisors such as:

- Michael Evans, Ph.D., Economic Consulting on job creation.
- Ignacio A. Donoso, Esq., of the law firm of Foster Quan, LLP - immigration legal advice and counsel on EB-5 visa requirements.

The process for deal flow is shown below:

- The Chair and Principal of USIF facilitates deal Flow and works to ensure that USIF evaluates and accepts only high-quality real estate development projects.
- Deals are submitted for evaluation (from all sources) to the CFO and General Counsel
- Deals will be screened and analyzed based on multiple criteria, including:

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(b)(4)

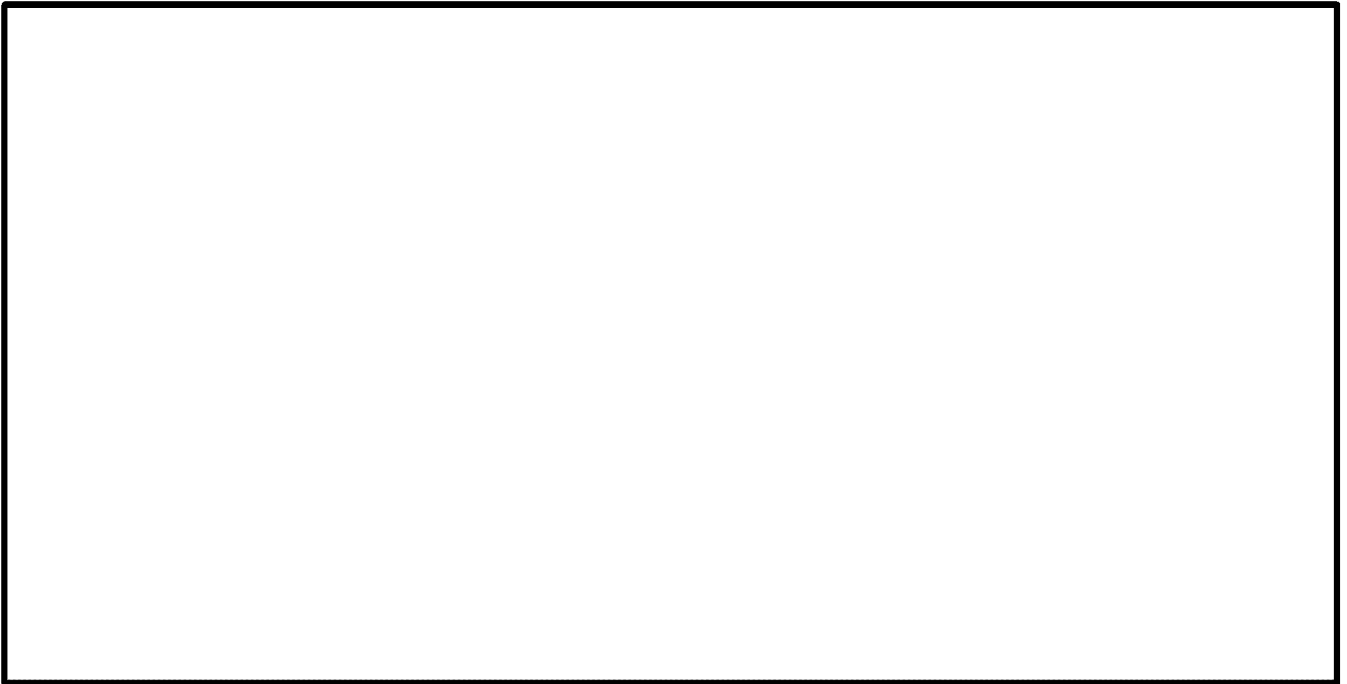
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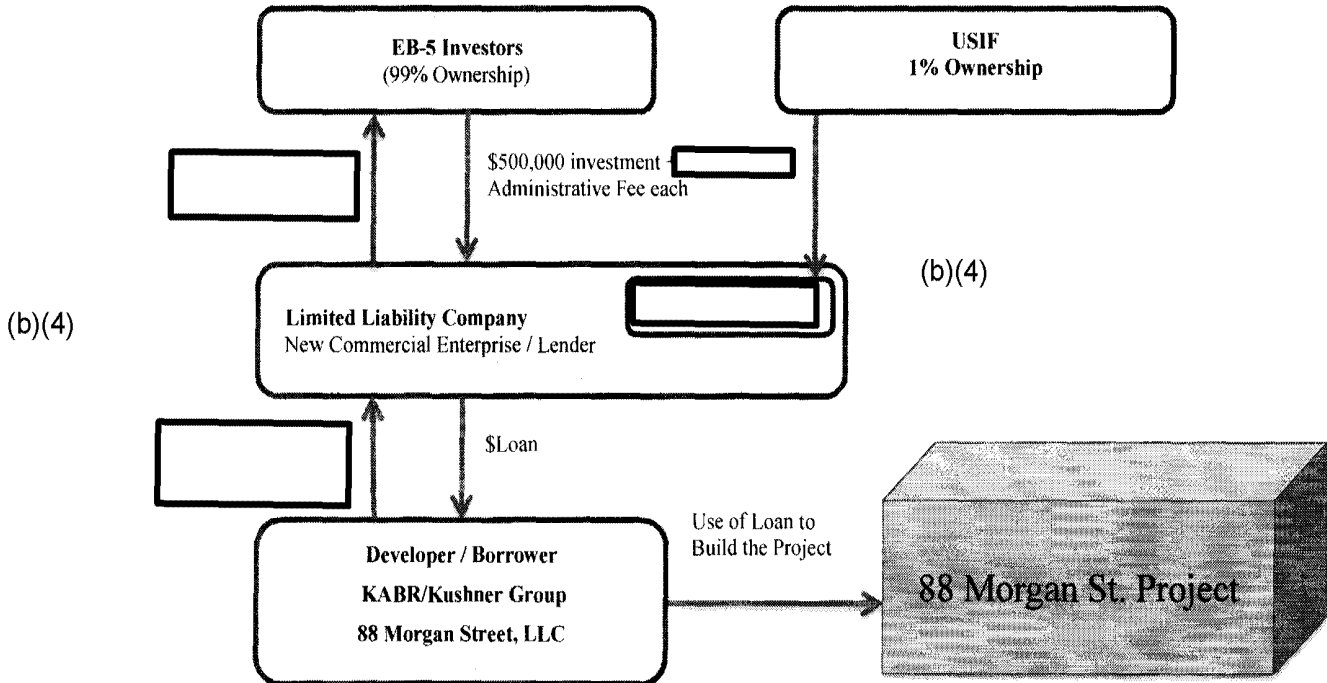
- If a transaction meets the initial screening criteria, the Chair and CFO perform a detailed review of the proposed transaction and provide a report showing merits and risks of each deal.
- Project evaluation committee meets monthly (or more frequently depending on deal Flow) to evaluate projects.
- Once proposed transactions are approved by the project review committee, the Chair and General Counsel structure transaction with the counterparty

Project Company Structure

(b)(4)



This structure is intended to ensure the stability of USIF and that highly qualified and consistent management of the EB-5 Project is adopted for each project.

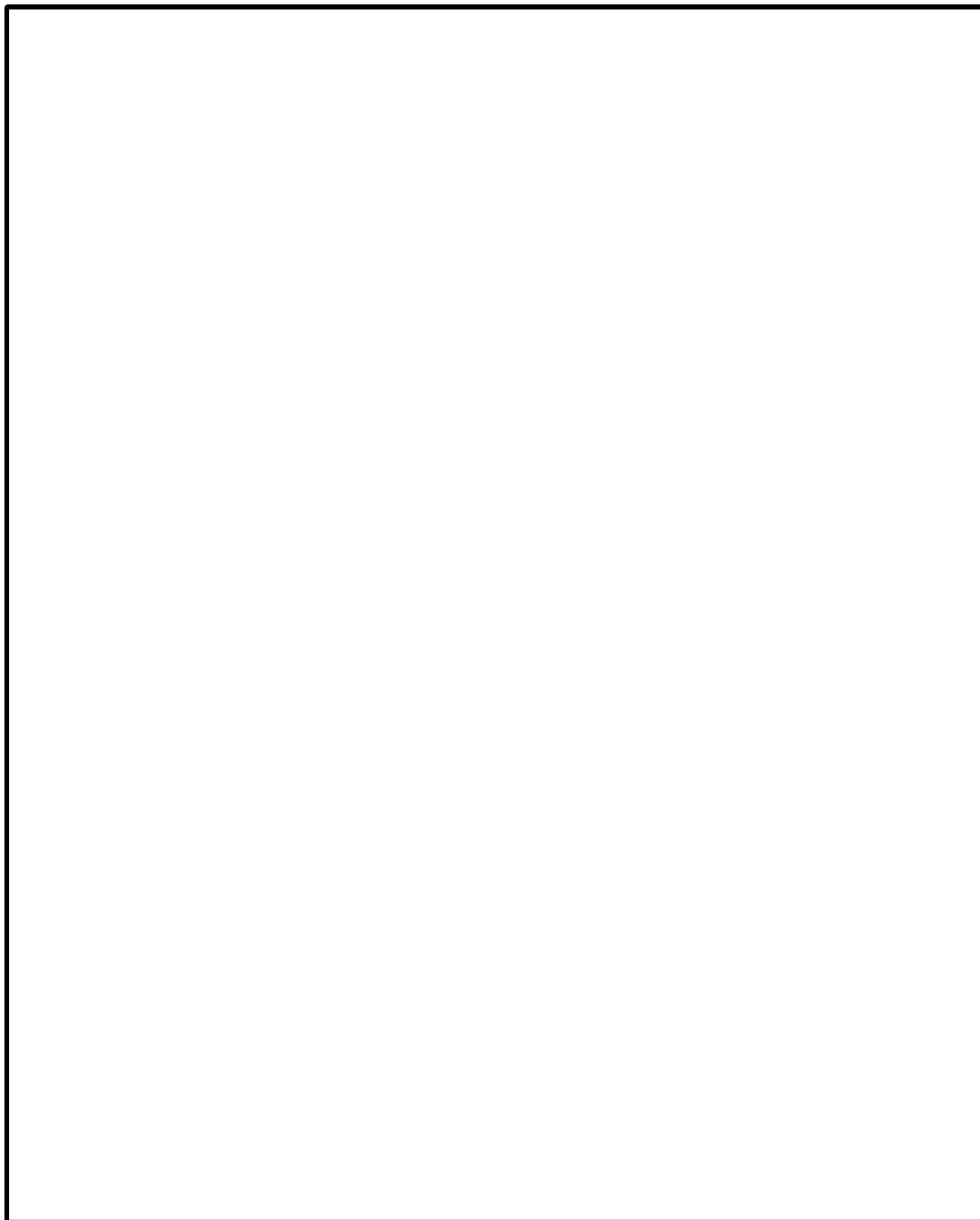


Project Management

USIF will manage the Entity, which will be the new commercial enterprise for an EB-5 Project. As manager or general partner of the new Entity, USIF will directly manage the day-to-day operations of the Entity. USIF may also indirectly manage the new Entity through a subsidiary or affiliate company that will serve as Manager or General Partner of the new Entity. Reporting will be required of the developer/borrower under the loan contract to obtain required EB-5 Project information from the developer/ borrower. This structure ensures that financial and job creation targets are met.

(b)(4)

VIII. FINANCIALS:

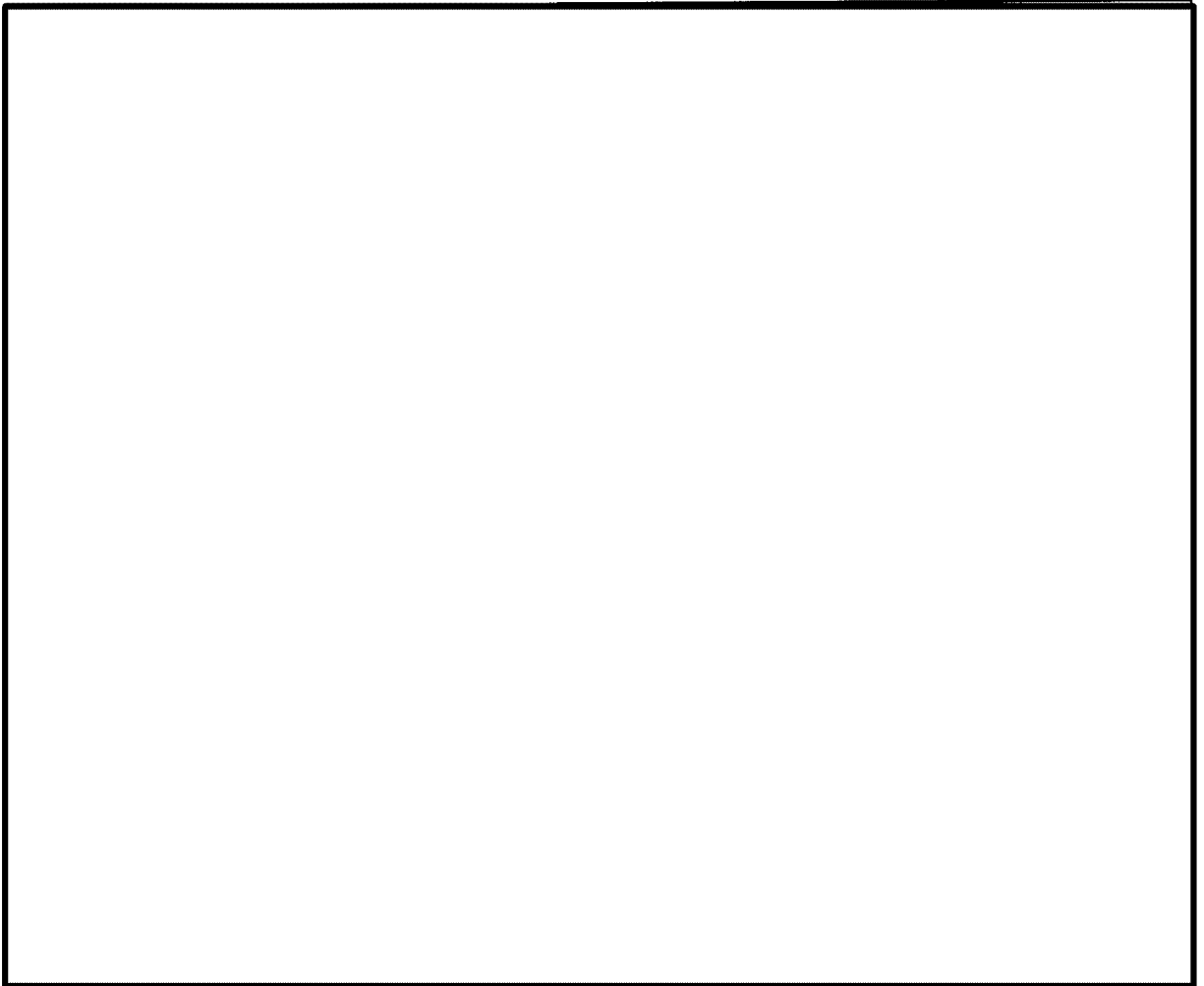


Revenue Projections

(b)(4)

In the following example, one new project with [redacted] investors was forecast for each year commencing 2014. The same fee structure as in the current project was used for the projected projects. Based on the aforementioned timetable and assumptions, the Operating Budget and Cash flow Projections for the Regional Center are as follows:

(b)(4)



(b)(4)

[redacted] beginning period represents expenses paid from 7/1/12 for RC formation.

In conclusion, USIF RC will be managed as a “well-capitalized” company. The operating projection is believed to be conservative based on the anticipated activity level. USIF will identify future regional projects and these will continue to fund the USIF Regional Center into the future.

IX. USIF SAMPLE PROJECT:

We have prepared one (1) sample project of the type of real estate development projects that the USIF will sponsor as EB-5 Projects. This sample project is more fully described in the Business Plan. The project, 88 Morgan Street, is a mixed-use real estate development project in which EB-5 investment funds are pooled in a newly formed limited partnership. The Entity loans the proceeds of the EB-5 capital investment funds to the developer to be used for the construction of the buildings and other improvements that comprise the project. The project is located in the Territory of the USIF.

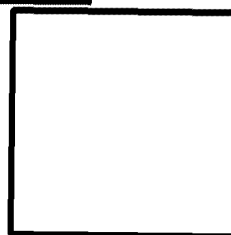
Project : 88 Morgan Street

88 Morgan Street is a mixed-use real estate development project located in Jersey City, NJ in the County of Hudson an area projected to qualify as a Targeted Employment Area. The EB-5 Project will include the construction of a 50 story rental apartment Tower, consisting of 417 rental apartments, 217 parking spaces, and approximately 4,000 sq.ft. of retail space adjacent to Trump Plaza I.

The cost to construct the Project is budgeted to be [redacted] comprised of the following:

Hard Construction Costs
Soft Construction Costs
Land Purchase,

TOTAL BUDGETED COSTS

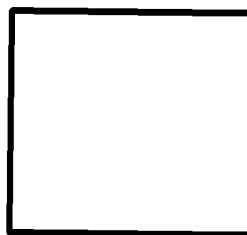


(b)(4)

The source of funds to complete the construction is summarized as follows:

Owner's Equity
Senior Construction Loan
EB-5 Funds (Loan)

TOTAL FUNDING



The EB-5 Funds for 88 Morgan Street EB-5 Project is expected to be [redacted] USIF would therefore need to attract [redacted] EB-5 investors each investing [redacted] (b)(4)

The Economic Report prepared by Michael Evans, Ph.D. evaluates the financial and other data set forth in this Business Plan. The Economic Report uses RIMS II econometric methodology. The Economic Report concludes that the Project will create a total of [redacted] permanent new jobs in the construction of the buildings and related improvements on the Property and the operations of the new business activities owned by the Owner that are being created in the Project. This is comprised of the following:



The projected total of job creation is new jobs. (b)(4)

As such, the Economic Report concludes that up to of EB-5 funds can be invested in the Project.

X. INVESTMENT PROCESS & INVESTOR DUE DILIGENCE:

“Accredited Investor” Verification

USIF will follow U.S. Securities and Exchange Act (“SEC Act”) and all SEC 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 investment (excluding their principal residence).
- 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.

Due Diligence

USIF will require each prospective EB-5 Investor to complete an Investor Suitability Evaluation which requests detailed information on: (1) the EB-5 Investor’s identity; (2) the EB-5 Investor’s Source of Funds and (3) the EB-5 Investor’s immigration history in the U.S. The prospective EB-5 Investor will also be required to provide adequate supporting information to verify compliance with their eligibility as an Accredited Investor and their source of funds. A copy of the questionnaire is attached to this Operations Plan at **Exhibit E**.

Source of Funds

USIF will adhere to all USCIS rules and regulations relating to confirming the legal source of funds used for investments in EB-5 Projects. USIF will require that our lead immigration attorneys, FosterQuan, LLP, provide training on USCIS Source of Funds rules to our Manager of Investor Relations and personnel managing investor contacts. These rules include basic requirements of 8 CFR Sec. 204.6(j)(3) such as:

- Obtaining evidence of salary earnings.
- Obtaining evidence of tax payments on salary, including 5 years of personal income tax returns whenever they are available.
- Obtaining bank statements for amounts deposited in a bank.
- Obtaining evidence of bank transfers and foreign exchange transactions.
- Obtaining evidence of assets of the EB-5 Investor, such as real estate, and obtaining evidence of how that asset became owned by the EB-5 investor.

Further, our lead immigration attorneys will provide advice and analysis of I-526 visa petitions whenever an issue of source of funds arises.

In sum, USIF is confident that these procedures will enable it to verify that funds from an EB-5 Investor have been lawfully obtained.

USIF's escrow bank will also comply with 31 U.S.C. 5318(i), "Due Diligence for United States Private Banking and Correspondent Bank Accounts Involving Foreign Persons".

Investor Relations

USIF's Manager of Investor Relations will be in charge on building relationships with USIF investors to assure reporting, communication and follow up. This will help with recruitment, as we know that word of mouth and referrals will be instrumental in USIF recruitment success.

Investment Procedures

The USIF has developed the following outline of procedures to safeguard its compliance with USCIS, U.S. Treasury and U.S. Securities and Exchange Commission regulations, and also to ensure its success in managing assets and sponsoring successful projects that qualify under the EB-5 Pilot Program..

Step 1 - Registration

The potential EB-5 investor will first register with the USIF. Registration will be completed by completing and signing the USIF Investor Suitability Evaluation.

As part of the registration, the Investor will provide their biographic information; copy of official identification with photograph (e.g., a passport or driver's license);

Registration requires that the Investor disclose in detail the key sources of funds to be used in their EB-5 investment.

Step 2 – Review of Investor’s Initial Information

Upon receipt of a completed Investor Suitability Evaluation, the USIF will engage in due diligence screening of the investor to avoid allowing someone to invest who (a) is not an “accredited investor” pursuant to Rule 501 of Regulation D of the SEC Act, (b) does not comply with requirements for exemption from U.S. securities registration; (c) may have criminal issues in their background; or (d) cannot reasonably prove lawful source of funds in conformity with USCIS rules, or has prior immigration violations. USIF will inspect and make a determination as to the investor’s:

- Source of funds
- Residency
- Treasury compliance = OFAC Specially Designated Nationals List.
- Identity
- Criminal and General Background Search - to be completed using service provider: e.g., *InfoCubic or similar service.*

Where necessary, USIF will request supporting documentation evidencing lawful source of funds. This shall typically include such items as: introductory informational documents regarding the investor; the investor’s financial documents; the petitioner’s investments; the petitioner’s business documents; the petitioner’s real estate holdings; the petitioner’s employment history and relevant documents; and documents relating to other relevant sources of the petitioner’s income and/or capital such as gifts, loans, gambling winnings, inheritances, etc.

The Investor Suitability Evaluation completed by a potential EB-5 Investor will be maintained in an internal USIF database and sent to legal counsel for registration and analysis. Counsel will review immigration-critical questions; OFAC Specially Designated Nationals List, as well as source of funds requirements of USCIS based on the responses to the Investor Suitability Evaluation. Where necessary, additional documents & evidence of investor income, employment, business profits and taxes paid.

Step 3 – Subscription Documents

After the Investor Suitability Questionnaire is reviewed and the potential EB-5 Investor is authorized by USIF, the EB-5 investor will be provided with copies of the Escrow Agreement, Subscription Agreement, Private Placement Memorandum, Limited Partnership Agreement (collectively, the “Subscription Documents”), and any relevant financial information of the USIF and its EB-5 Project(s).

The potential EB-5 investor will be provided with an opportunity to review the Subscription Documents and an opportunity to ask questions to foreign migration agents about the project, and to conduct their own due diligence on USIF and the project.

Step 4 – Subscription

(b)(4) Should the potential EB-5 Investor decide to proceed with his or her investment, the investor will be required to deliver to the USIF duly executed Subscription Documents evidencing their investment in the newly formed Entity. In addition, the EB-5 investor must also deposit the entire amount of the capital (i.e., \$500,000 or \$1,000,000 as the case may be) and the additional Administrative Fee [REDACTED] to the escrow bank account of the new Entity in immediately available funds. The instructions for such payments are found in the Subscription Agreement, Escrow Agreement and Private Placement Memorandum that comprise the off-shore Offering to the investor.

Step 5 – Final Approval

(b)(4) At the time that the potential investor delivers the signed Subscription Documents and the Capital Contribution (\$500,000 or \$1,000,000, as the case may be) and Administrative Fee [REDACTED], USIF has the right and sole discretion, under the Subscription Agreement, to accept or reject the investor's subscription. This provision is intended to give USIF the right to reject any investor who does not comply with being an accredited investor, or who cannot properly document their source of funds, or, indeed for any other reason related to the investor's background.

If the investor's application is accepted, the investor will be provided with the Subscription Documents countersigned by USIF and supporting evidence for the investor's eventual I-526 Immigrant Petition for Alien Entrepreneur. If the investor's application is rejected, then the newly formed Entity and USIF will instruct the escrow bank, as escrow agent, to return to escrowed capital contribution and escrowed administrative fee to the investor.

Step 6 – Immigration Petition

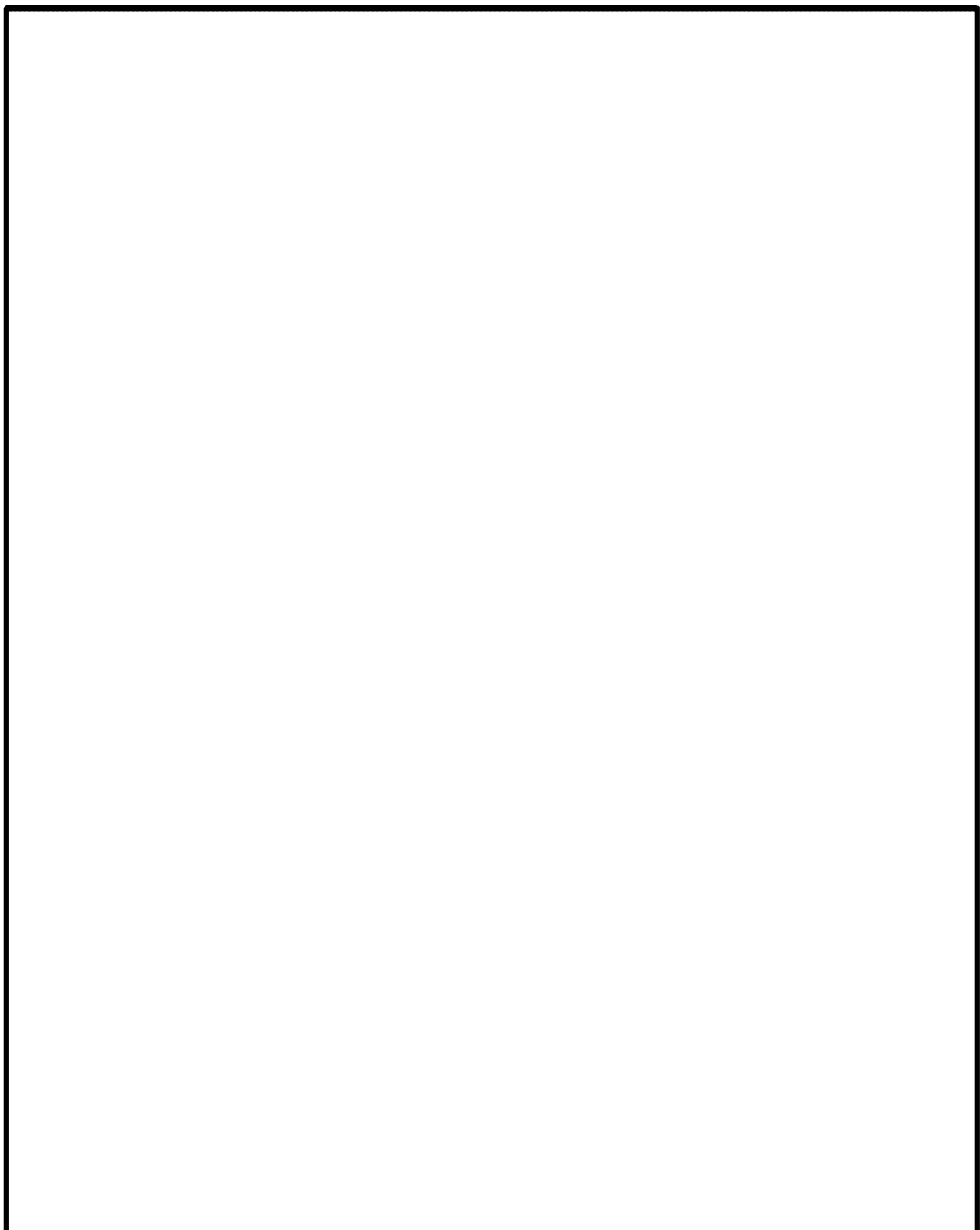
Source of funds due diligence will also be conducted at the preparation of each form I-526 petition filed by investors. An immigration attorney experience in EB-5 visa petitions will prepare the I-526 petitions on behalf of the investor. USIF has retained the services of the highly reputable firm, FosterQuan, LLP, as the preferred immigration counsel to the USIF to ensure accurate review of source of funds documentation, and consistency and quality of each I-526 Immigrant Petition for Alien Entrepreneur filed by investors in the USIF. FosterQuan, LLP will either prepare or review each I-526 immigrant visa petition by individual EB-5 investors in the USIF before each is filed with USCIS.

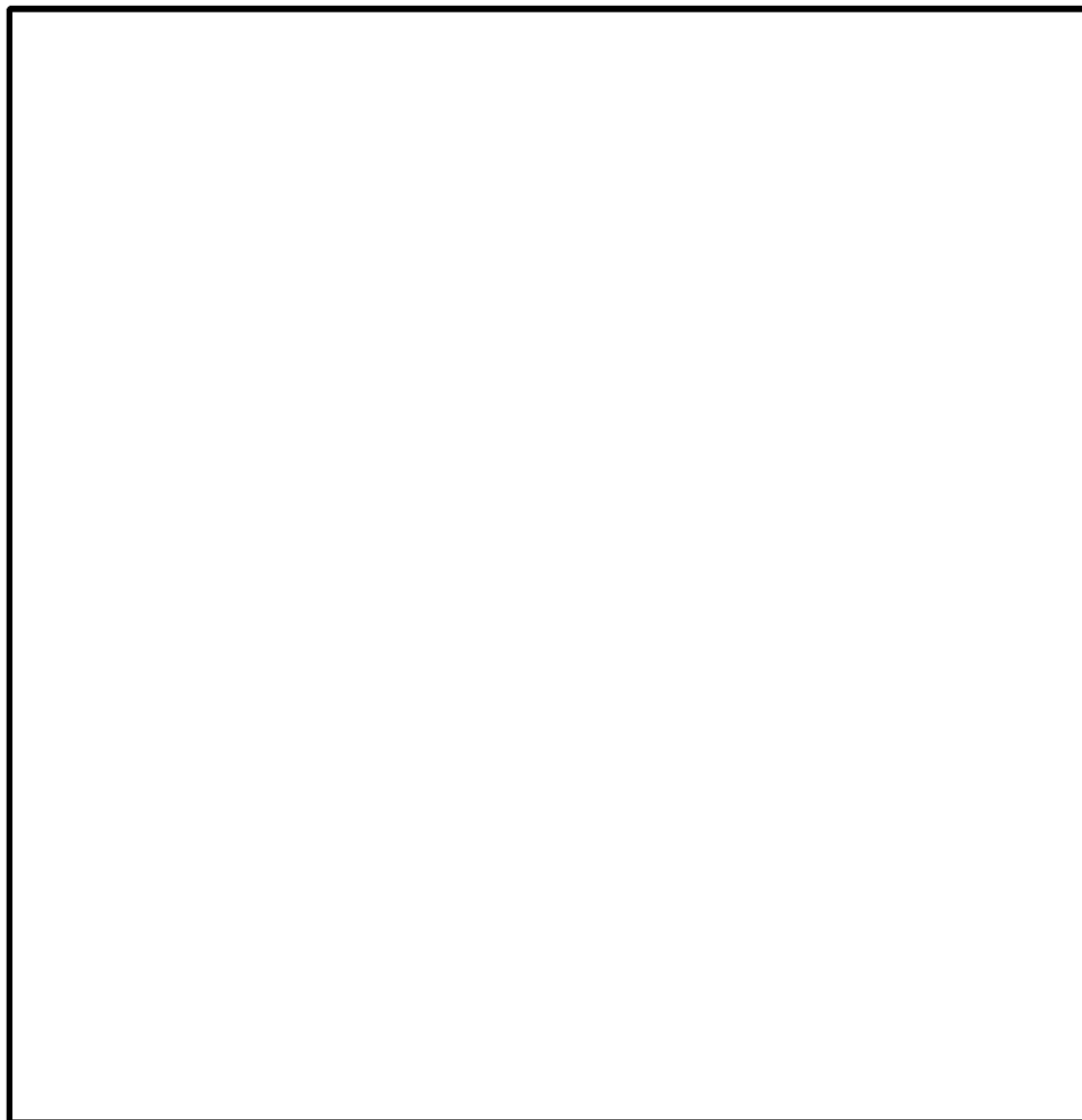
XI. MARKETING:

The Partnerships have created an extensive marketing program to attract Qualified Investors. All marketing activities will be conducted exclusively outside the United States and in compliance with Rule 502(c) of the SEC Act. An affiliated approved Regional Center, the New Jersey Regional Center (“FRC”) has previously executed successful marketing plans to foreign finders and migration agents under the EB-5 Pilot Program.

The Program to attract the Investment from Qualified Investors is summarized as follows:

(b)(4)





XII. REPORTING

USIF, with the advice and support of legal counsel FosterQuan, LLP, will oversee the reporting to the USCIS. The USIF will require reports on a monthly basis to be notified of compliance with the USCIS requirements, and review of monthly reports will be made and entered into the company's records. Records will be maintained using electronic software and specialized project management software.

USIF will ensure consistent management and oversight.

The invested funds for each new Entity will be accounted for separately and tracked in a transparent fashion which will permit an independent auditor to verify at any time that the funds are being expended for capital improvements and development, not for fees and expenses.

Each potential EB-5 Investor will be tracked through the registration system mentioned above. Names and identification documents will be required for each investor, and these will be registered in a list of each such registrant maintained for each year. This registration and record keeping will permit the USIF to control who has contacted it as a potential investor. Investors who decide to invest in the Regional Center will be tracked through two means: (1) internal list of potential EB-5 Investors and the progress of their cases, from the date the Investor Suitability Evaluation was completed to the date the I-526 visa petition of an EB-5 Investor was filed, to the date a decision is issued by USCIS; (2) Foster Quan, LLP will be the immigration attorneys for the USIF and it uses the well-known software “Immigration Tracker” software to maintain a database of all immigrant petitions filed under the auspices of the USIF. This will permit the USIF to request reports on the status of petitions, and the obtain USCIS receipt numbers for all cases, control deadlines for filing I-829 petitions.

Further, USIF understands the USCIS annual reporting requirements set out in Form I-924A and accompanying USCIS instructions. This information has been provided by FosterQuan, LLP and USIF has the staff necessary to comply with the reporting requirements.

According to Form I-924 Supplement A, an approved EB-5 Regional Center must report on the following matters:

- A. The aggregate amount of EB-5 alien capital invested through USIF. [Form I-924 Supplement, Part 3, No. 1]
- B. The aggregate number of new direct and/or indirect jobs created by EB-5 investors through USIF. [Form I-924 Supplement, Part 3, No. 1]
- C. The aggregate number of jobs “maintained” jobs by EB-5 capital investments into a “troubled business” through USIF, if applicable. [Form I-924 Supplement, Part 3, No. 1]
- D. The industry(s) that have been the focus of EB-5 capital investments sponsored through USIF and the resulting aggregate EB-5 capital Investment and job creation. (Note: Separately identify jobs maintained through investments in “troubled businesses”.) [Form I-924 Supplement, Part 3, No. 2]
- E. The names, addresses, and industry category title of each job creating commercial enterprise located within the geographic scope of USIF that has received alien investor capital. Also, provide the aggregate amount of EB-5 capital investment, the aggregate number of new direct and/or indirect jobs created by EB-5 investors, and if applicable, the aggregate number of jobs that have been “maintained” through EB-5 capital investments into a “troubled business”, for each commercial enterprise located within the geographic scope of USIF. [Form I-924 Supplement, Part 3, No. 3]

- F. If the EB-5 commercial enterprise(s) serve as a vehicle for investment into other business entities that have or will create or maintain jobs for EB-5 purposes, then identify the names, addresses, amount of EB-5 capital investment, and the number of jobs created or maintained by the actual job creating businesses through EB-5 investments. [Form I-924 Supplement, Part 3, No. 3]
- G. The total number of approved, denied or revoked filed by EB-5 alien investor I-526 petitions for capital investments sponsored through the USIF EB-5 Regional Center. [Form I-924 Supplement, Part 3, No. 4]
- H. The total number of approved, denied or revoked filed by EB-5 alien investor I-829 petitions for capital investments sponsored through USIF. [Form I-924 Supplement, Part 3, No. 5]

In addition to these requirements, USIF has been given legal counsel about certain internal management subject areas that must be governed by the USIF, and regularly reported to USCIS, are the following:

- Principal officer and point of contact of the Regional Center.
- Address of the principal offices of the Regional Center.
- Description of due diligence screening of potential investors to ascertain their lawful source of capital and the alien's ability to fully invest the requisite amount of capital.
- The Regional Center's evaluation and oversight practices on projects promoted under its auspices.
- The name, date of birth, Alien Registration Number of each foreign investor who makes an investment and files an I-526 Immigrant Visa Petition and I-829 with USCIS, and a description of whether the petition was approved, denied or remains pending.
- The country of nationality of each investor who makes an investment with the Regional Center and for whom an I-526 Immigrant Visa Petition is filed.
- The U.S. city and state of residence of each alien investor who makes an investment and files an I-526 Immigrant Visa Petition and I-829 with USCIS.
- Detailed description of each company and venture that has received money raised from EB-5 investors.
- The name and location of each job creating commercial enterprise that has received money raised from EB-5 investors.
- The total amount of EB-5 capital raised from alien investors in the last Federal Fiscal Year.
- The total amount of domestic capital raised from domestic investors in the last Federal Fiscal Year.

- The total aggregate amount of EB-5 capital raised from alien investors since the date of approval of the Regional Center.
- For any Federal Fiscal Year in which the Regional Center does not have alien investors to report, provide an explanation for the inactivity along with a specific plan describing in detail the timeline and steps to be taken to actively promote the Regional Center.

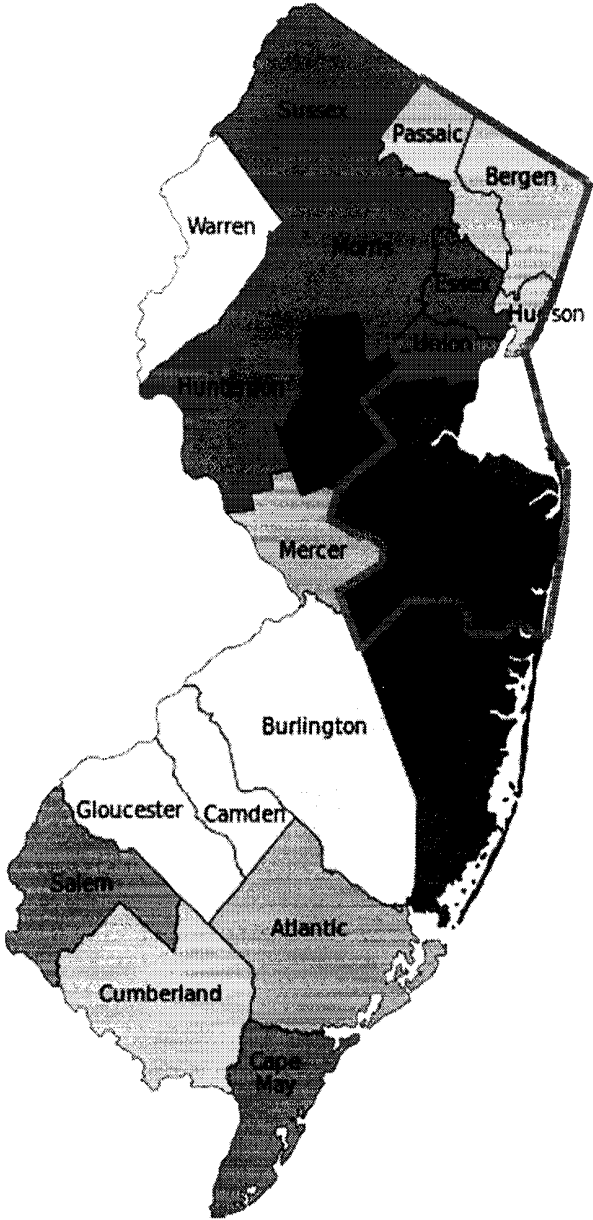
The procedures, records and controls set out above will permit the USIF to comply with USCIS annual reporting obligations. Moreover, mechanisms are set out to ensure the management of projects is directed towards their success, and that funds received from projects investors are handled accurately and in compliance with all ethical and all obligations before the Securities and Exchange Commission and the USCIS.

XIII. CONTACT INFORMATION

U.S. IMMIGRATION FUND – NJ, LLC

Attention: Nicholas A. Mastroianni, II
1245 U.S. Highway One, Suite 300
North Palm Beach, FL 33408
Phone: (561) 799-0050
Fax (561) 799-0061
Info@NJregionalcenter.com

County Map - State of New Jersey
Perimeter of Territory of
U.S. Immigration Fund-NJ, LLC Regional Center
Shown In RED ———



**TAB
NUMBER**

EXHIBIT NAME

Sample paid invoices by U.S. Immigration Fund, LLC for the expenses of

13.



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INVOICE

Nicholas A. Mastroianni, II
Principal
U.S. Immigration Fund, LLC
1295 U.S. Highway One
North Palm Beach, Florida 33408
Email:

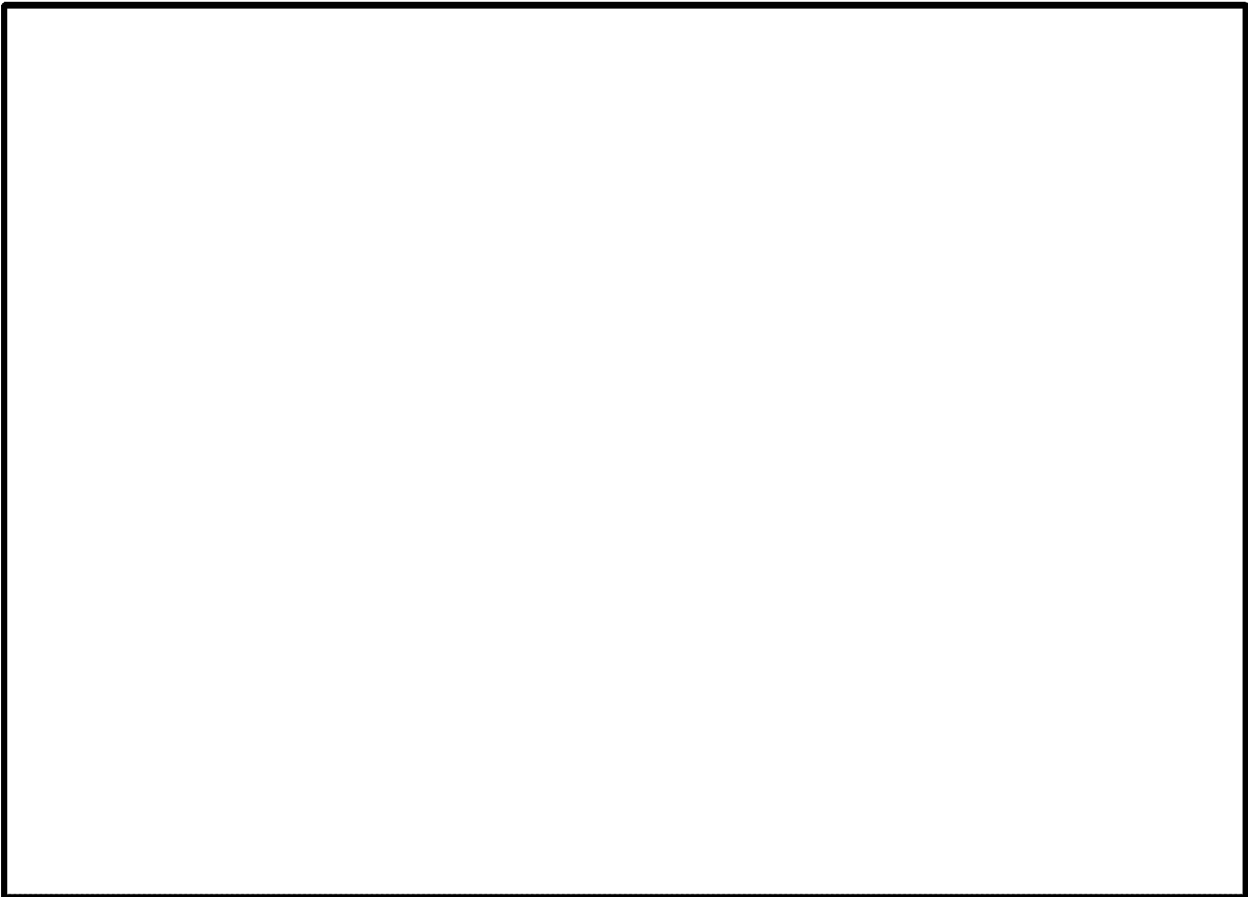
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DATE:
CLIENT NAME:
ATTY:

December 20, 2012
U.S. Immigration Fund - NJ
Ignacio A. Donoso

FILE NUMBER: 410523.

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PAID IN FULL

[Redacted]

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WIRE PAYMENT

ATTN:

[Redacted]

We Credited Your Account Per Incoming Fedwire

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EXHIBIT NAME

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| Sample Subscription Documents for Investors | |
| Sample Investor Suitability Evaluation. | 14. |

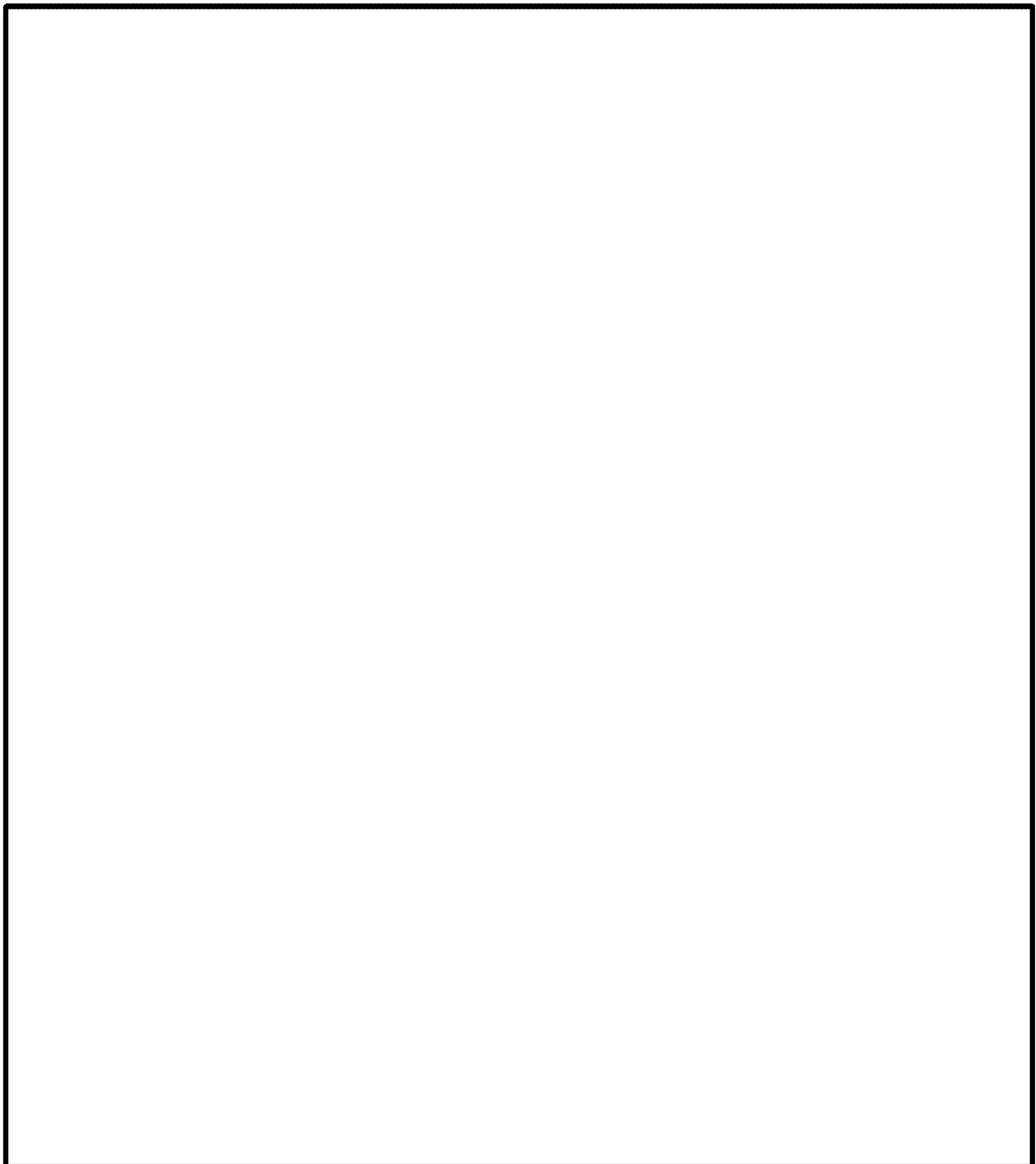


U.S. IMMIGRATION FUND

EB-5 INVESTOR SUITABILITY EVALUATION

PERSONAL & CONFIDENTIAL

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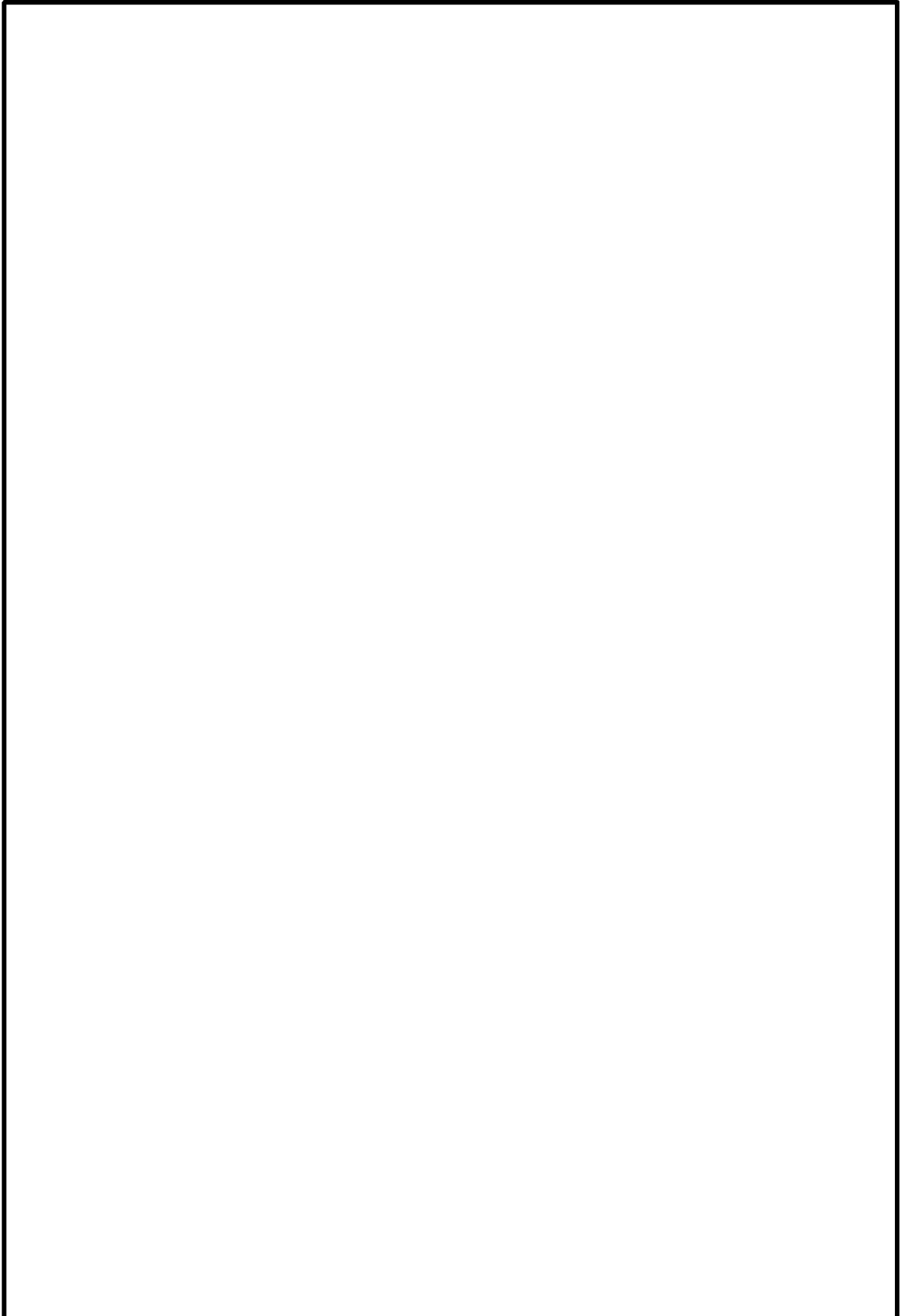


EB-5 INVESTOR SUITABILITY EVALUATION

PERSONAL & CONFIDENTIAL

Page 2

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EB-5 INVESTOR SUITABILITY EVALUATION
PERSONAL & CONFIDENTIAL
Page 3



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EB-5 INVESTOR SUITABILITY EVALUATION

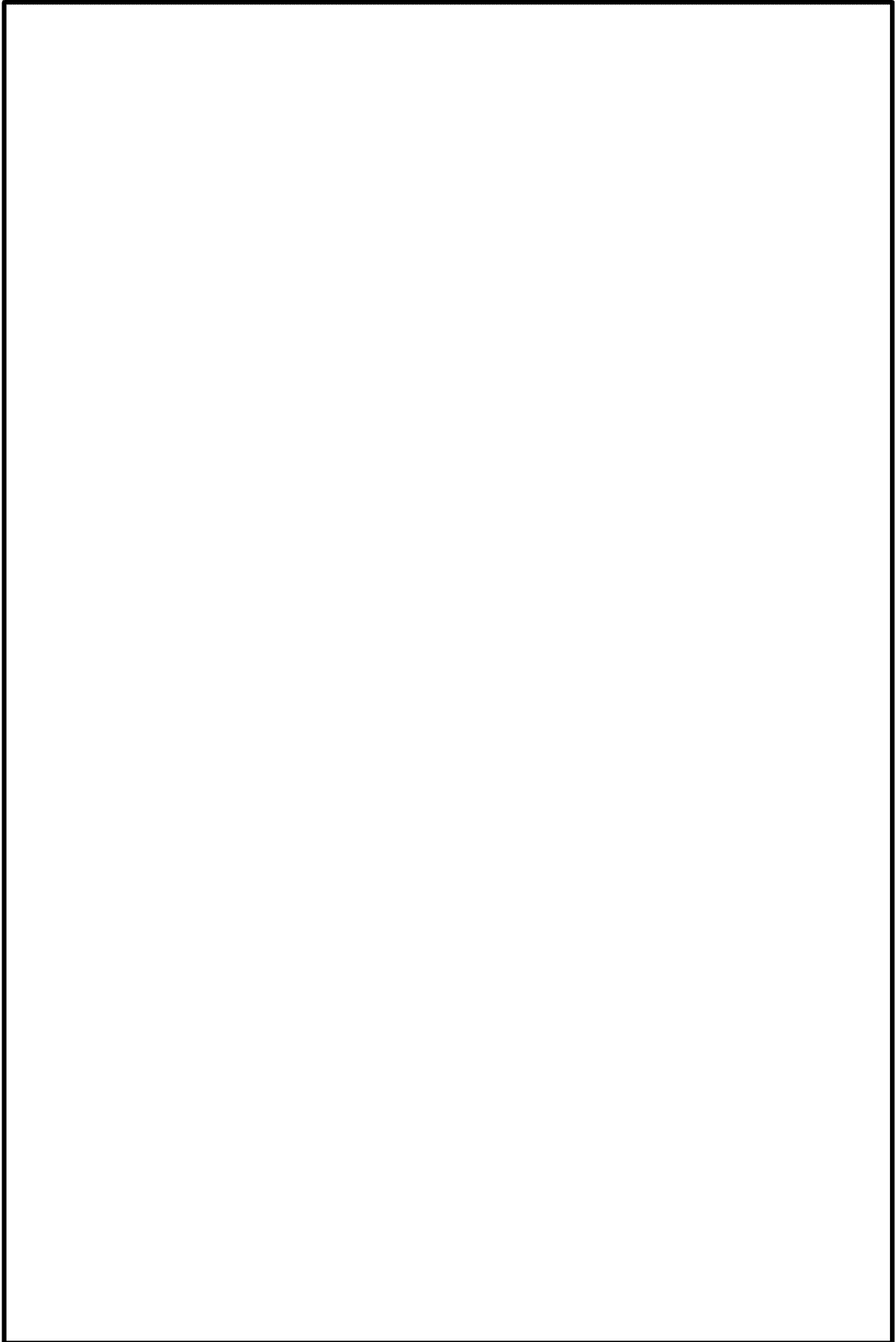
PERSONAL & CONFIDENTIAL

Page 4



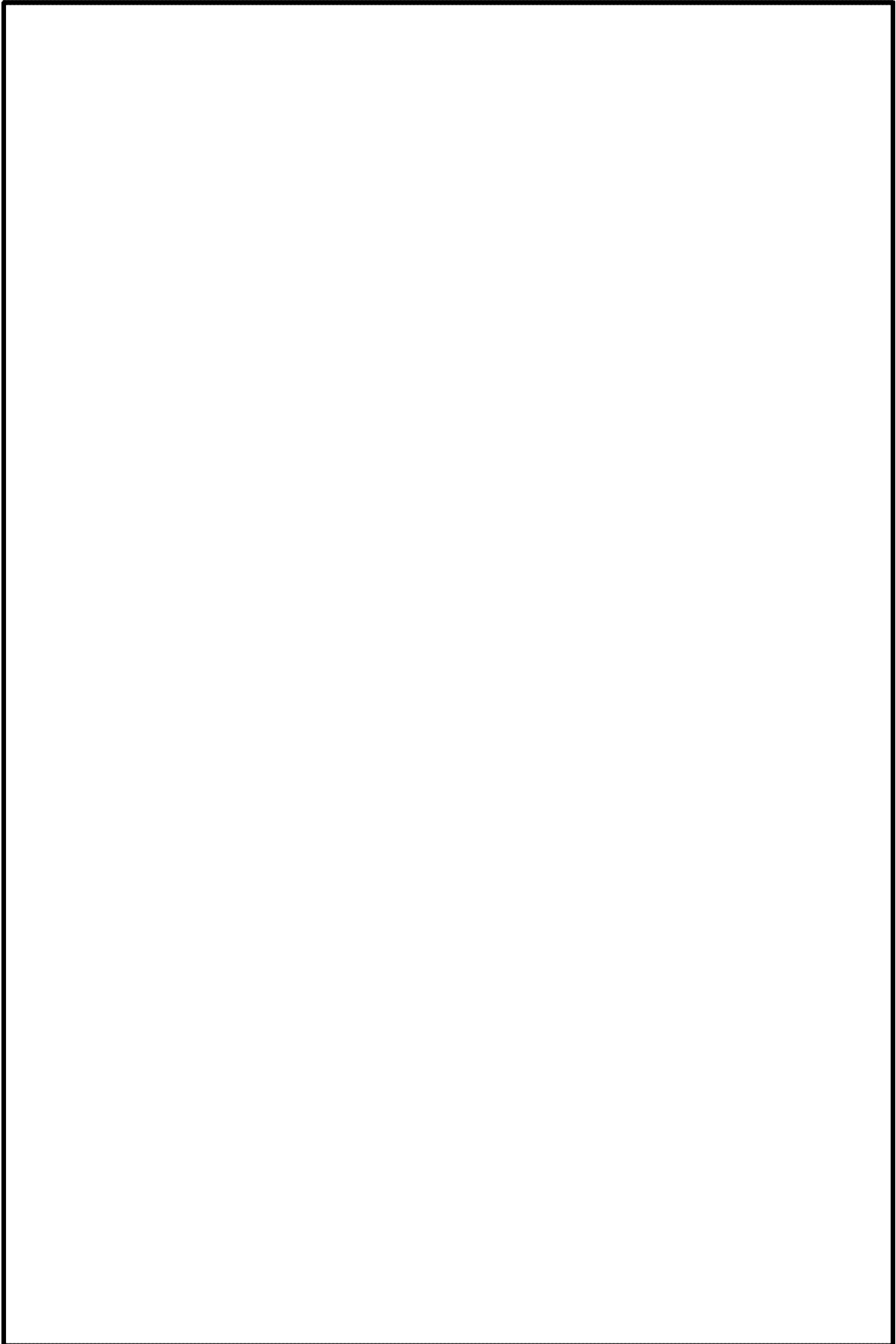
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EB-5 INVESTOR SUITABILITY EVALUATION
PERSONAL & CONFIDENTIAL
Page 5



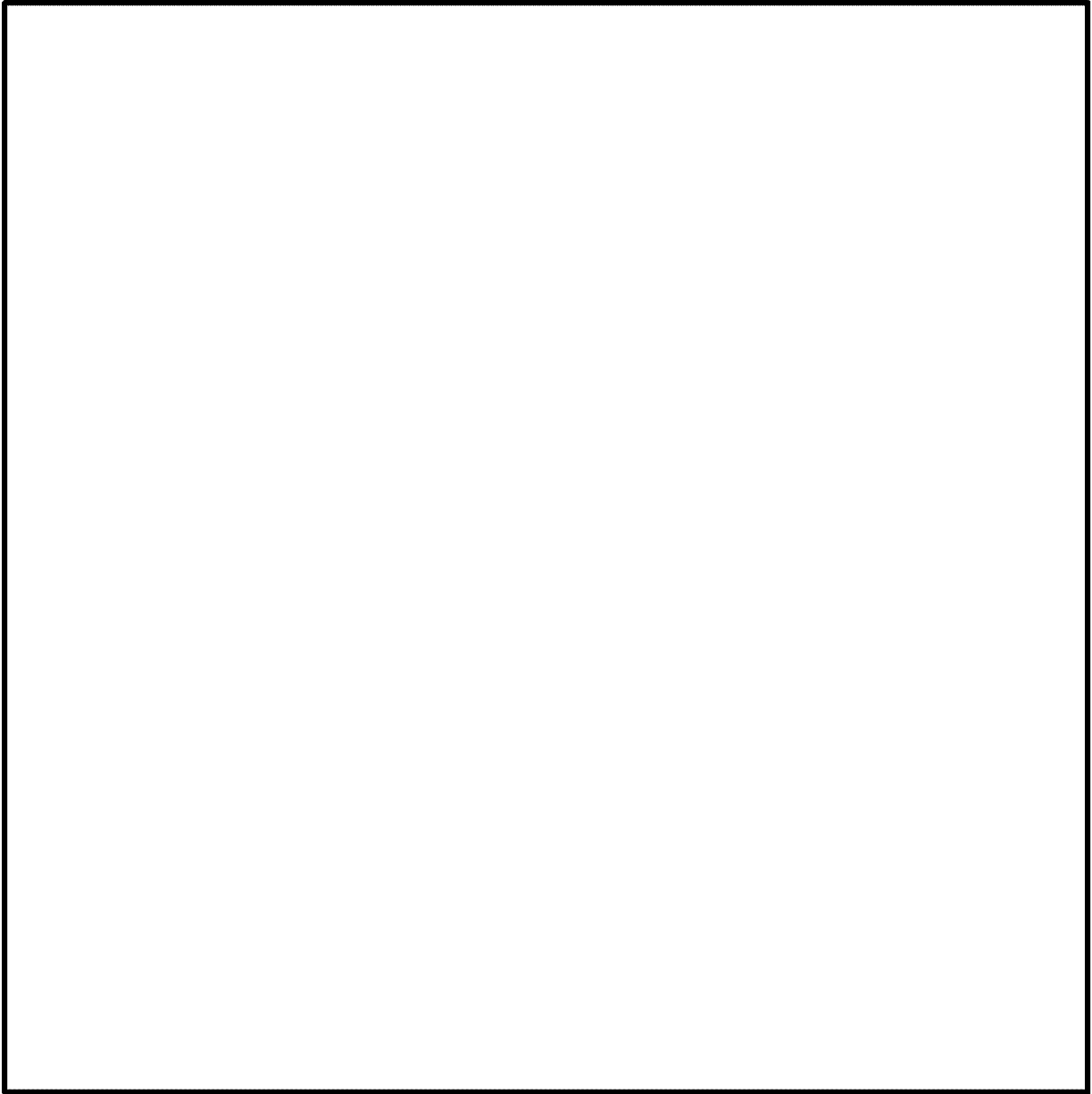
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EB-5 INVESTOR SUITABILITY EVALUATION
PERSONAL & CONFIDENTIAL
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EB-5 INVESTOR SUITABILITY EVALUATION
PERSONAL & CONFIDENTIAL
Page 7

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EB-5 INVESTOR SUITABILITY EVALUATION
PERSONAL & CONFIDENTIAL
Page 8

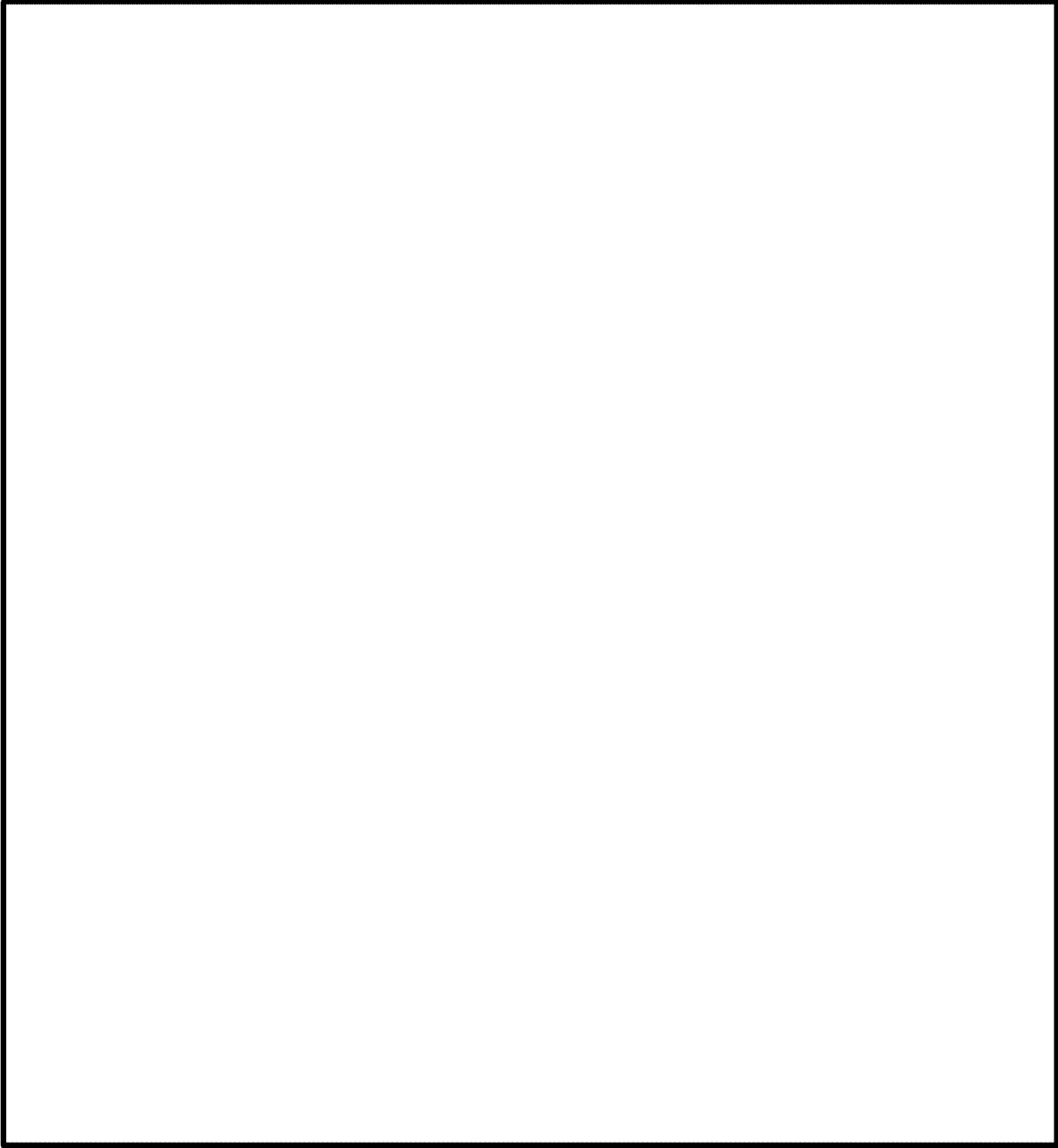


EXHIBIT NAME

**TAB
NUMBER**

Sample Subscription Agreement.

15.

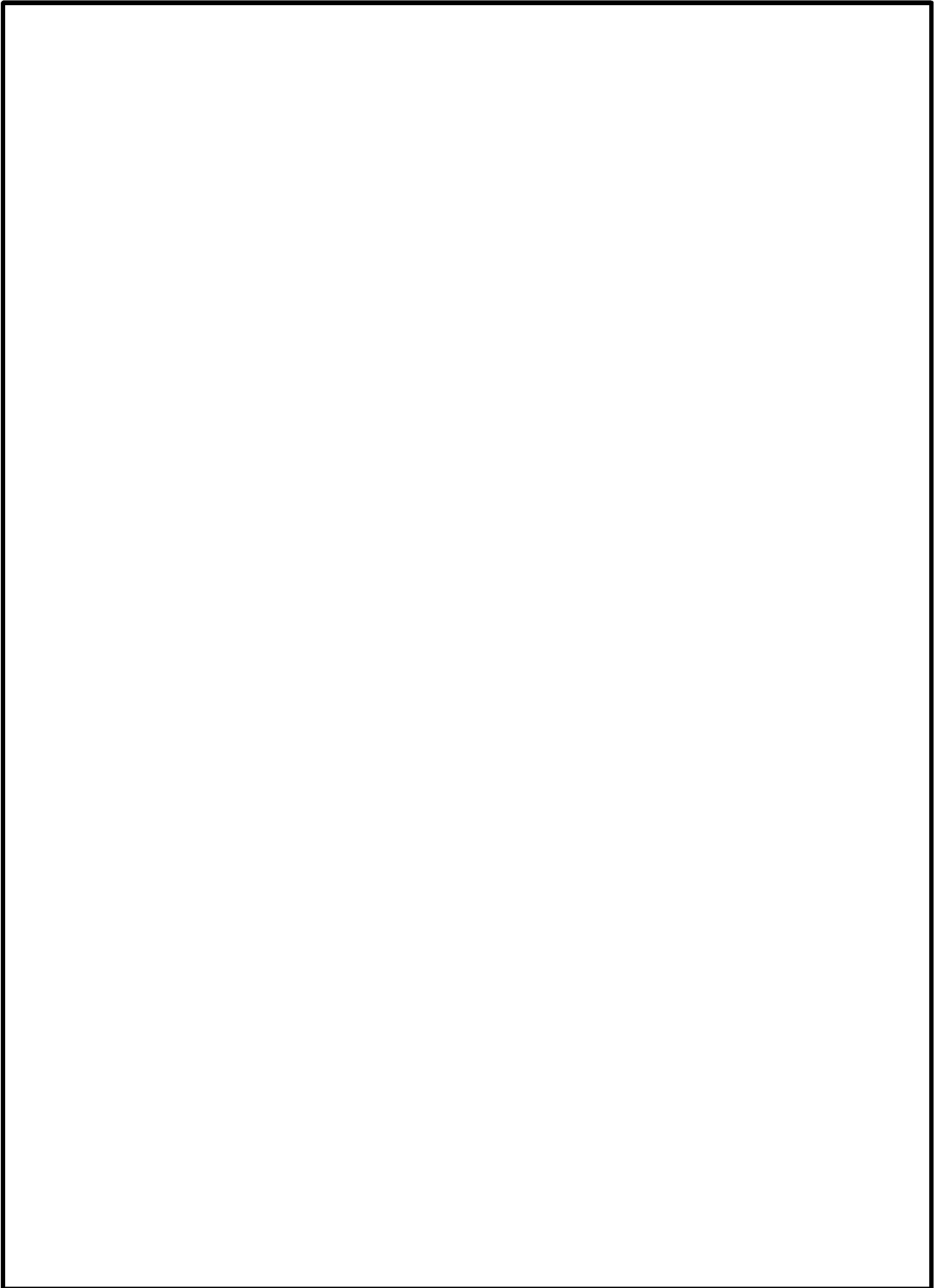
THIS AGREEMENT HAS BEEN INITIALLY WRITTEN IN THE ENGLISH LANGUAGE; IN THE EVENT OF ANY CONFLICT BETWEEN THE ORIGINAL ENGLISH VERSION AND ANY TRANSLATIONS INTO OTHER LANGUAGES, THE ORIGINAL ENGLISH VERSION SHALL CONTROL

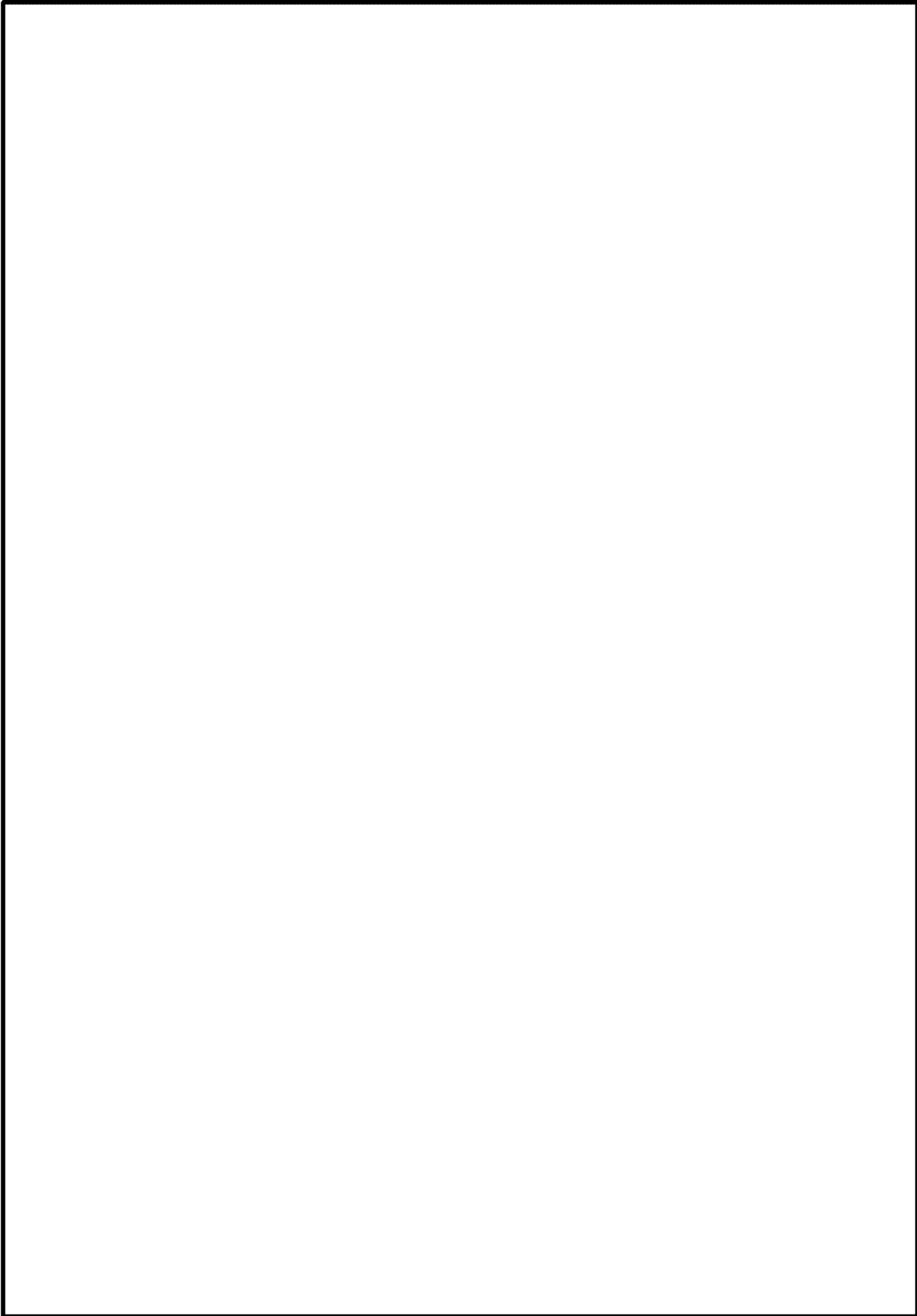
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88 MORGAN STREET FUNDING, LLC

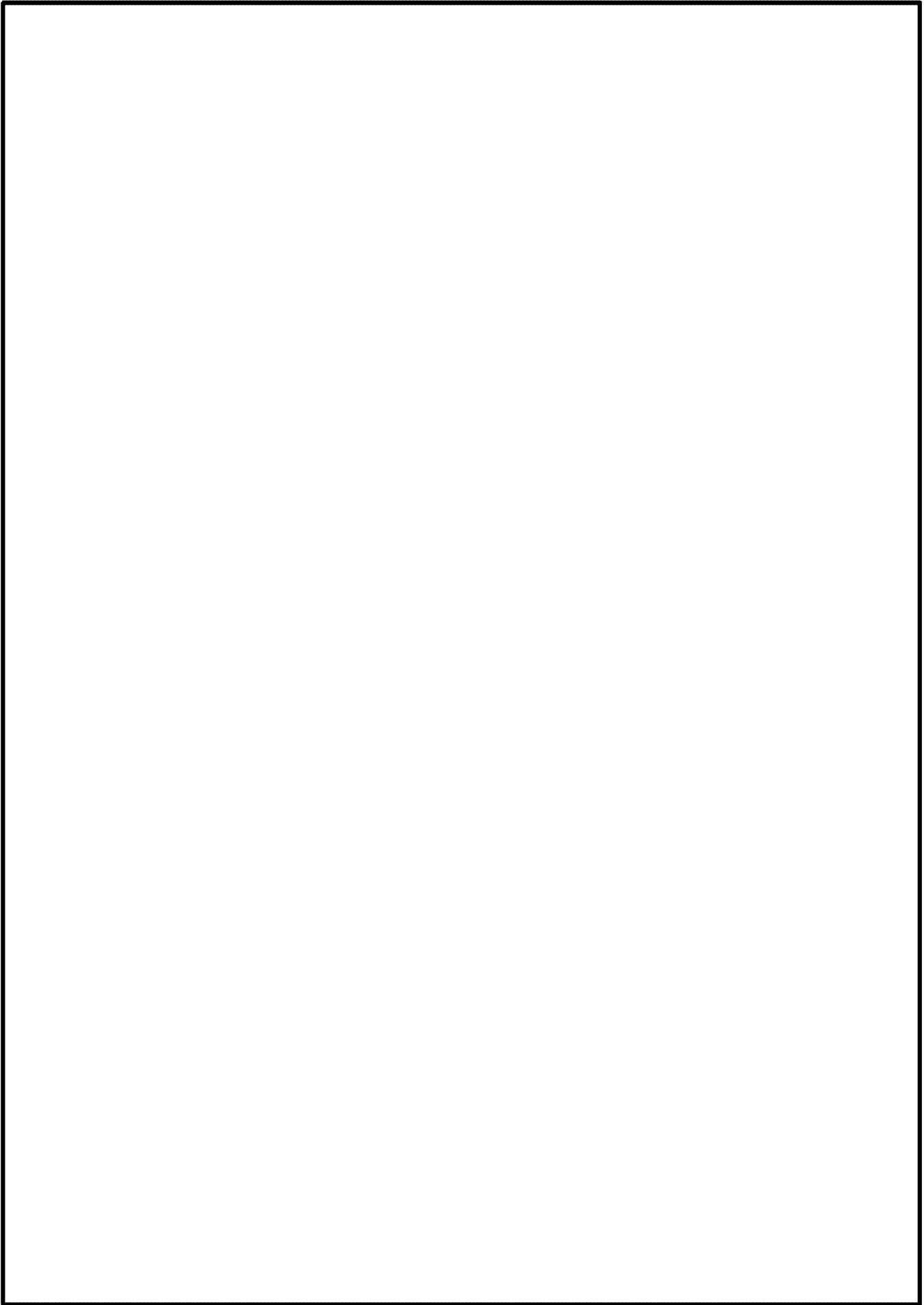
SUBSCRIPTION AGREEMENT

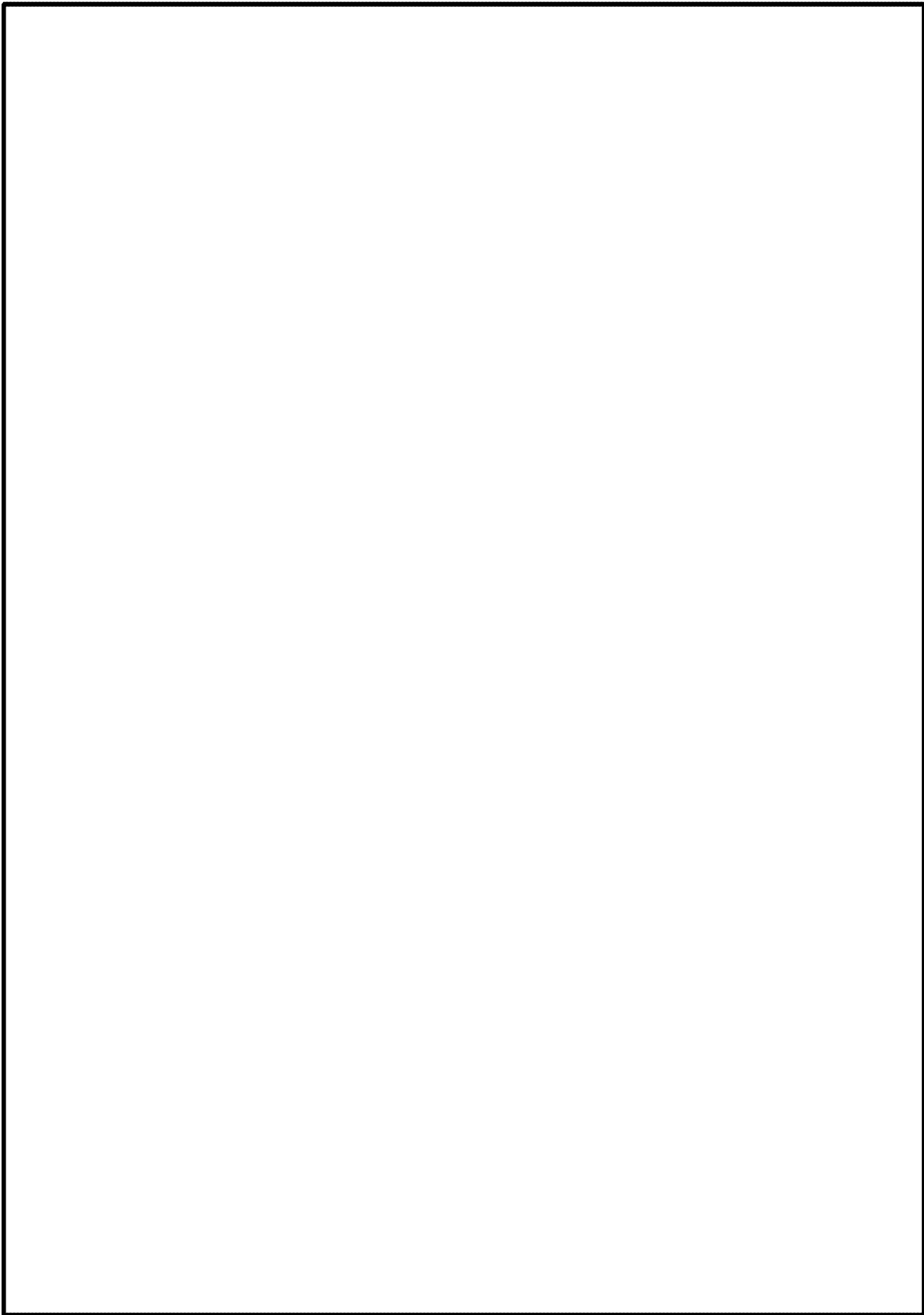


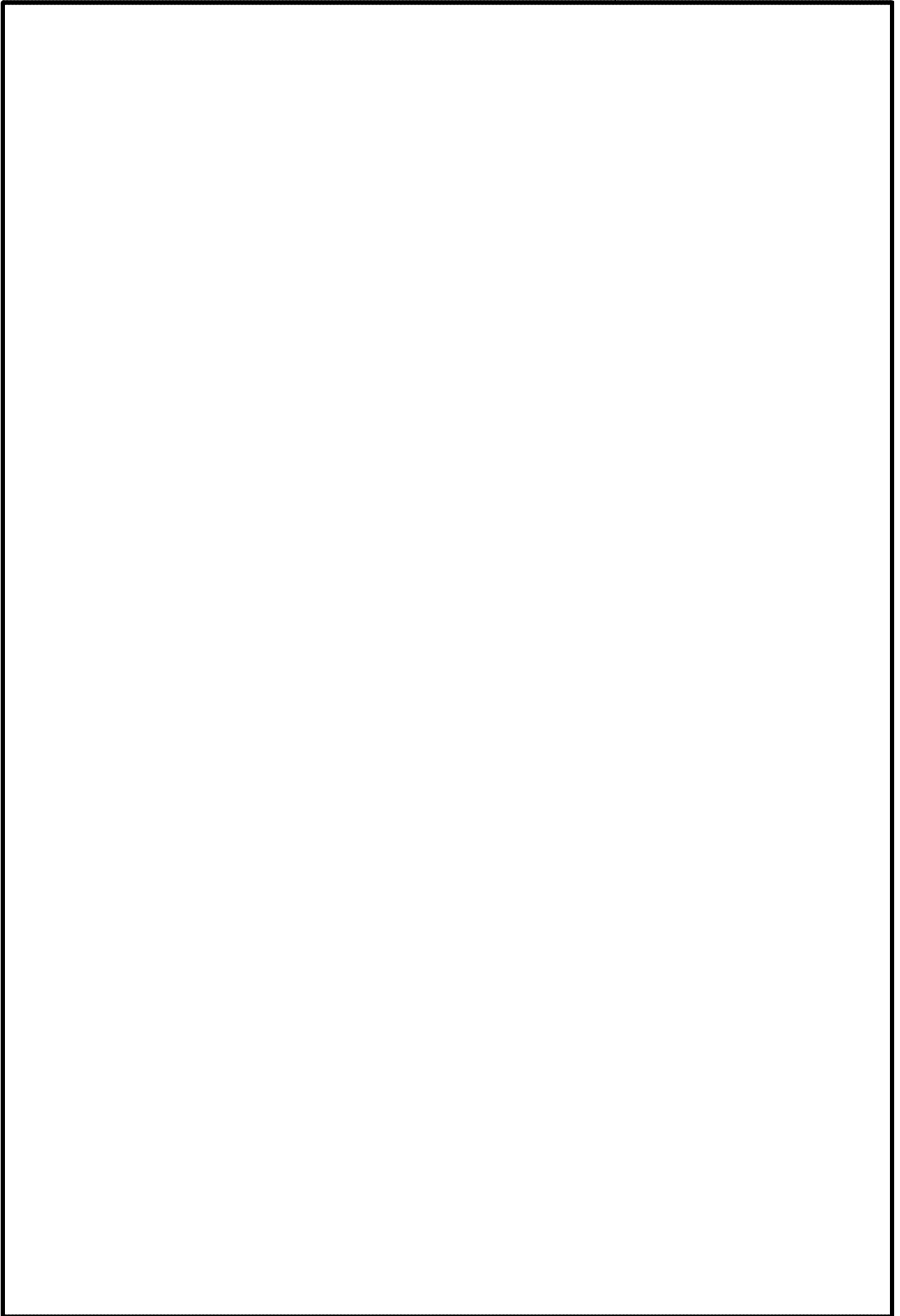


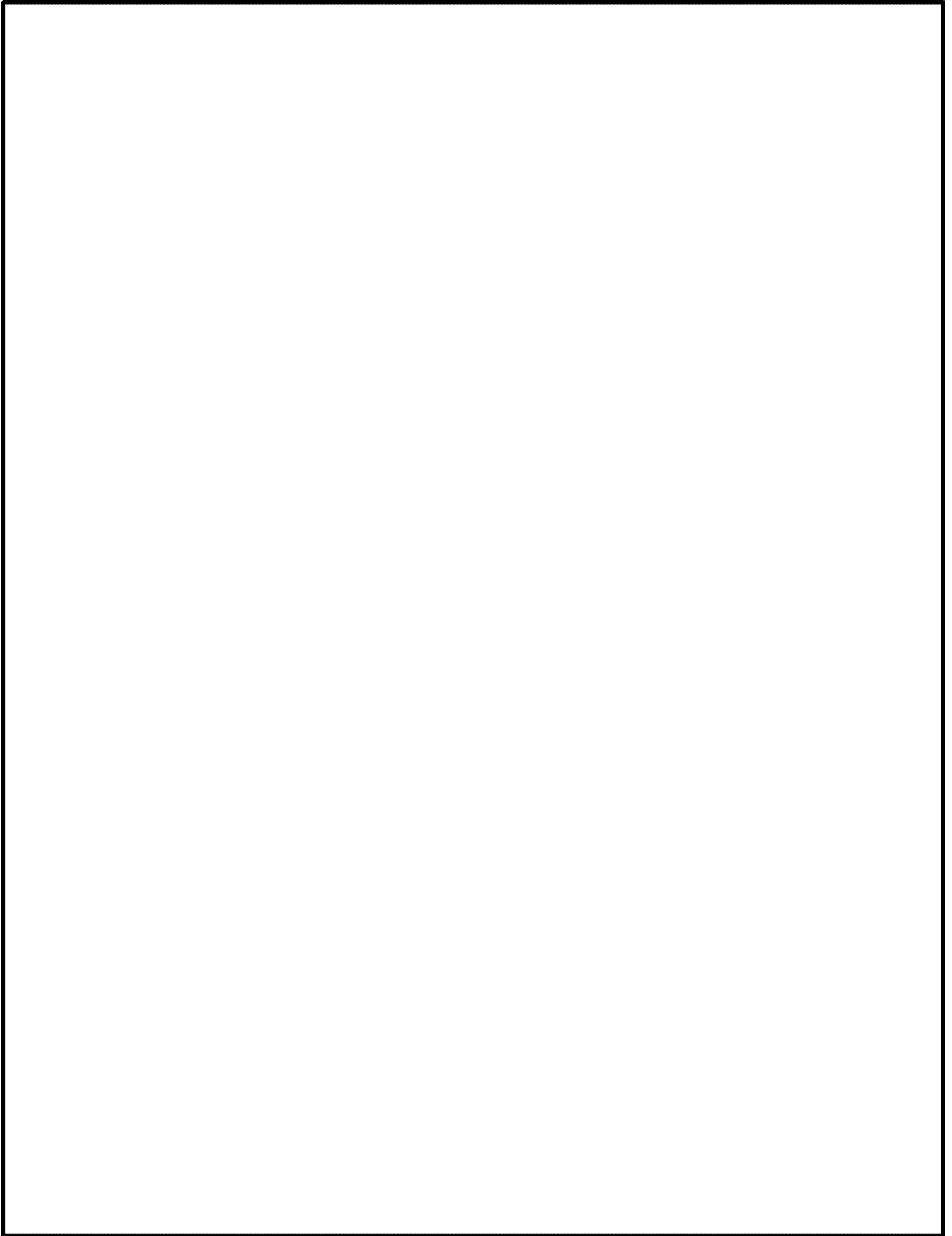


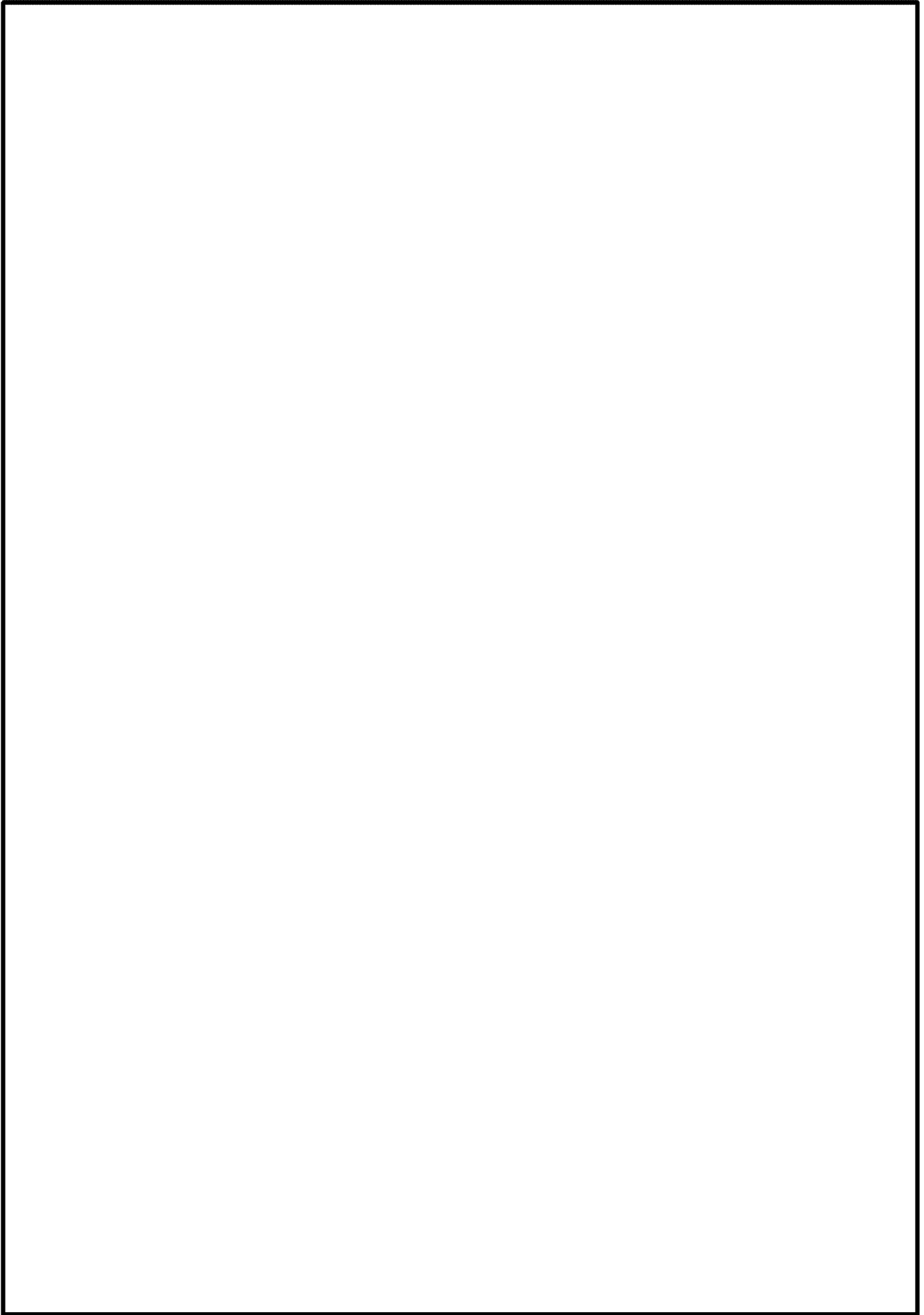


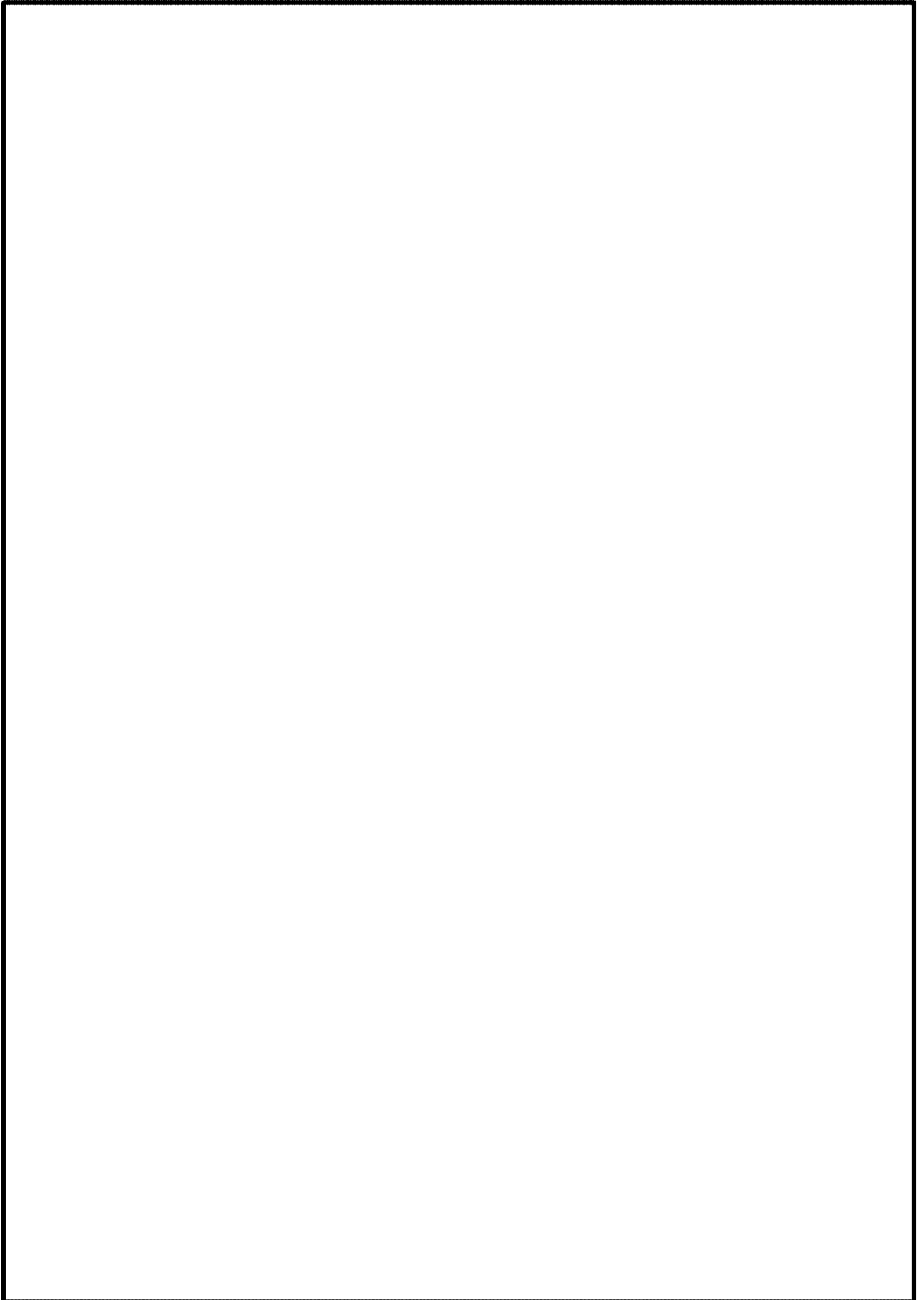


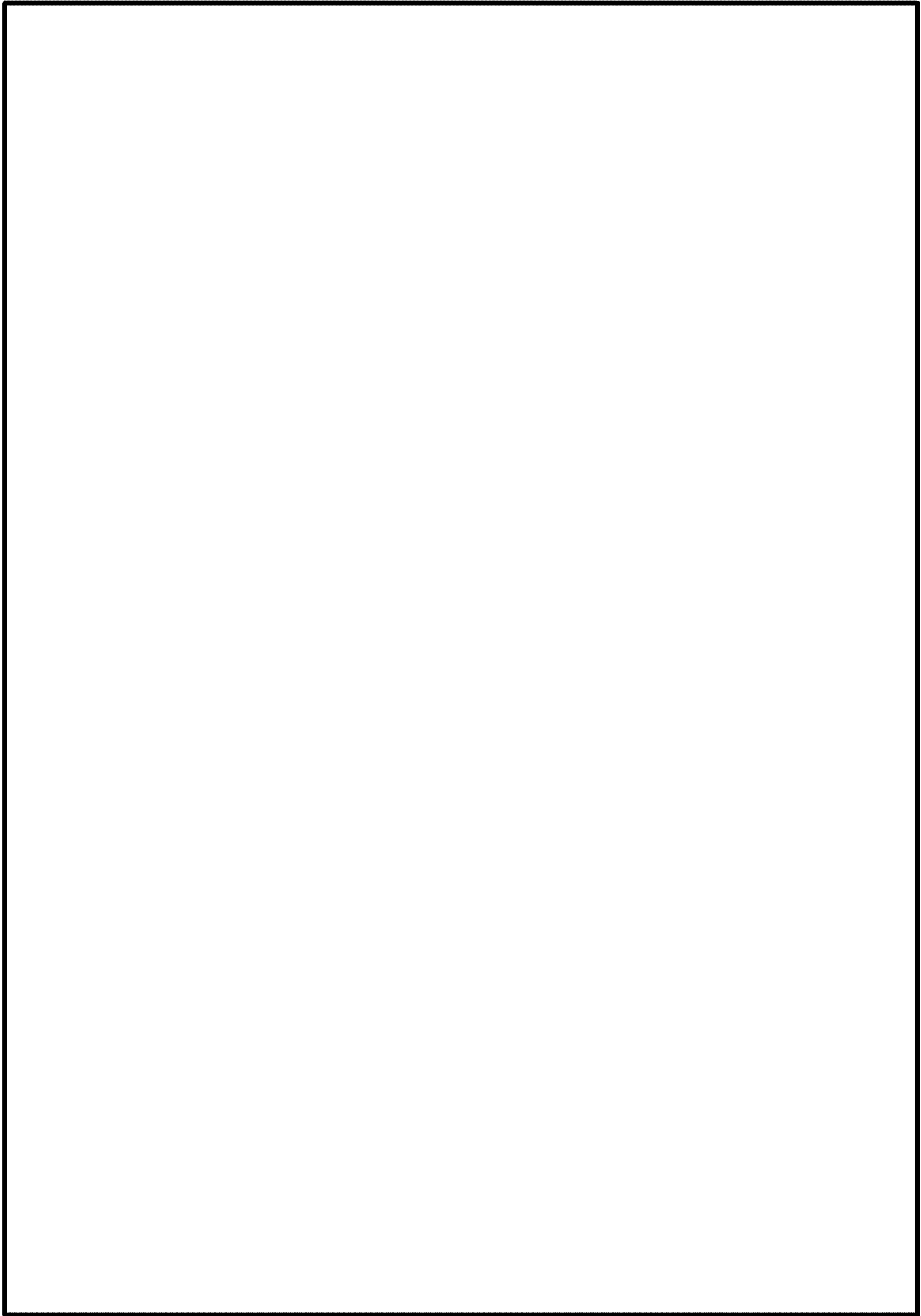


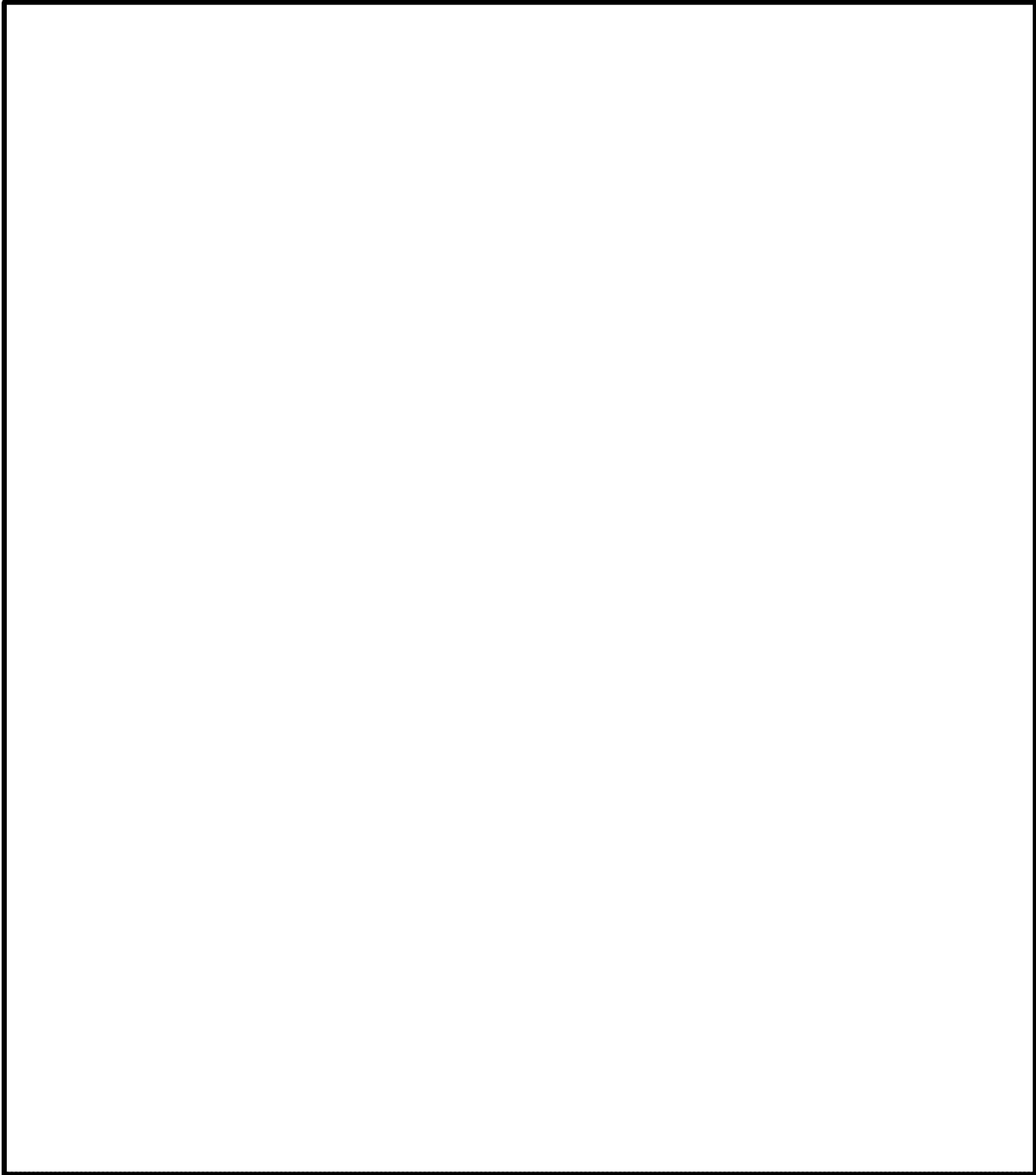












Subscription Agreement – USIF-NJ

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year written below.

SUBSCRIPTION:

Number of Units subscribed for: _____

Total Amount:

Number of Units x (Subscription Amount \$500,000
+ Administrative Fee \$ \$ _____

SUBSCRIBER: (b)(4)

Signature

Street Address

Print or Type Name of Subscriber

City

Date

State or Country

Telephone: _____

Facsimile: _____

Email: _____

Subscription Agreement – USIF-NJ

PARTNERSHIP:

**88 MORGAN STREET FUNDING, LLC
By U.S. Immigration Fund GP-88 Morgan Street, LLC, its
Management Company**

By: _____
Name:
Its:

ACCEPTED SUBSCRIPTION:
ACCEPTED AS OF _____, 2013, AS TO
THE ABOVE SUBSCRIBED UNIT(S) UNLESS
OTHERWISE INDICATED BELOW:

Number of Units Accepted: _____

Total Amount Accepted: \$ _____

Subscriber's Designation (select one only):

- Phase I Subscriber
- Phase II Subscriber
- Phase III Subscriber

EXHIBIT NAME

**TAB
NUMBER**

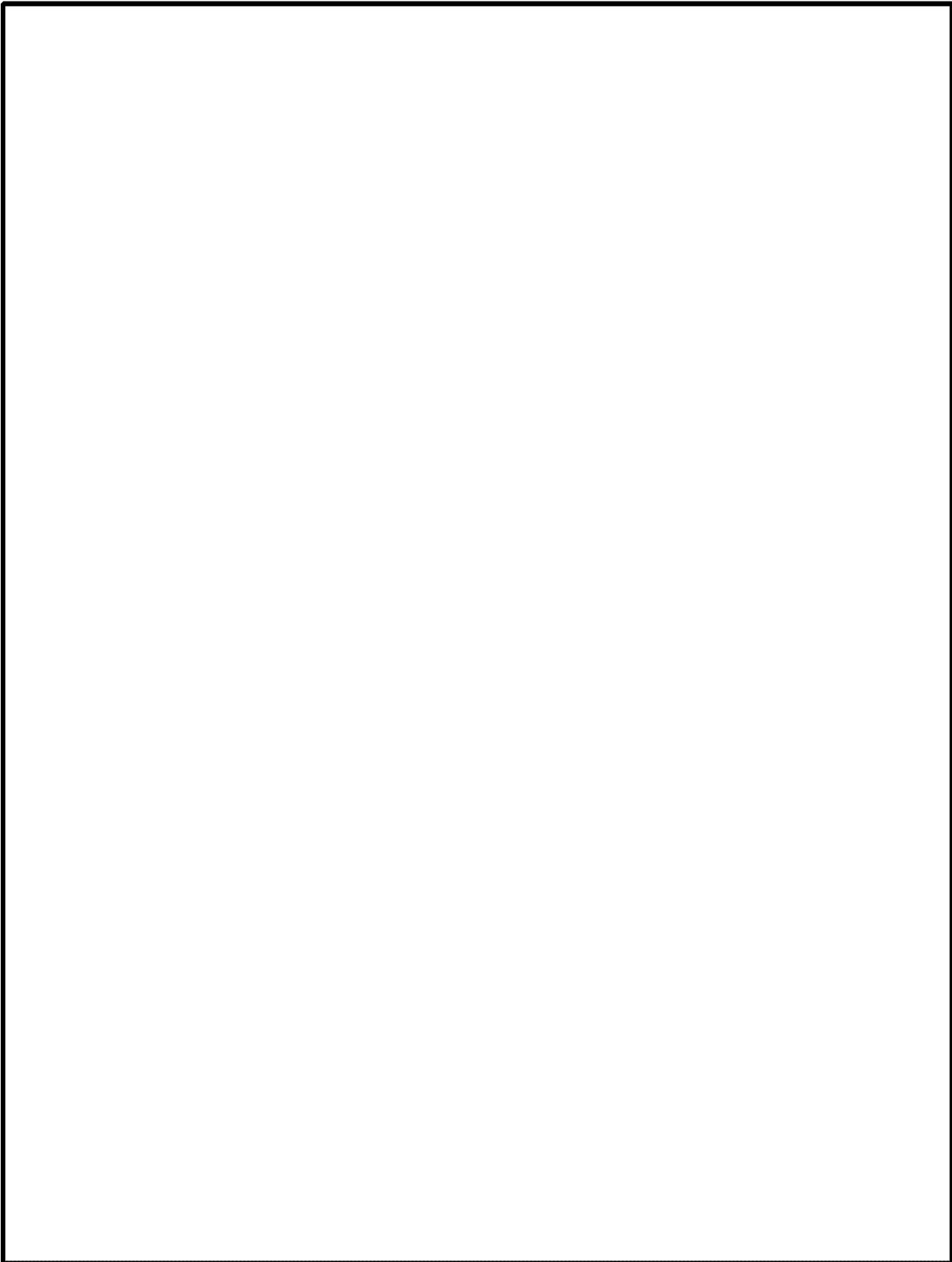
Sample Escrow Agreement.

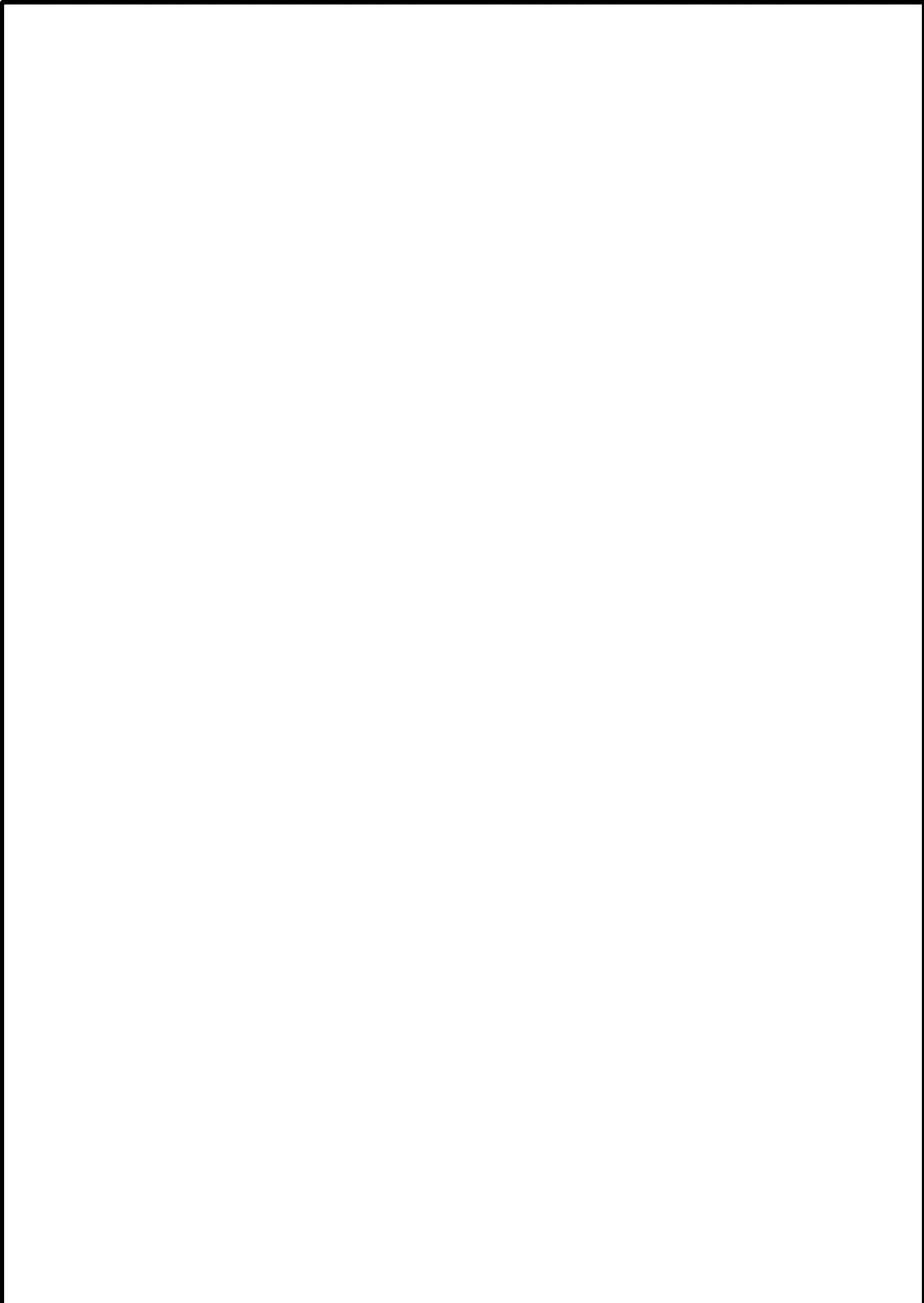
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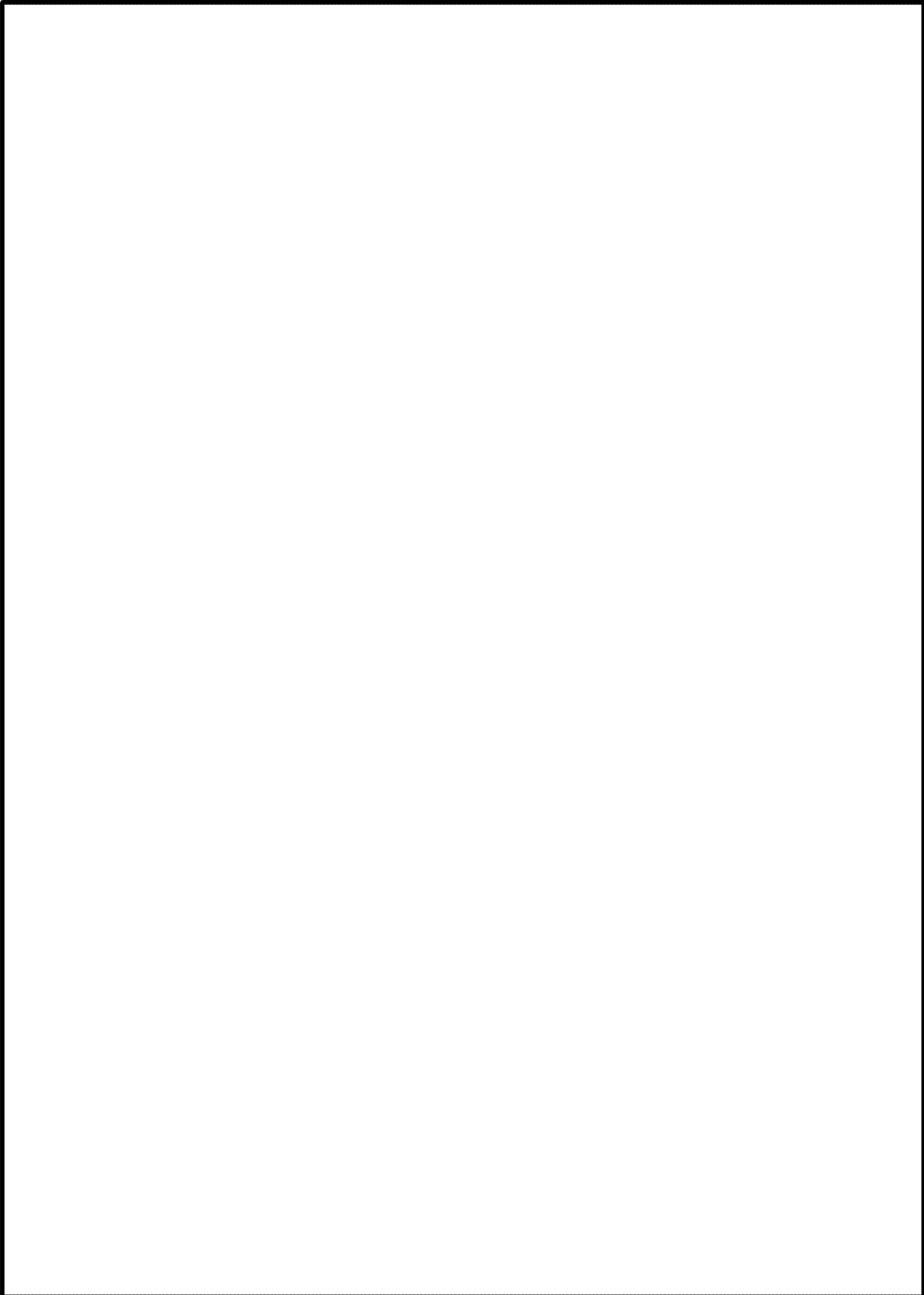
SUBSCRIPTION AND ADMINISTRATIVE FEE ESCROW AGREEMENT

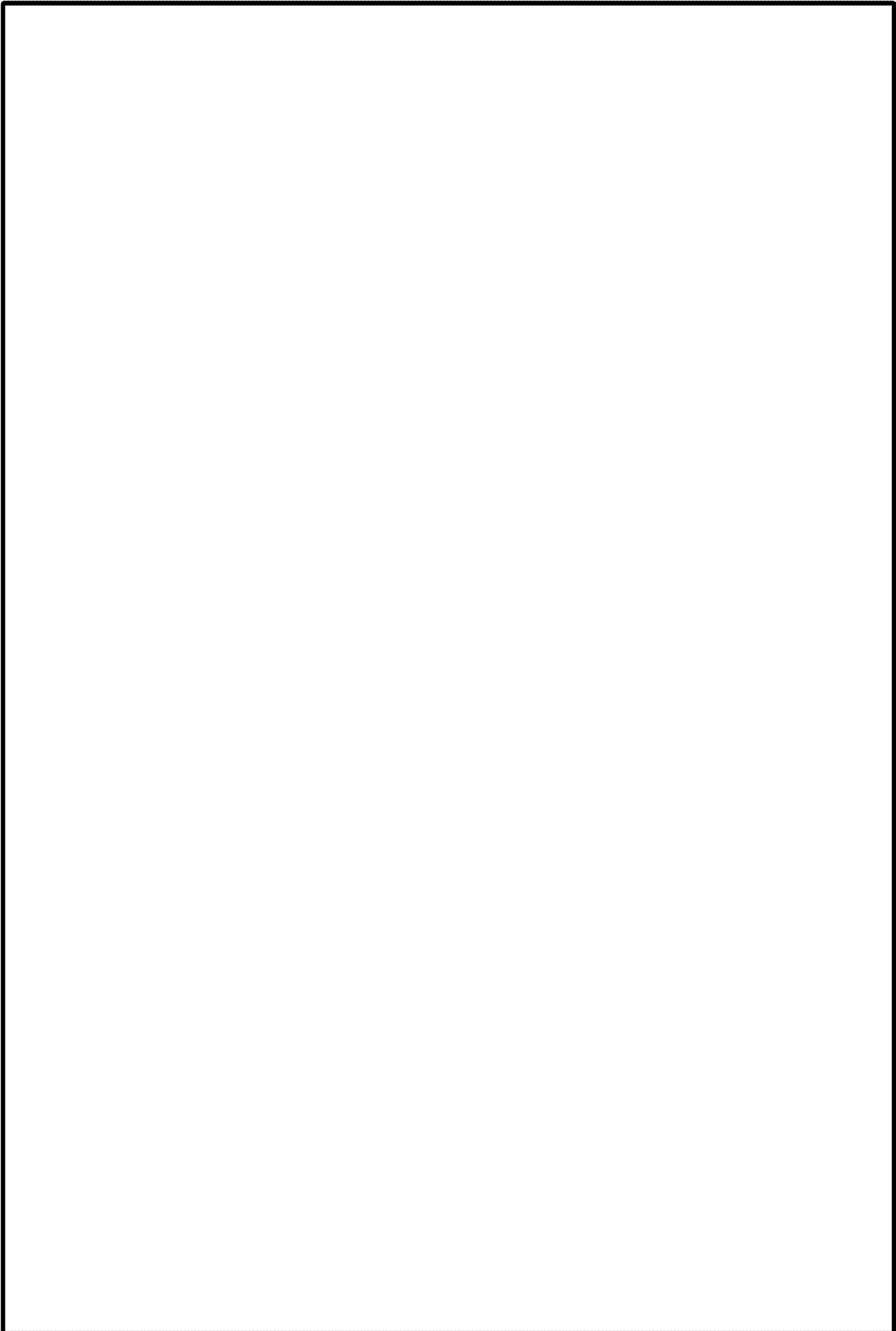
U.S. Immigration Fund-NJ

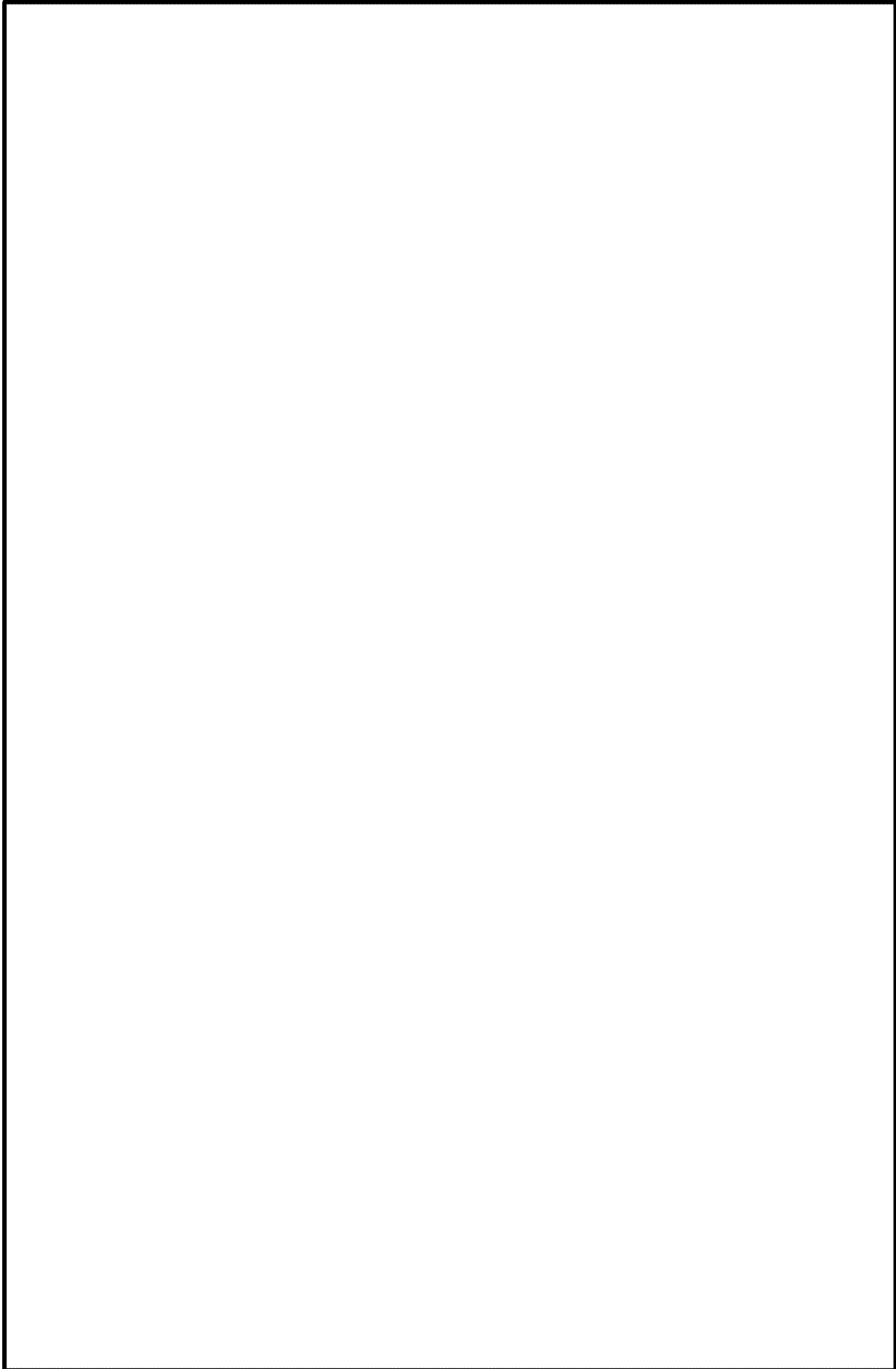
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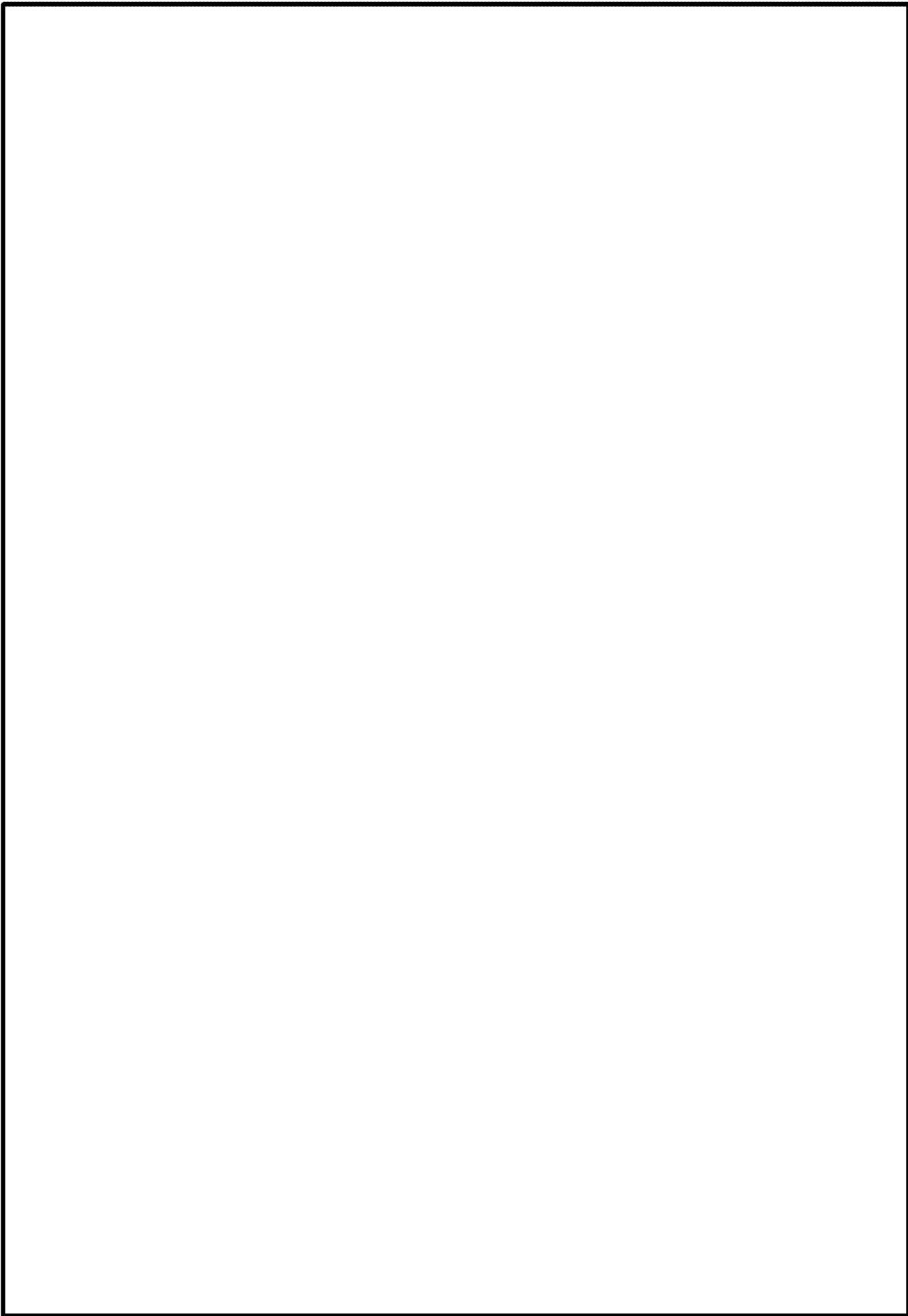


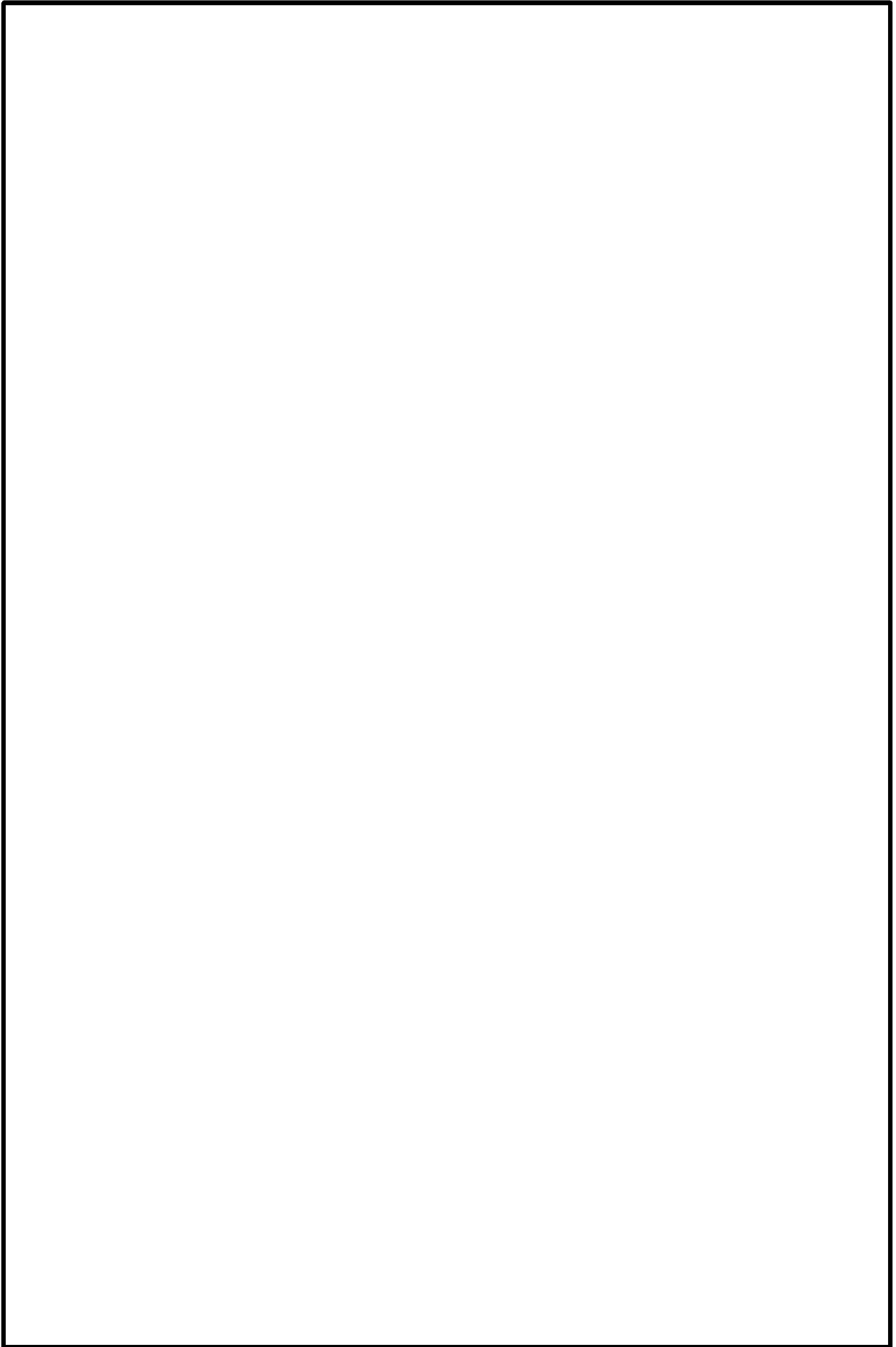


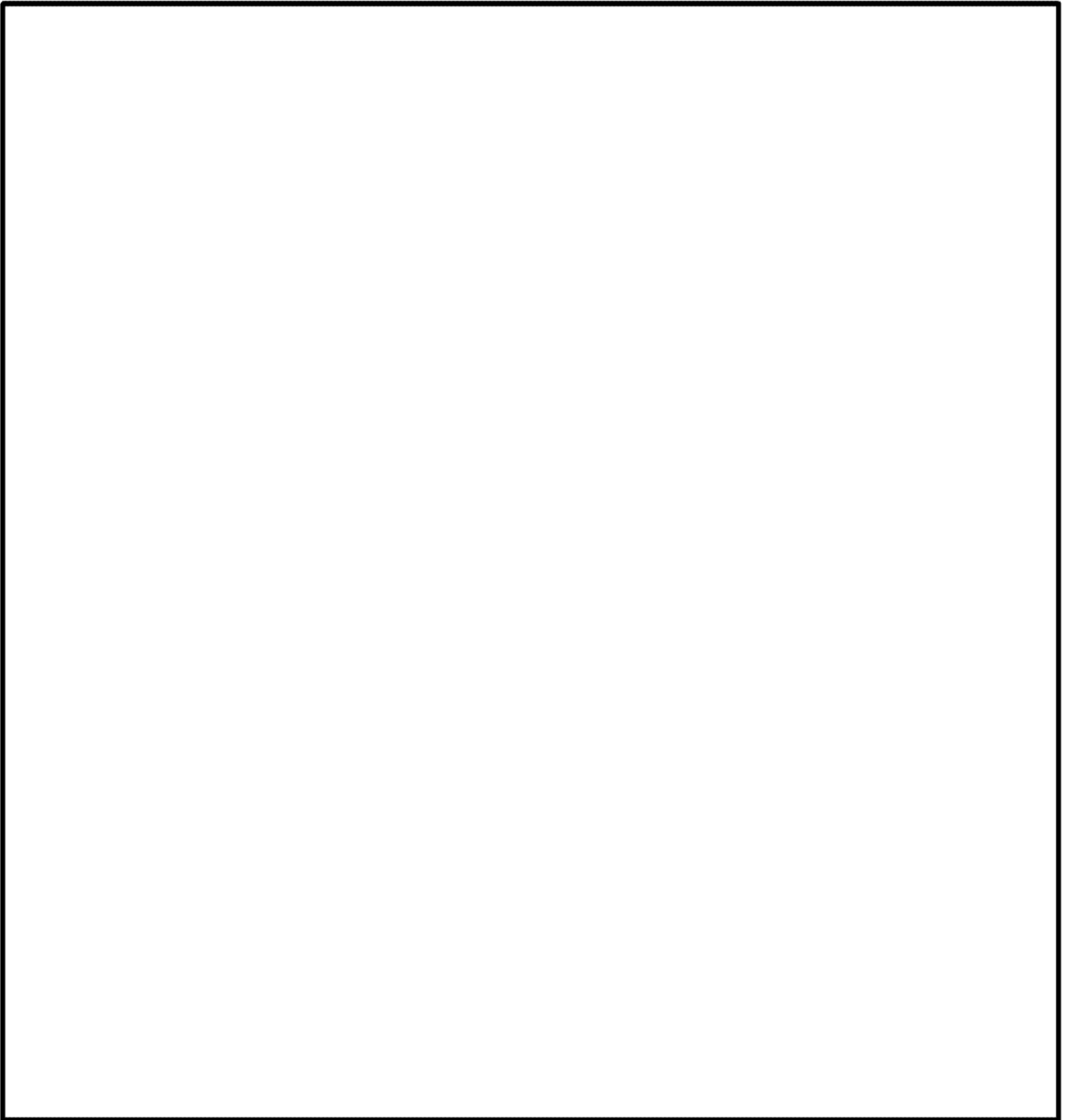












IN WITNESS WHEREOF, the Parties hereto have executed this Subscription and Administrative Fee Escrow Agreement on the day and year first above written.

“FUNDING COMPANY ”

(b)(4)

By: _____
Name:
Title:

“SUBSCRIBER REPRESENTATIVE”

U.S. Immigration Fund-NJ, LLC

By: _____
Name:
Title:

“ADMINISTRATIVE AGENT”

(b)(4)

By: _____
Name:
Title:

“ESCROW AGENT”

By: _____
Name:
Title:

EXHIBIT A-1

Certificate of Incumbency

(List of Authorized Representatives)

Client Name: **88 Morgan Street Funding, LLC**

As an Authorized Officer of the above referenced entity, I hereby certify that the each person listed below is an authorized signor for such entity, and that the title and signature appearing beside each name is true and correct.

| Name | Title | Signature | Contact Number |
|-------|-------|-----------|----------------|
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |

IN WITNESS WHEREOF, this certificate has been executed by a duly authorized officer by:

By: _____

Date _____

Title: _____

EXHIBIT A-2

Certificate of Incumbency

(List of Authorized Representatives)

Client Name: **U.S. Immigration Fund-NJ, LLC**

As an Authorized Officer of the above referenced entity, I hereby certify that the each person listed below is an authorized signor for such entity, and that the title and signature appearing beside each name is true and correct.

| Name | Title | Signature | Contact Number |
|------|-------|-----------|----------------|
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

IN WITNESS WHEREOF, this certificate has been executed by a duly authorized officer by:

By: _____

Date _____

Title: _____

EXHIBIT B

[Redacted] as Escrow Agent

(b)(4)

88 Morgan Street Funding, LLC [Redacted]

Schedule of Fees & Expenses

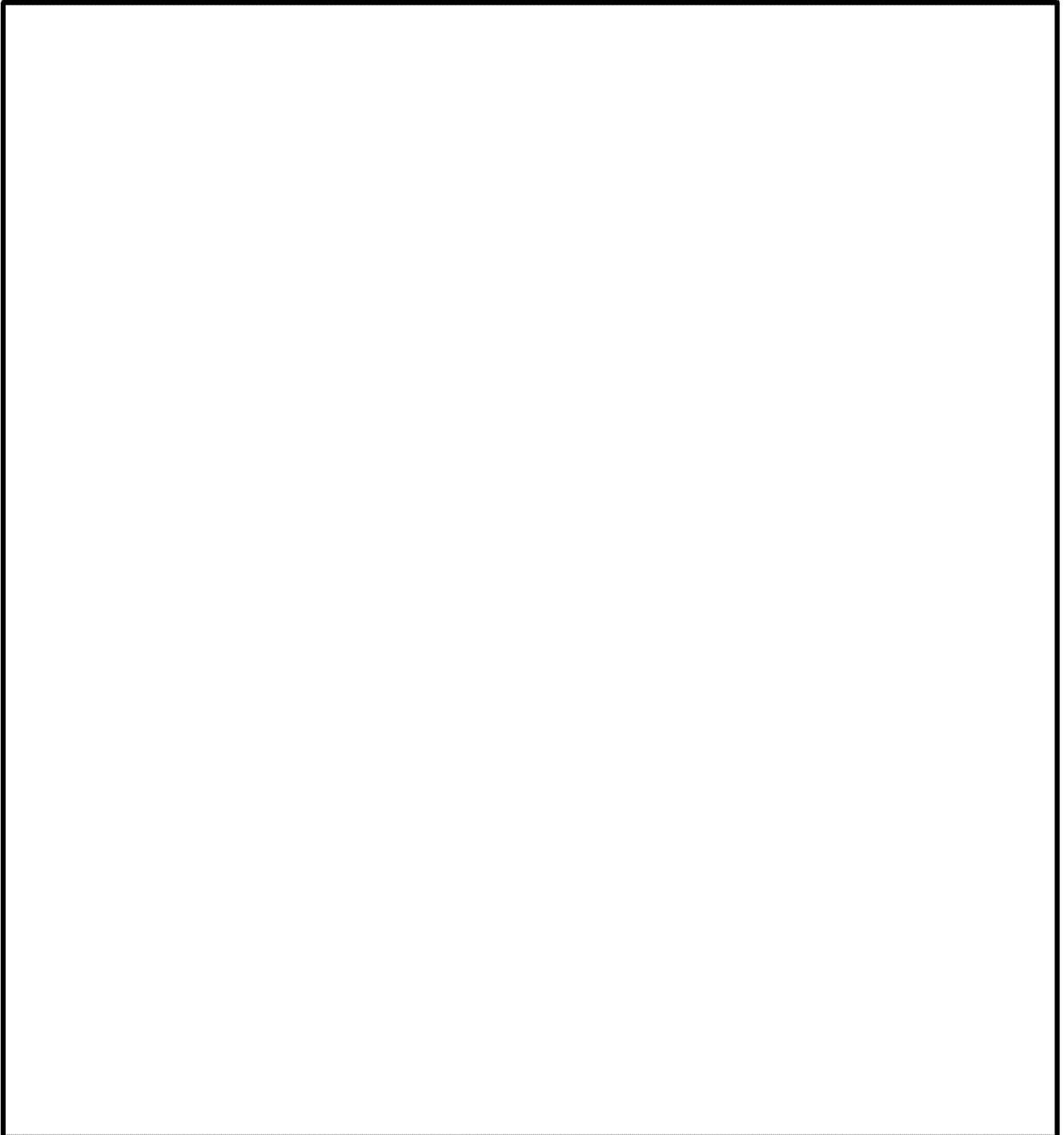
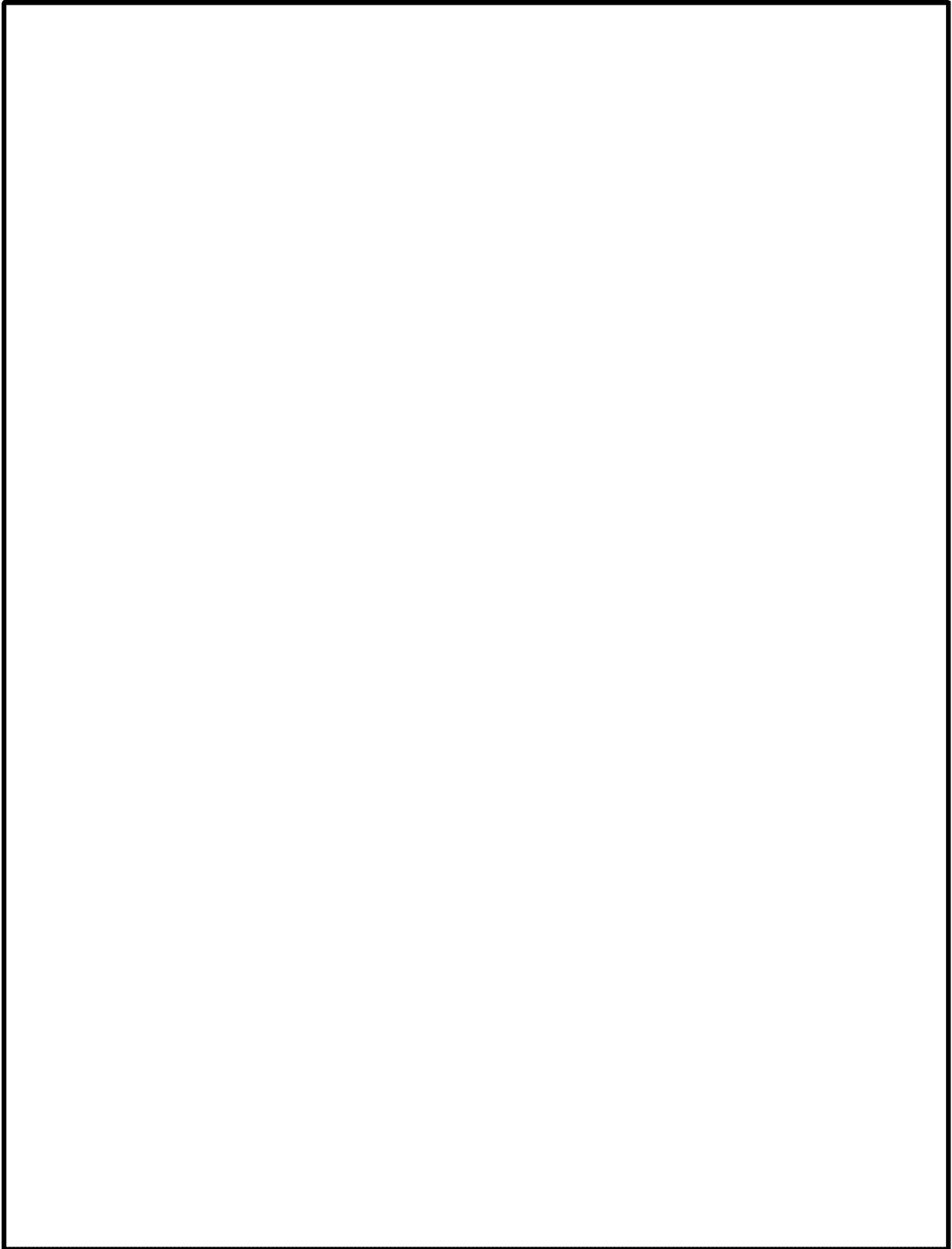


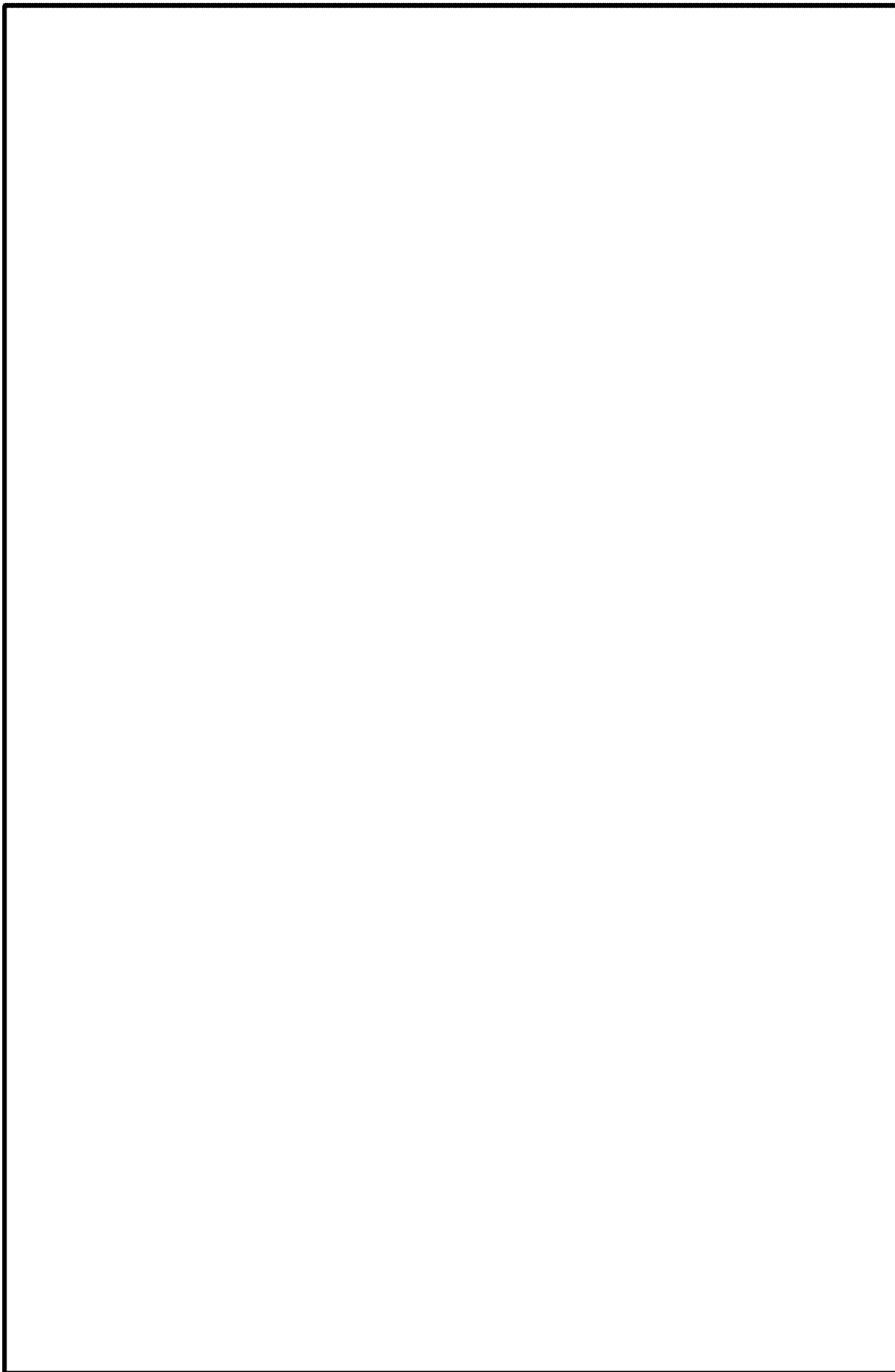
Exhibit C

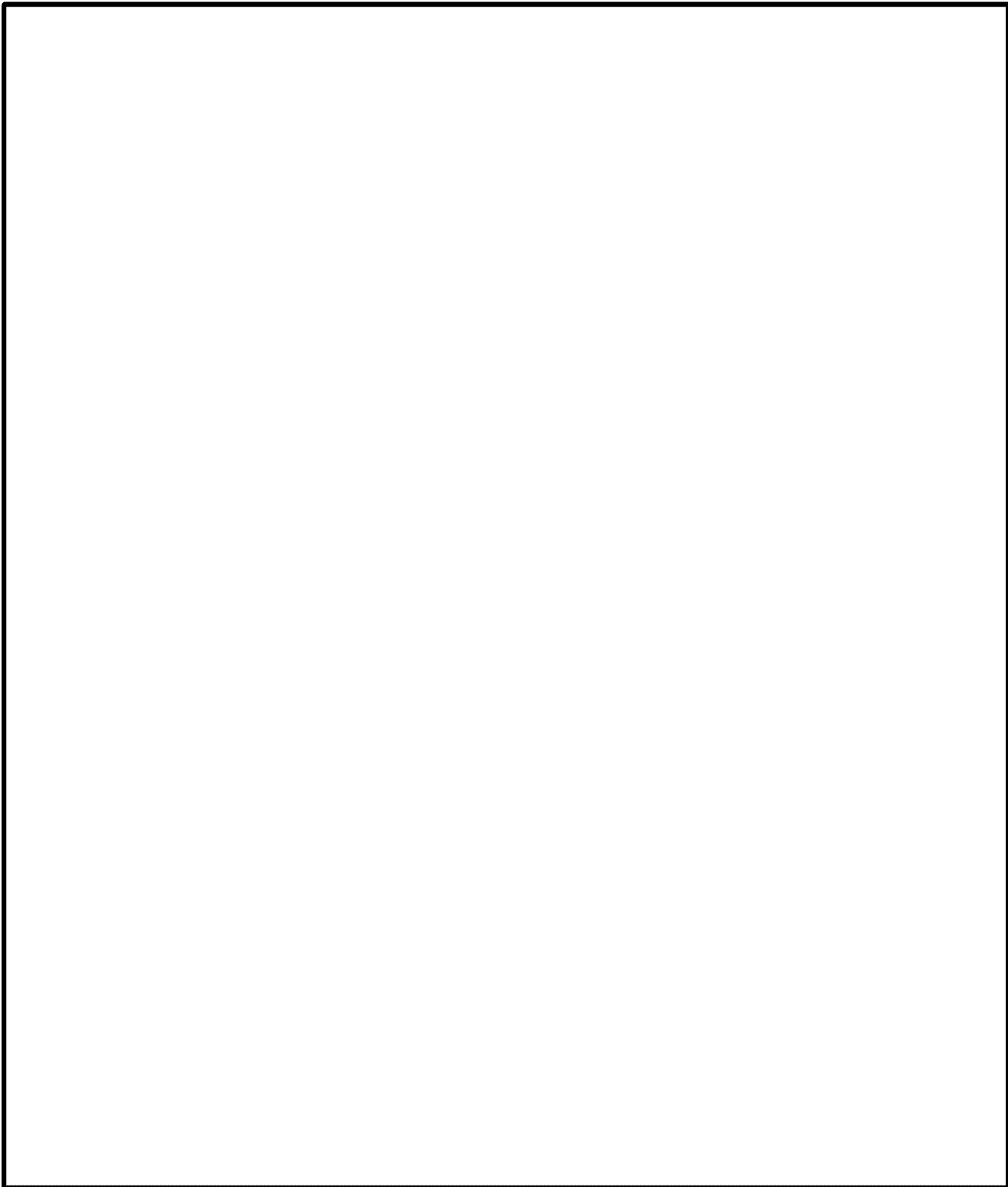
Form of Written Direction

88 Morgan Street Funding, LLC

(b)(4)



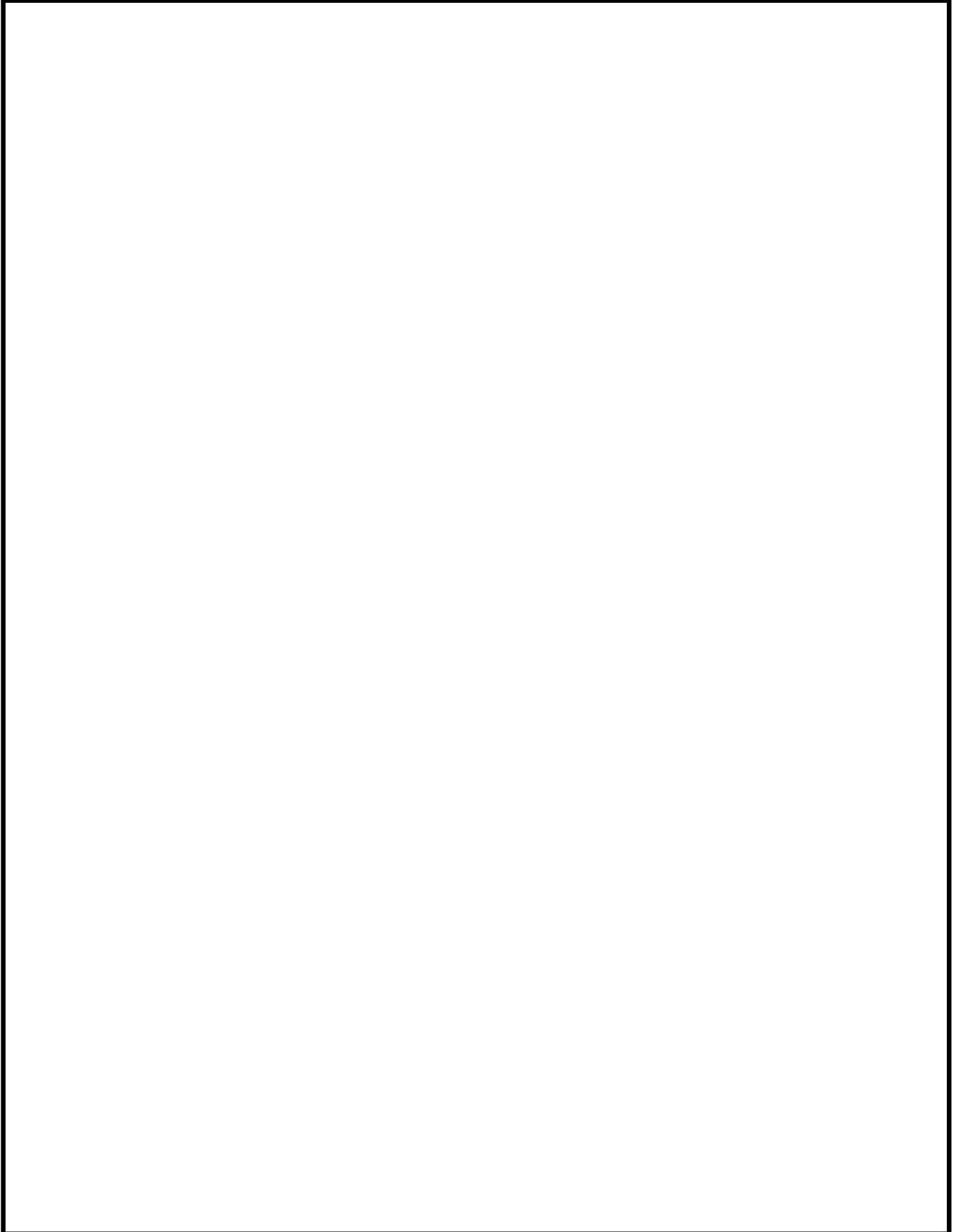


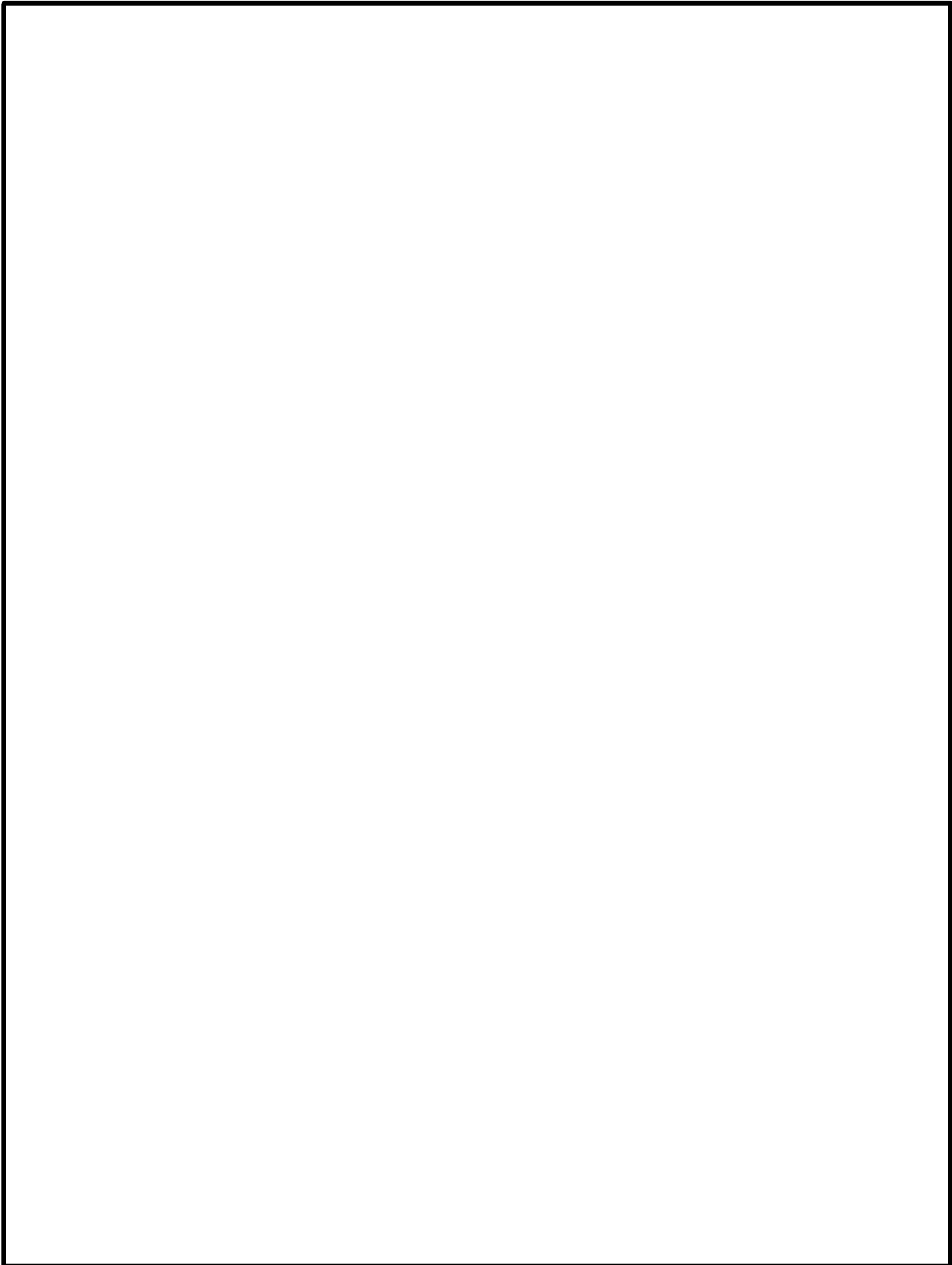


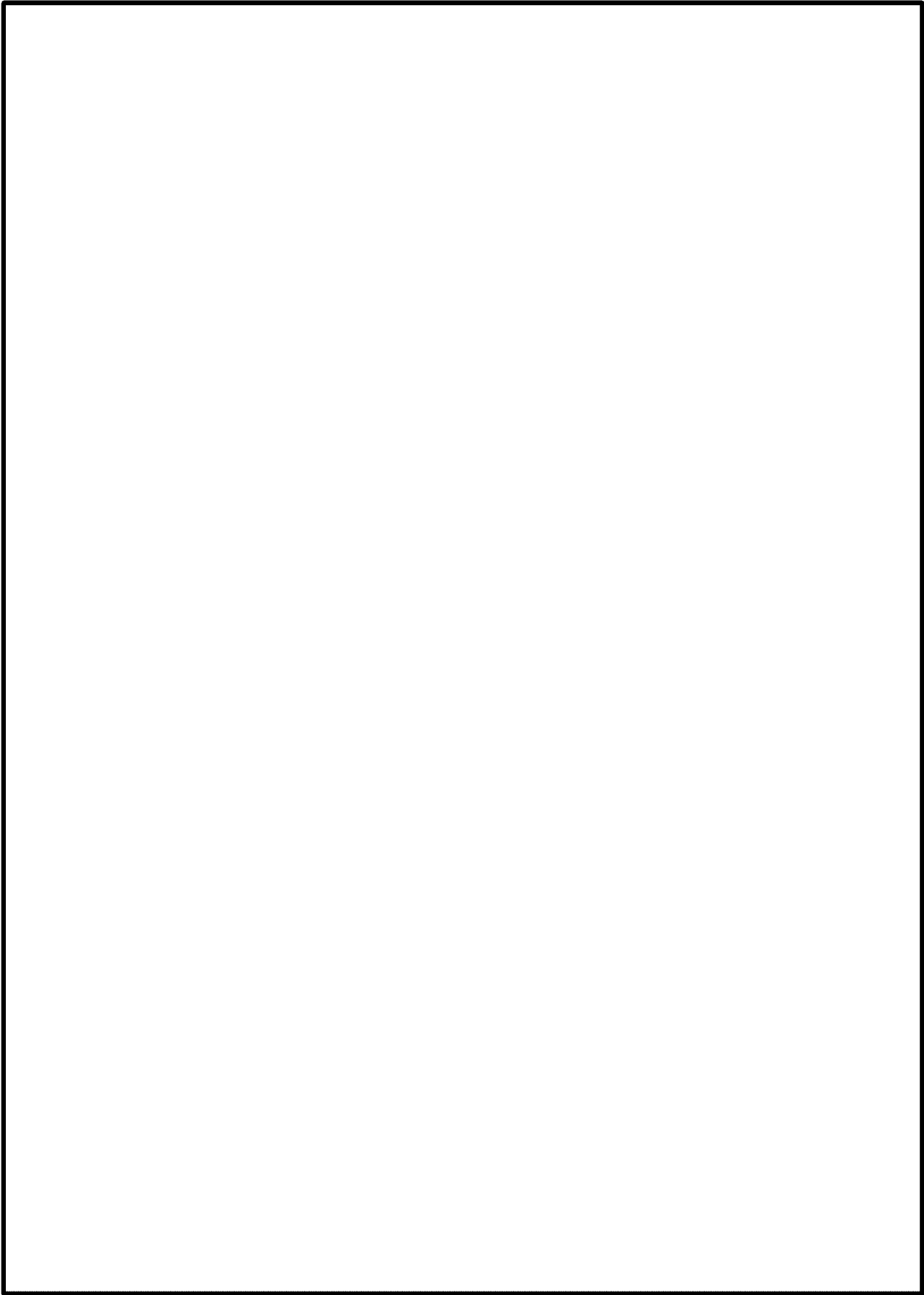
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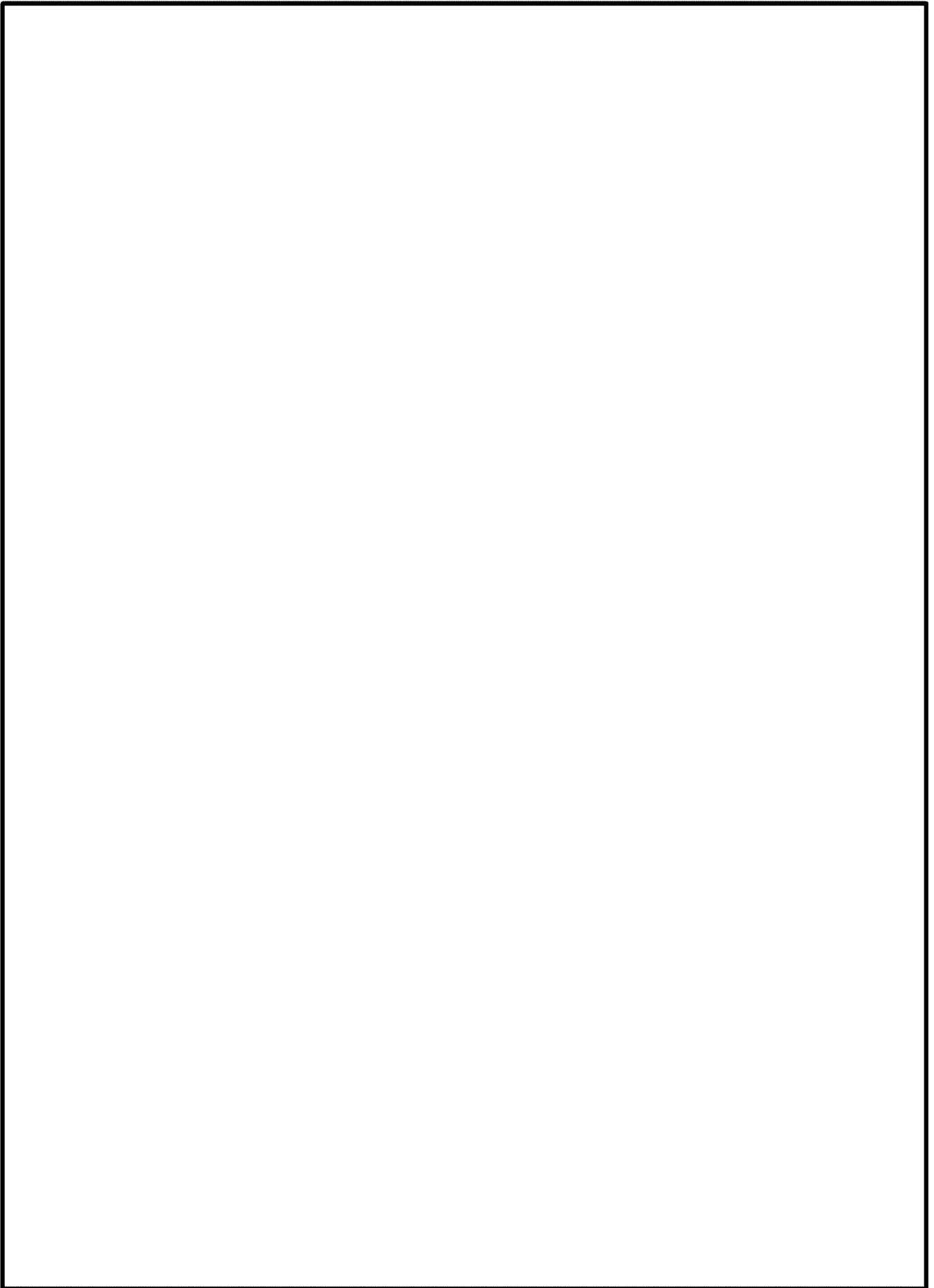
ESCROW ADMINISTRATION SERVICES AGREEMENT

U.S. Immigration Fund-NJ











This Escrow Administrative Services Agreement is effective as of the Effective Date.

(b)(4)

Administrative Agent:

By: _____

Name: _____

Title: _____

Subscriber Representative:

U.S. Immigration Fund-NJ, LLC, a New Jersey limited liability company

By: _____

Name: _____

Title: _____

(b)(4)

Schedule "A" to Escrow Administration Services Agreement

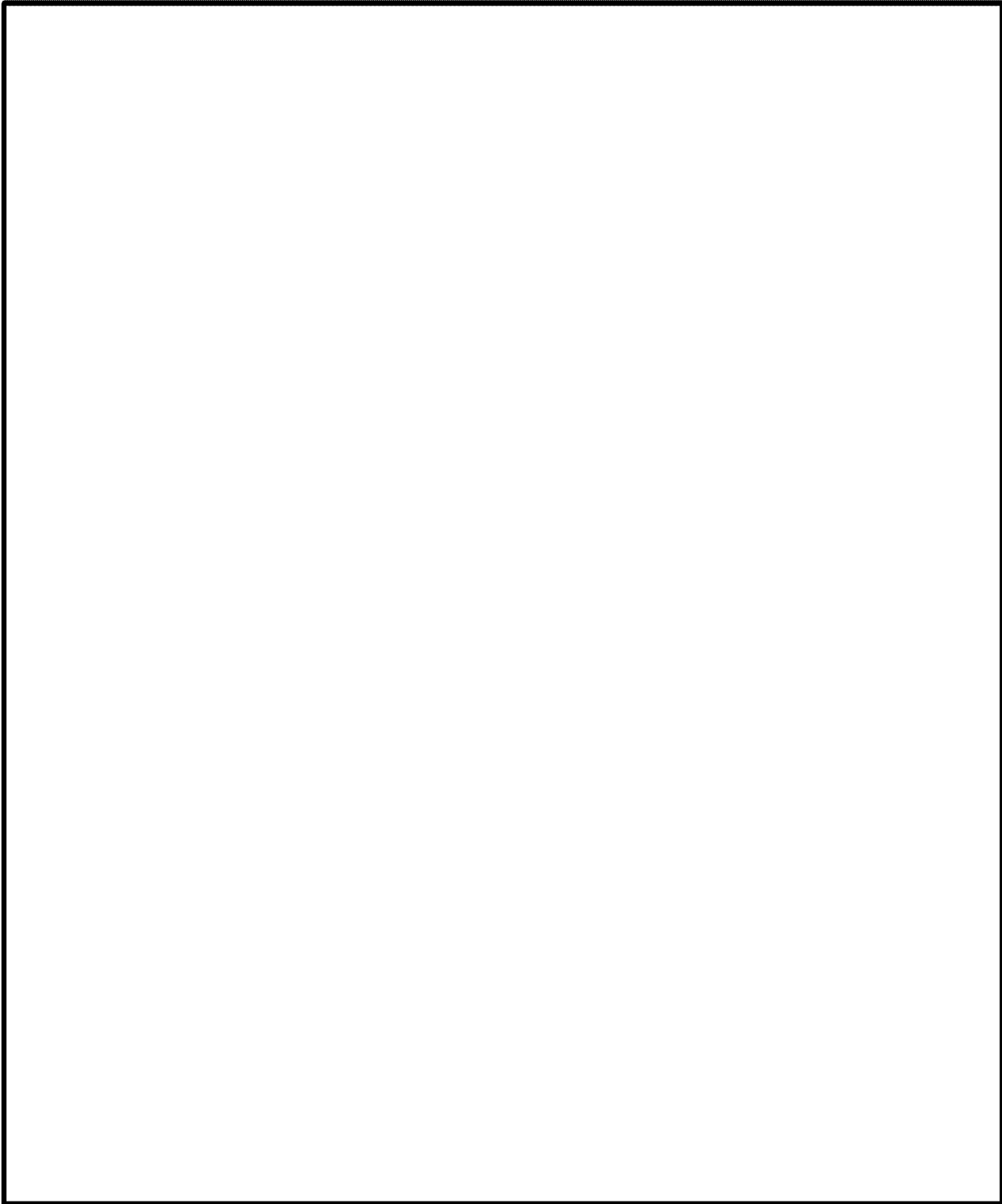


EXHIBIT NAME

**TAB
NUMBER**

Sample Limited Liability Company Agreement of 88 Morgan Street Project.

17.

LIMITED LIABILITY COMPANY

OPERATING AGREEMENT

88 MORGAN STREET FUNDING, LLC

[DATE]

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OPERATING AGREEMENT

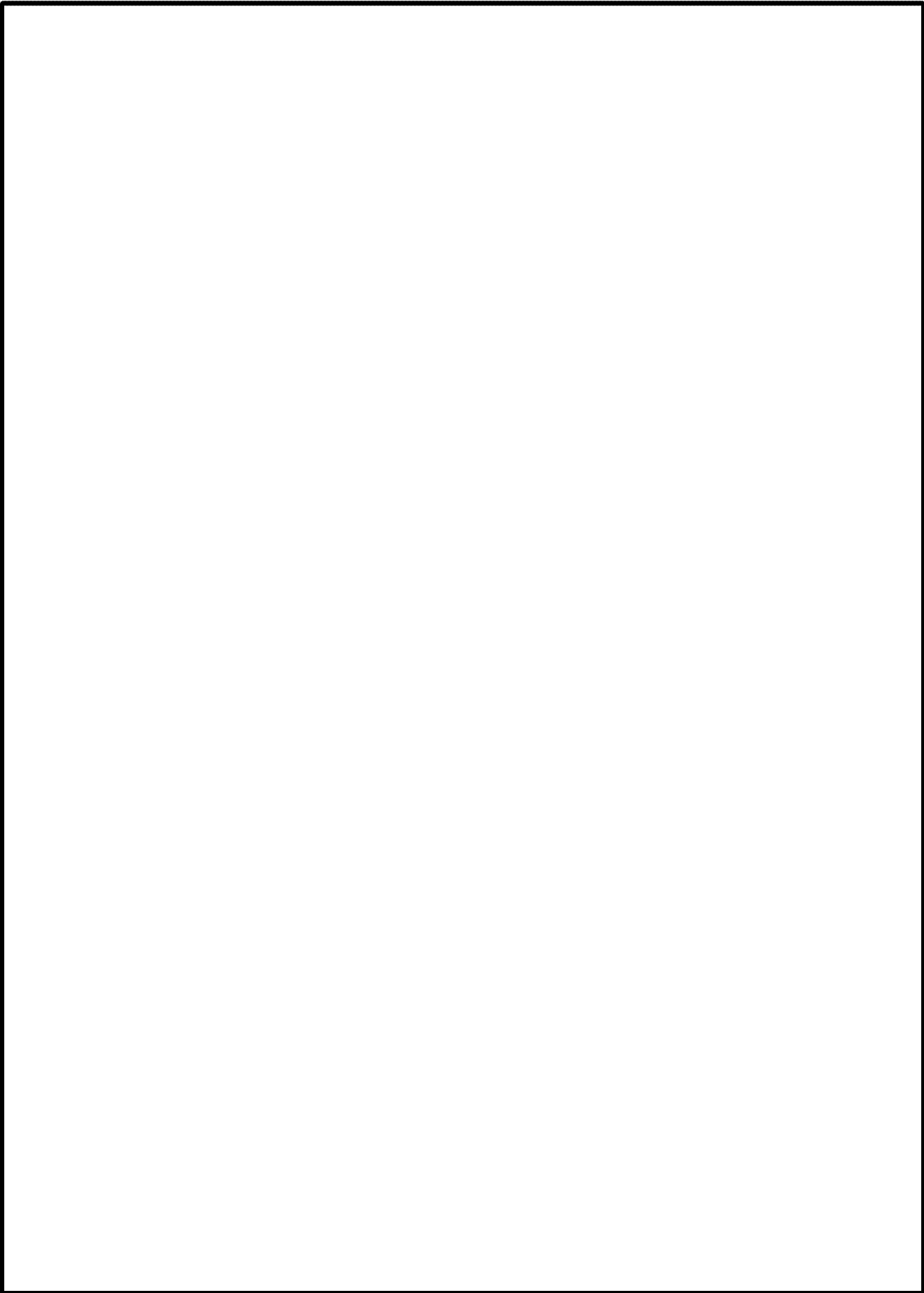
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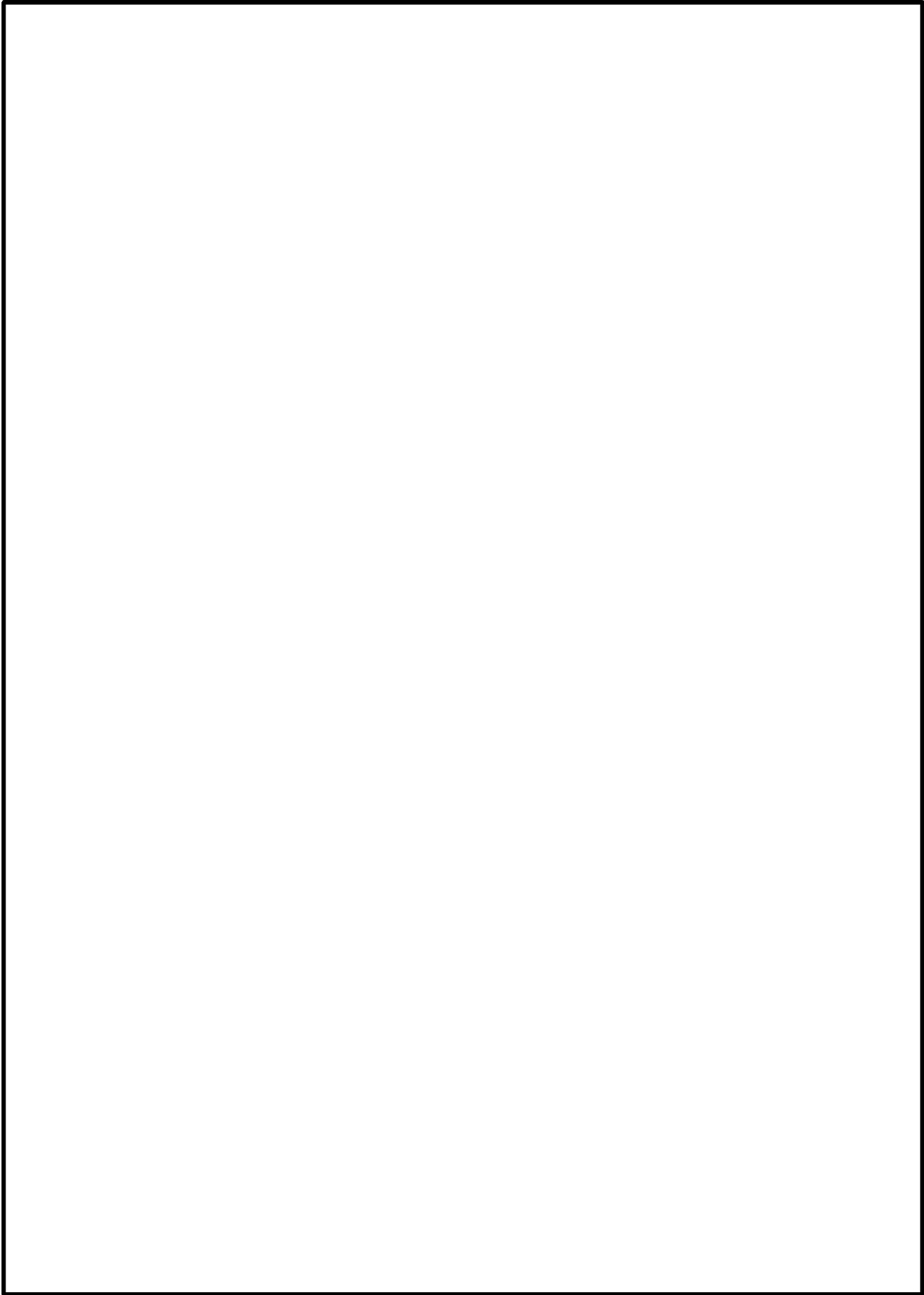
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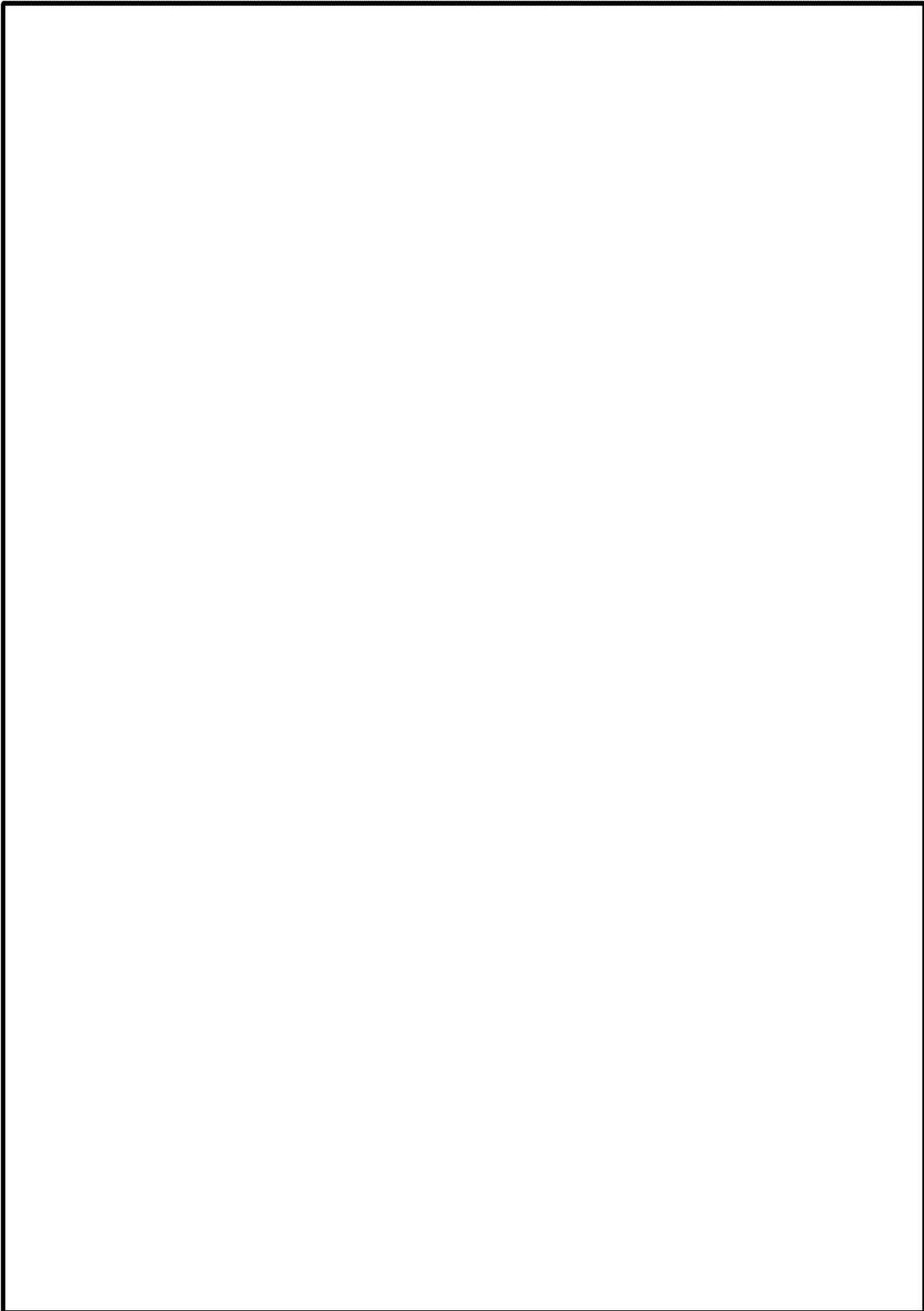
88 MORGAN STREET FUNDING, LLC



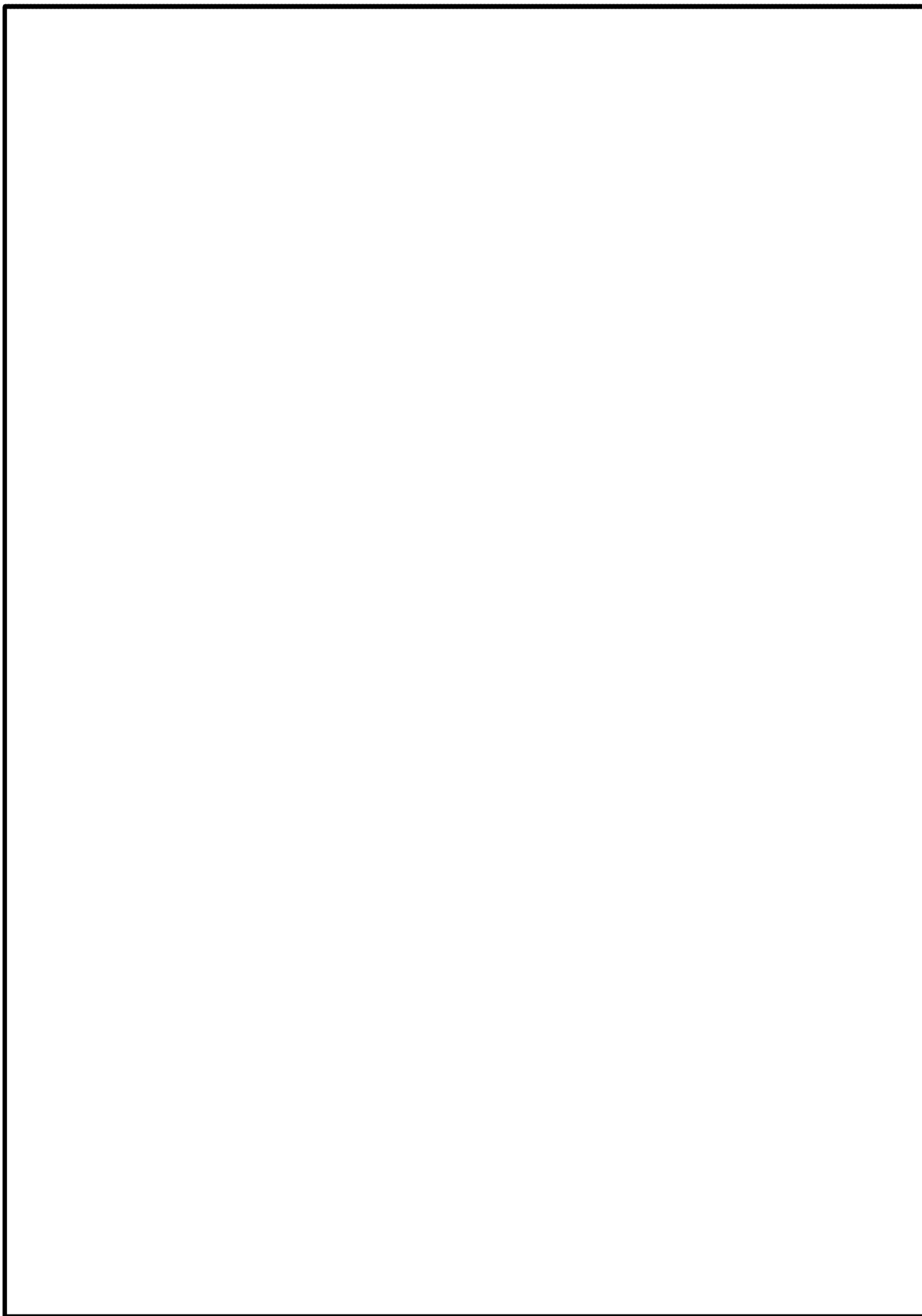
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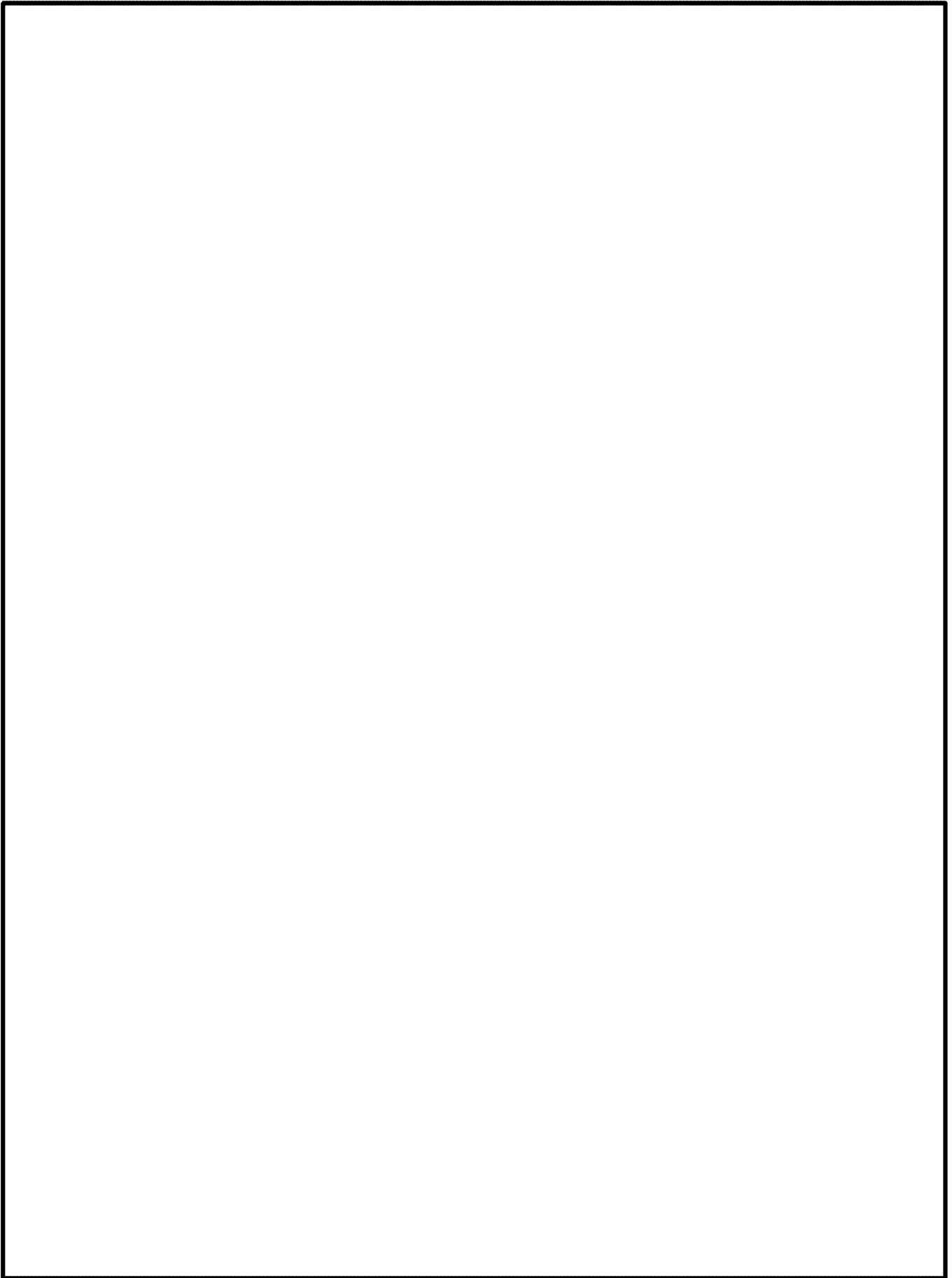


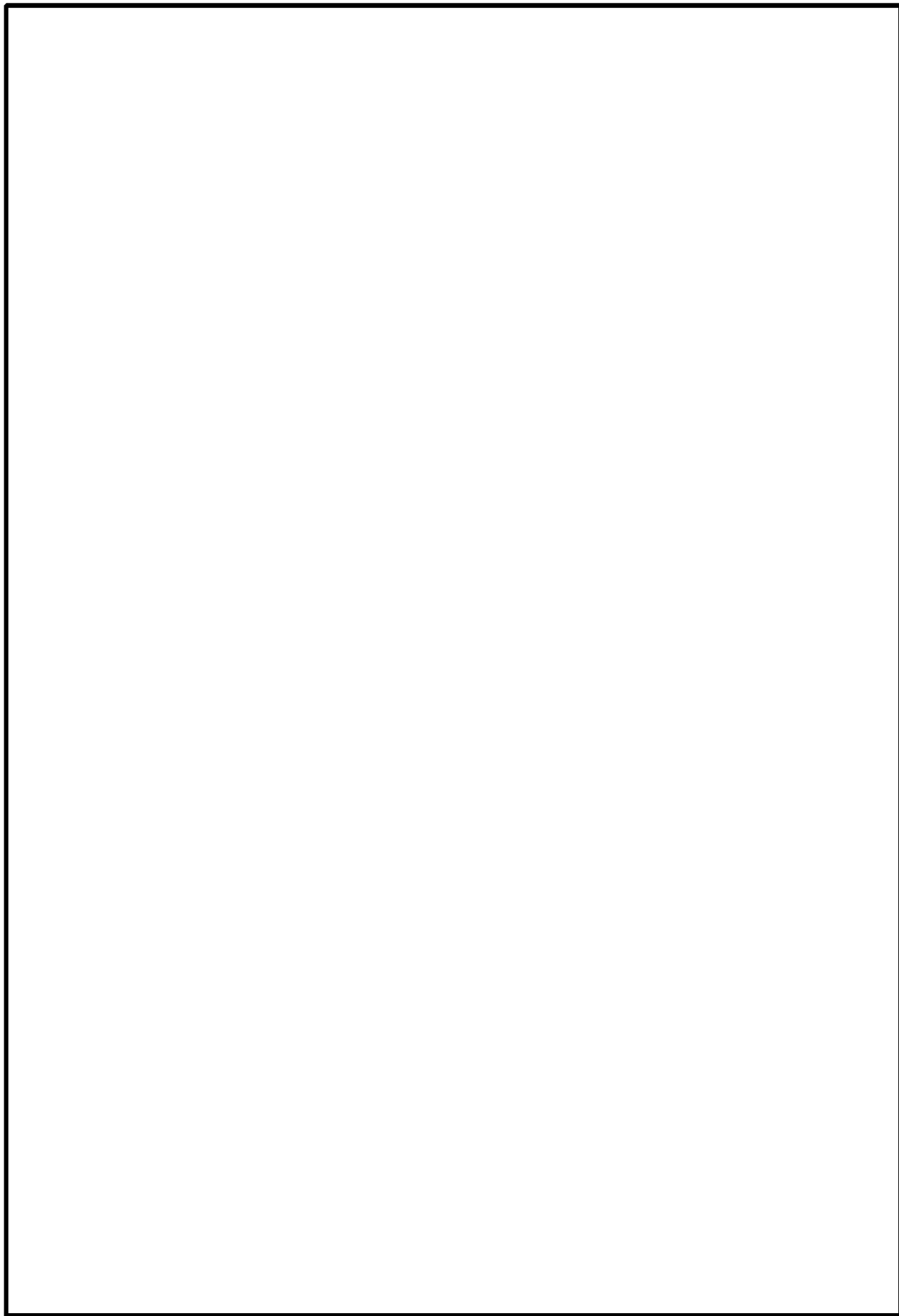


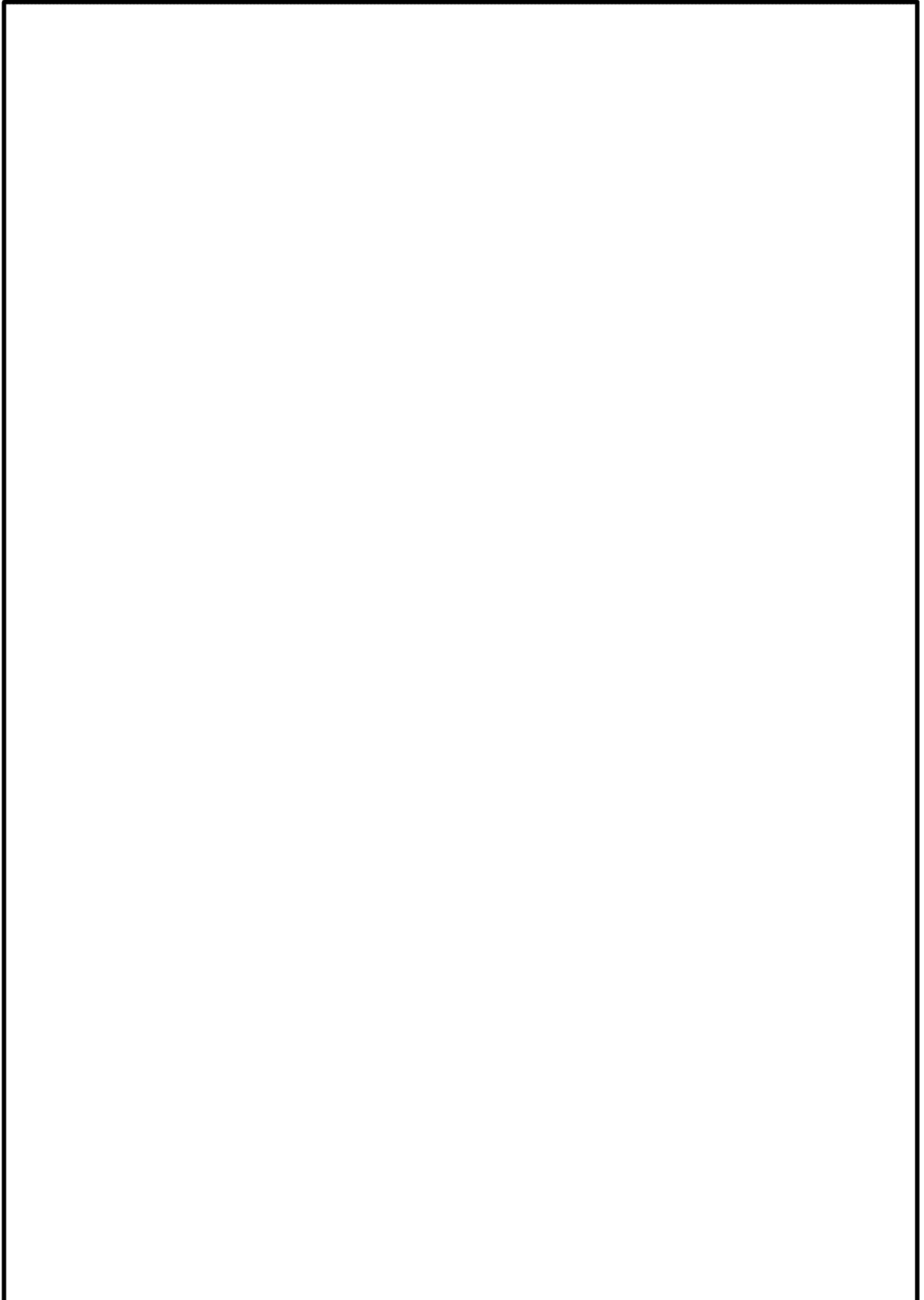


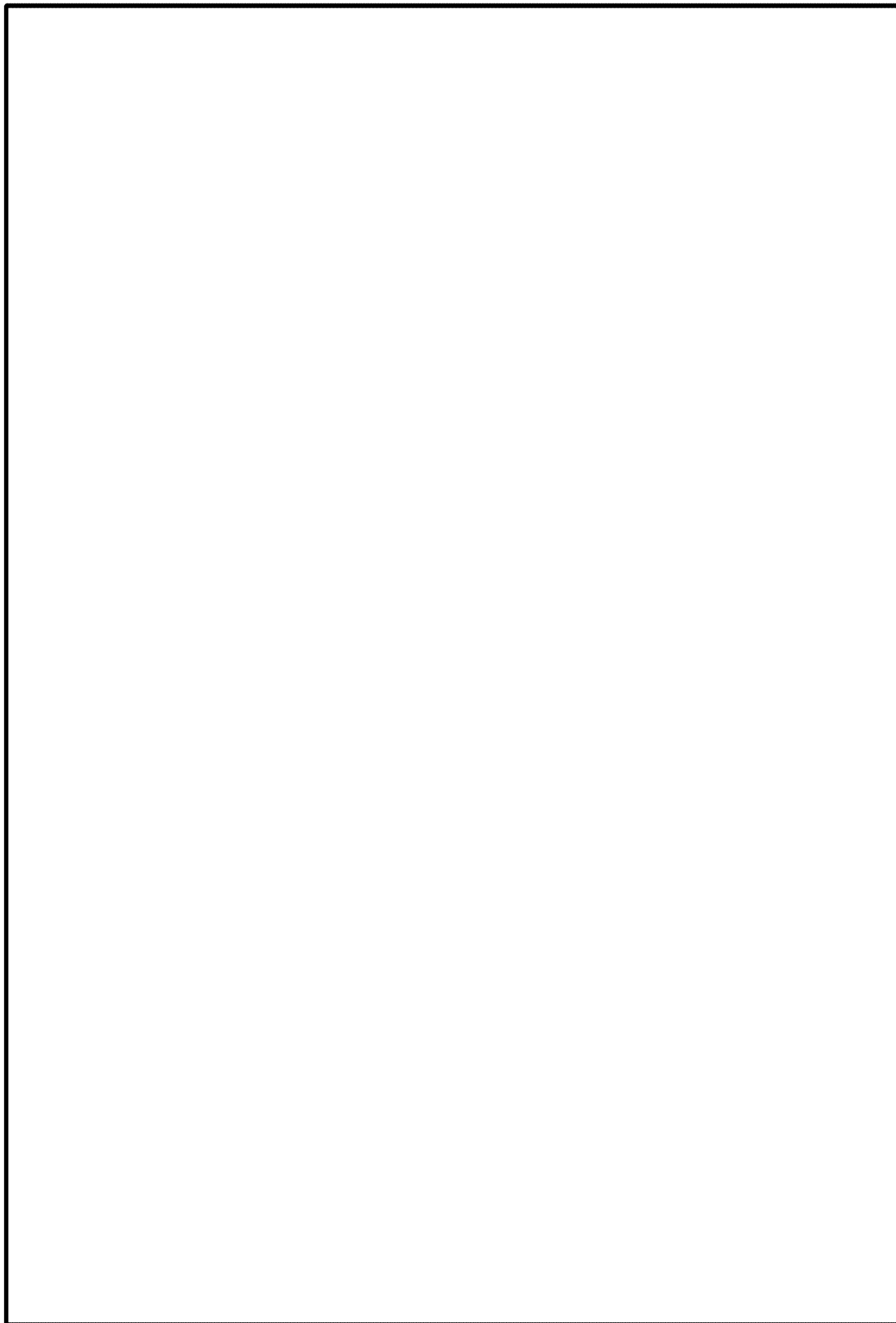


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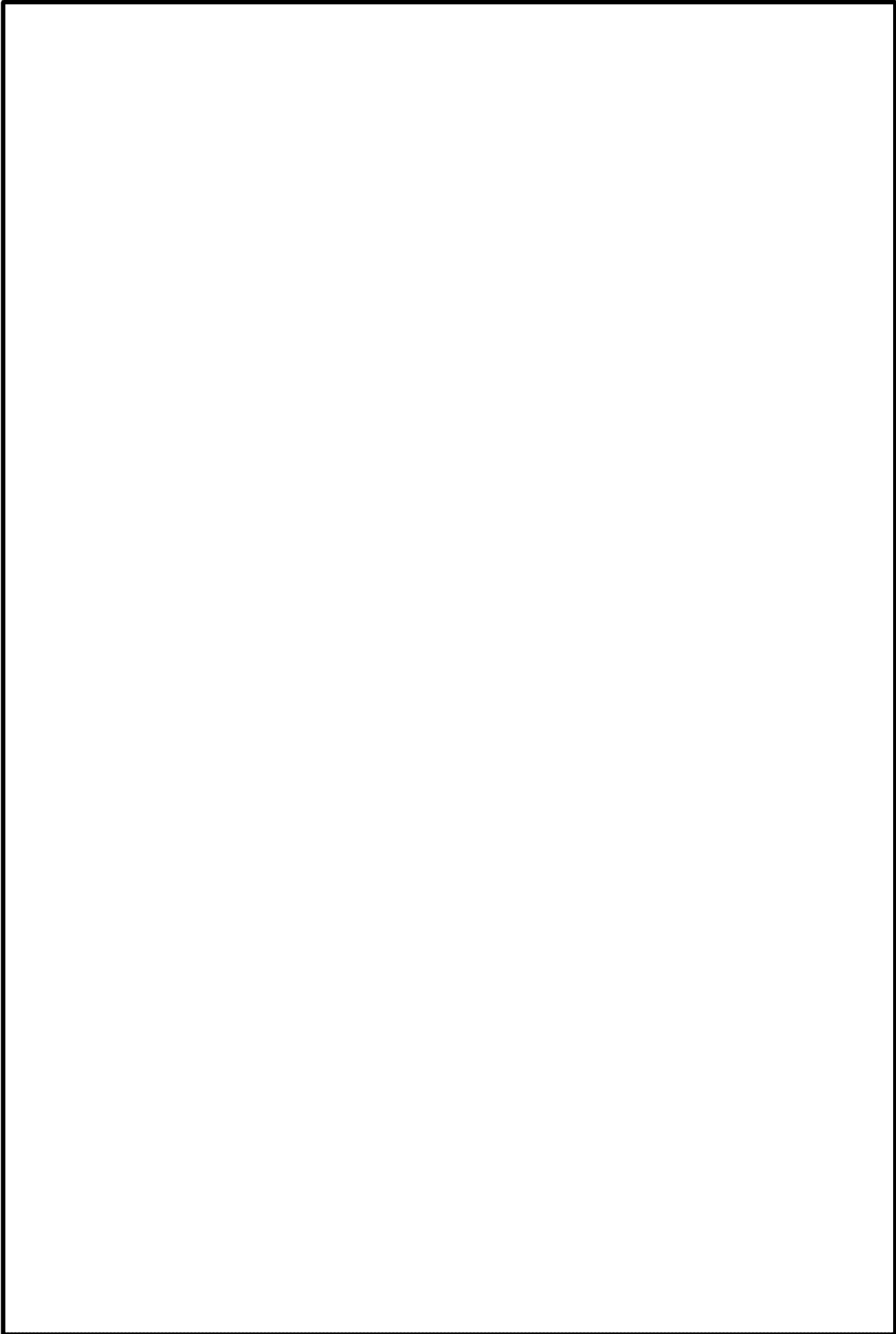


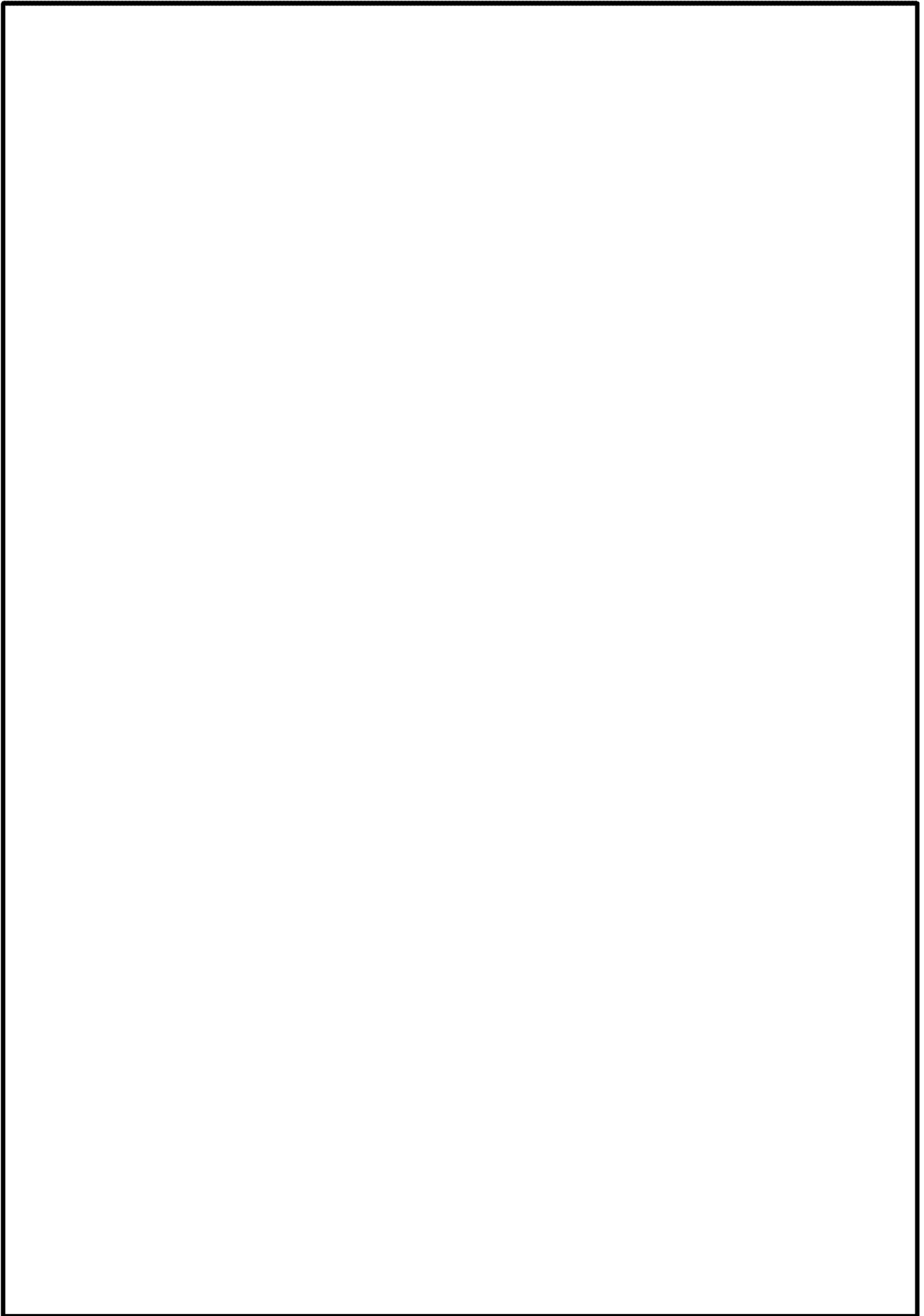


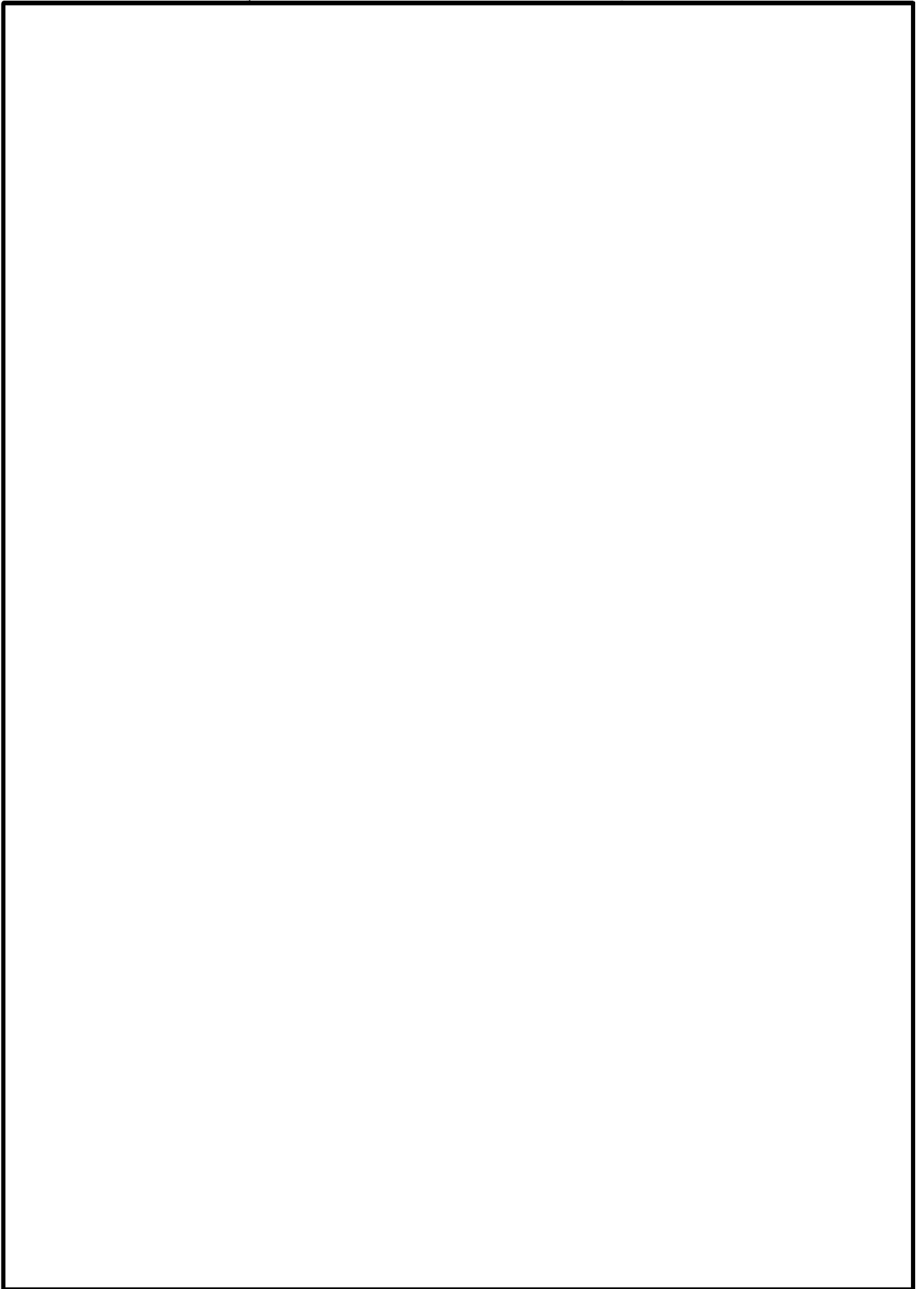


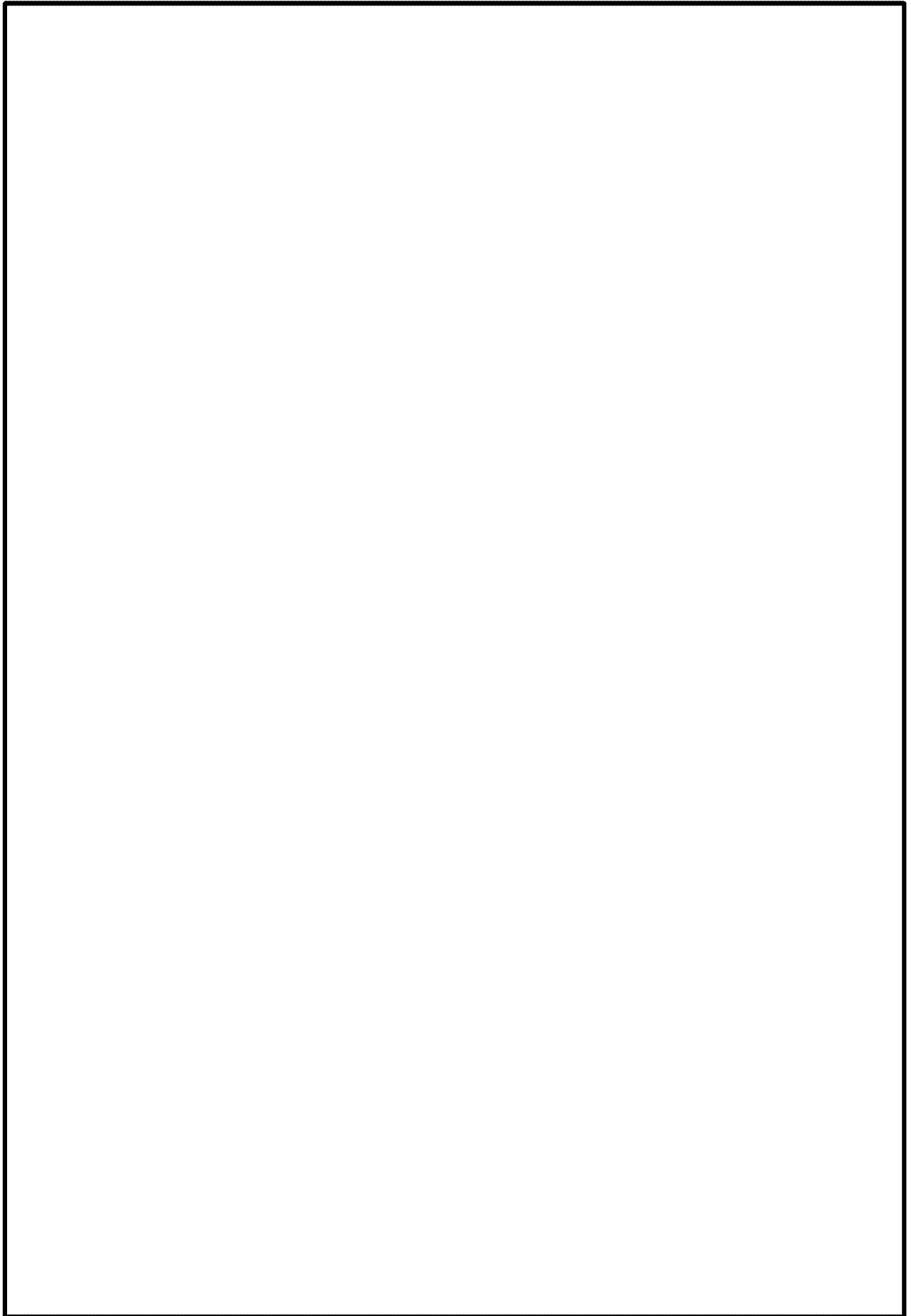


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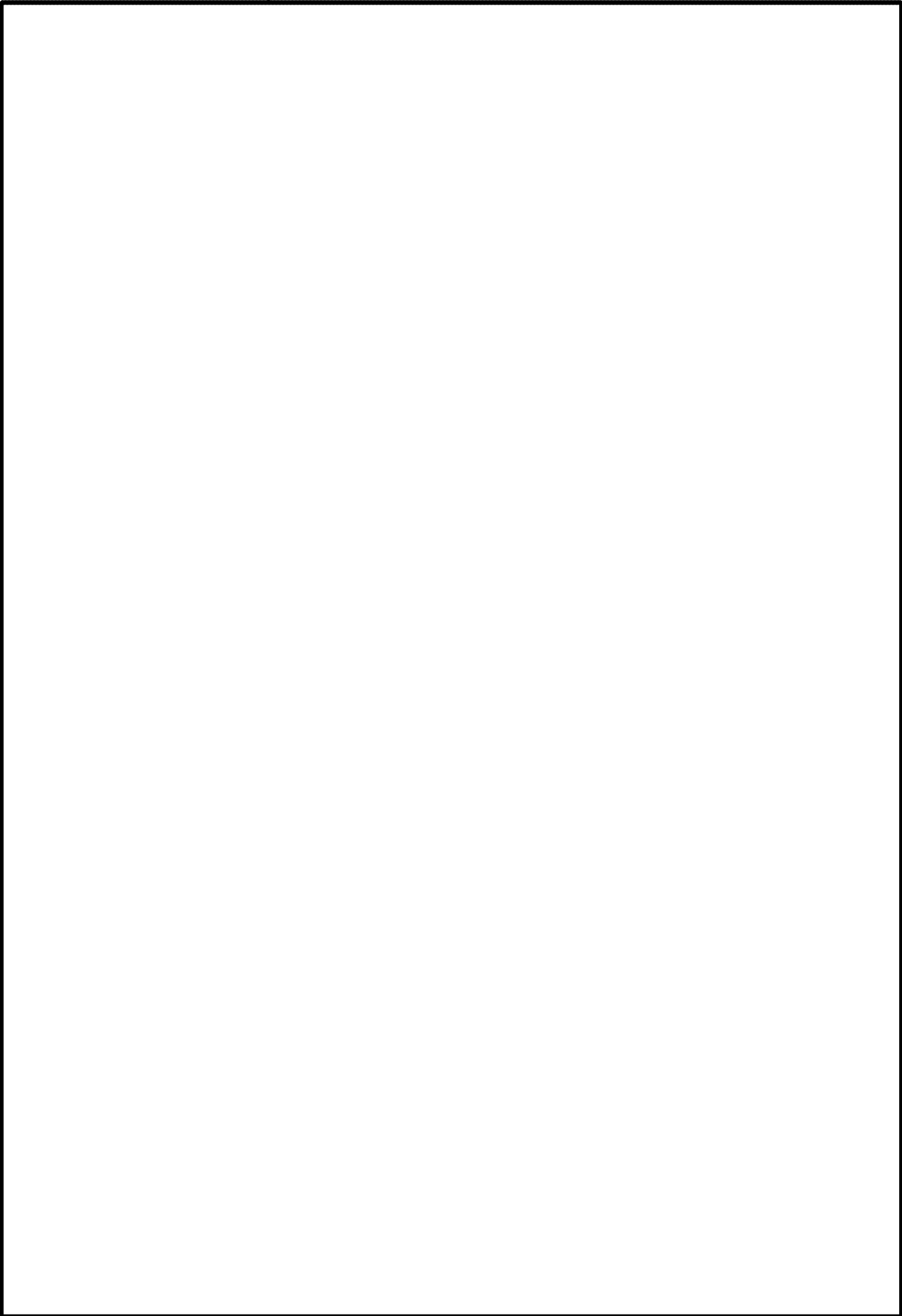


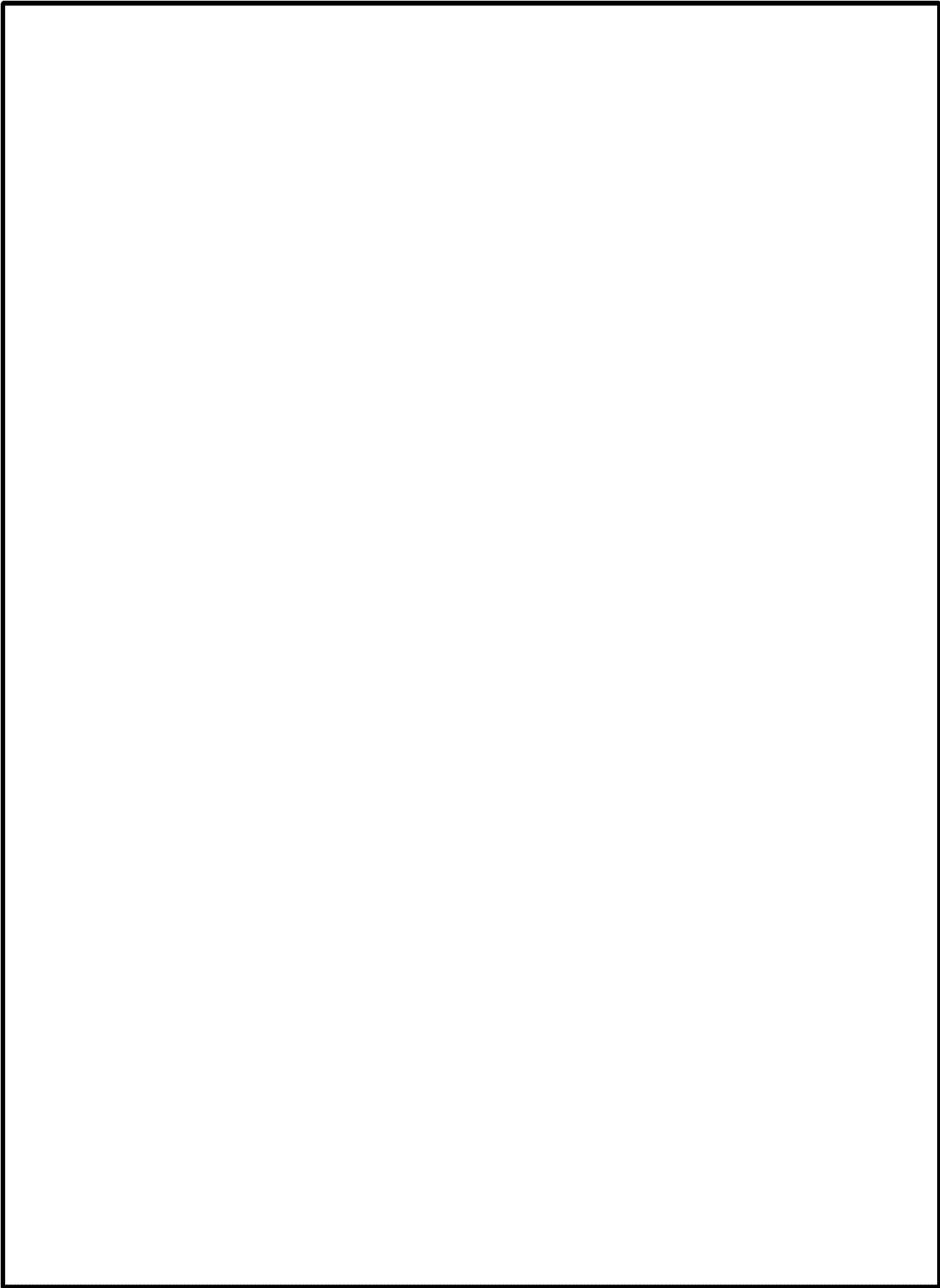




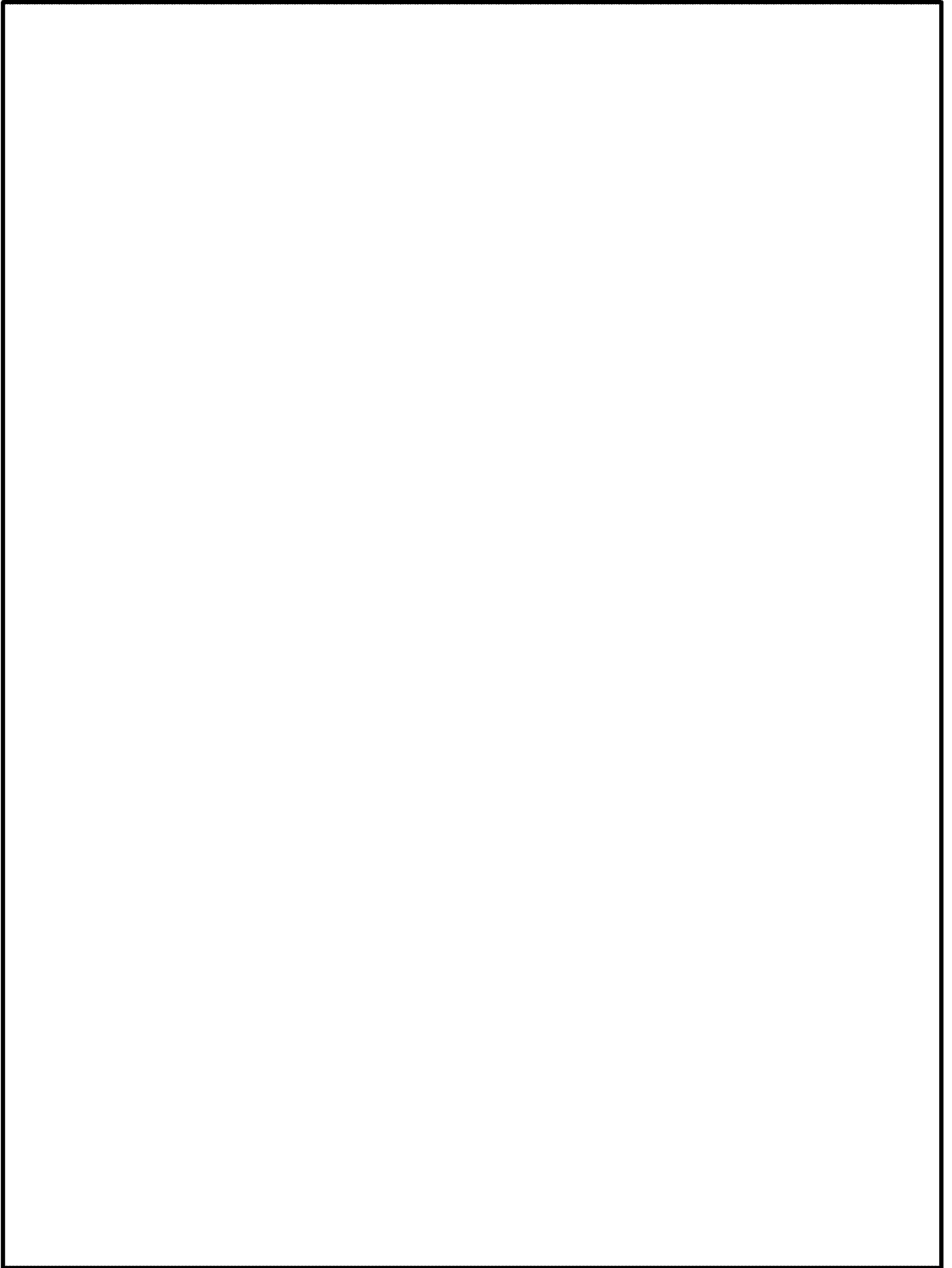


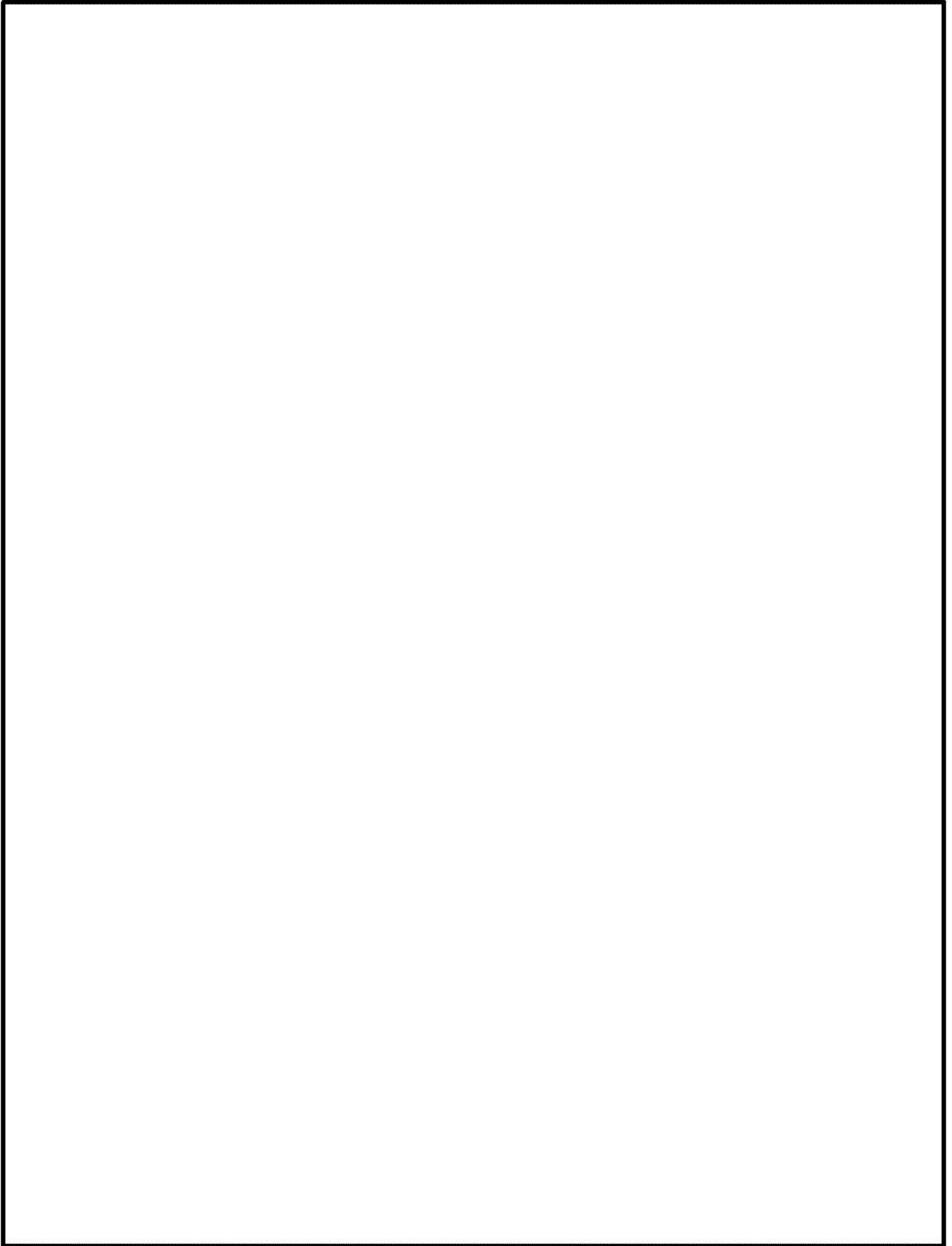




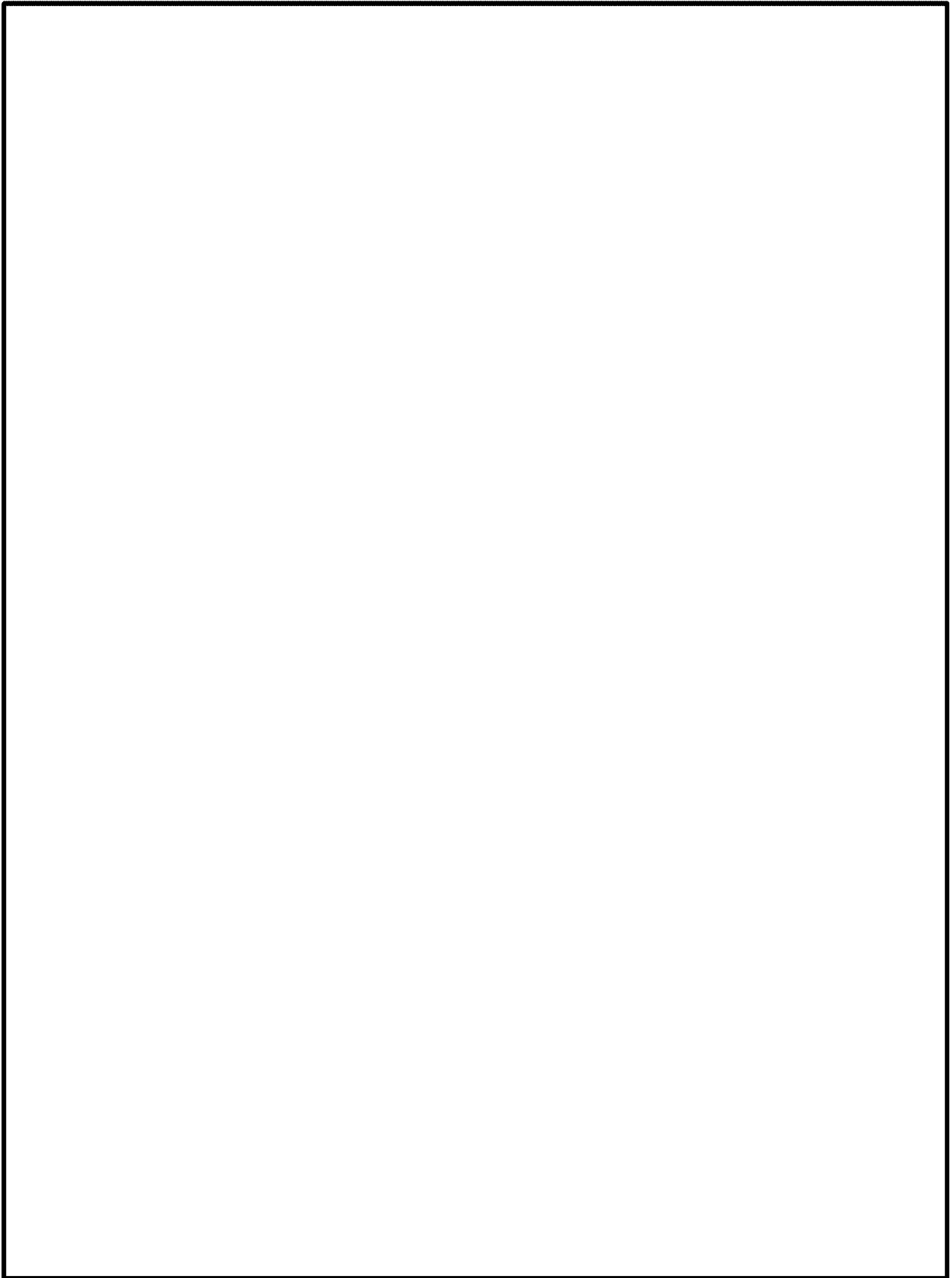


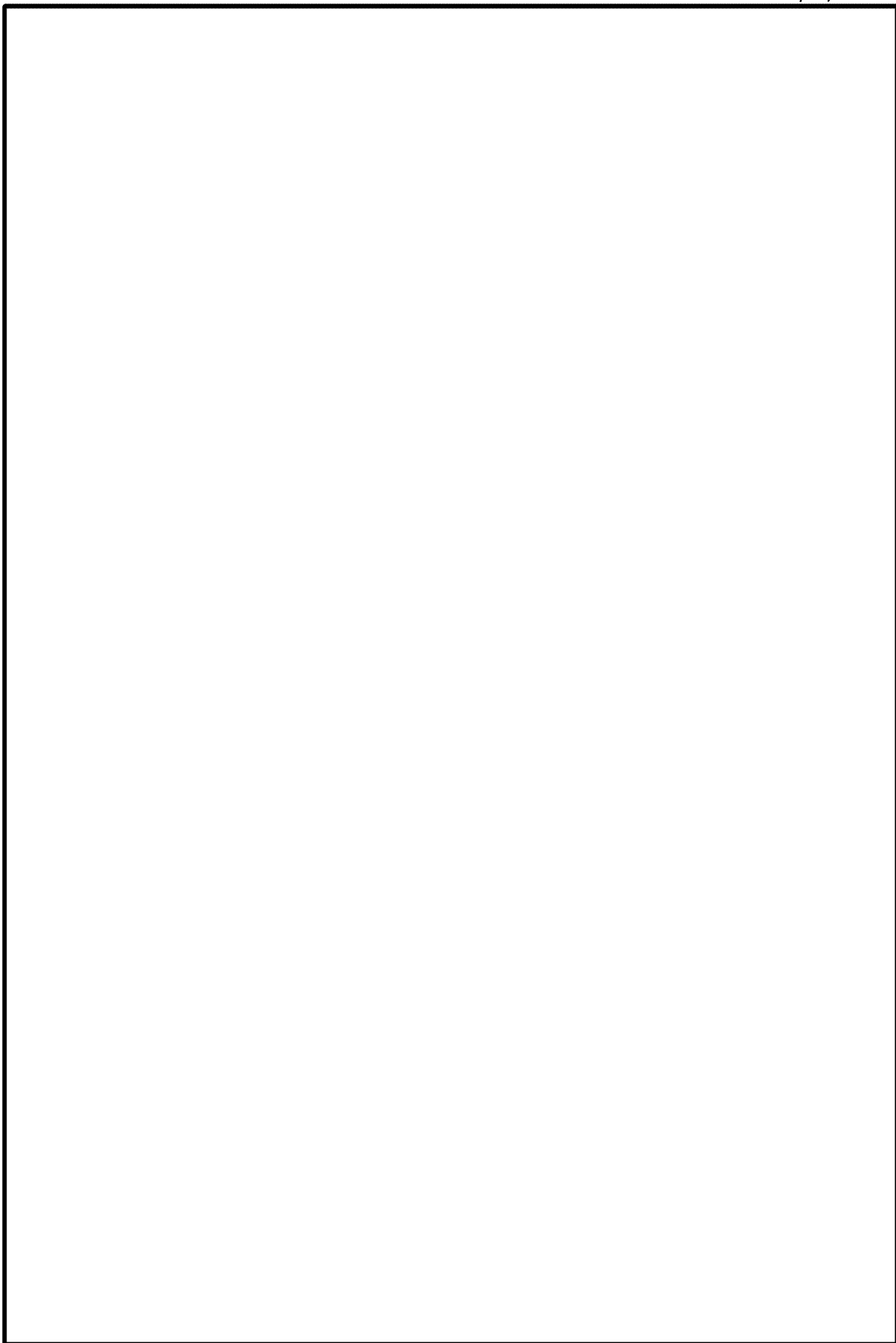


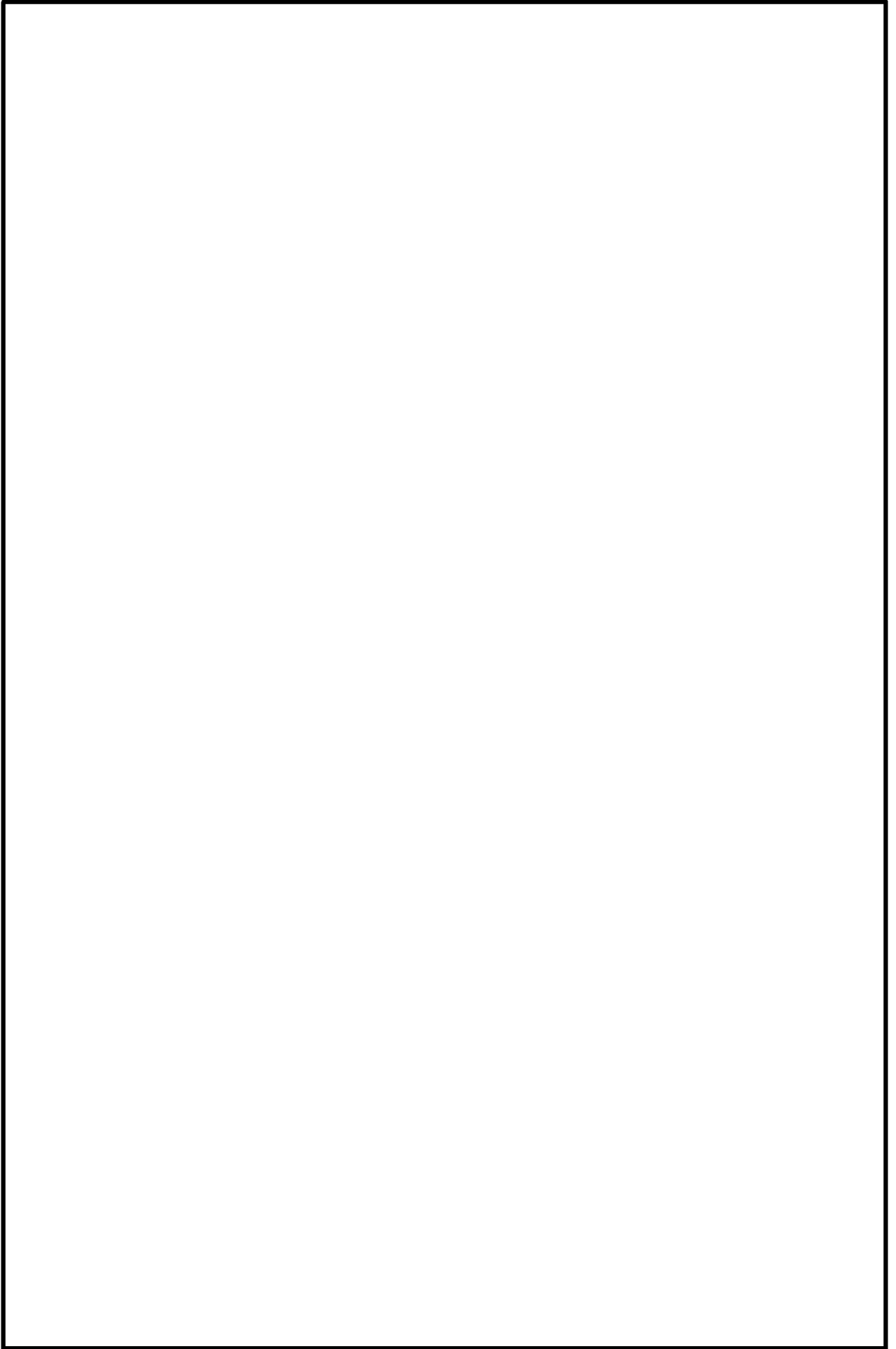


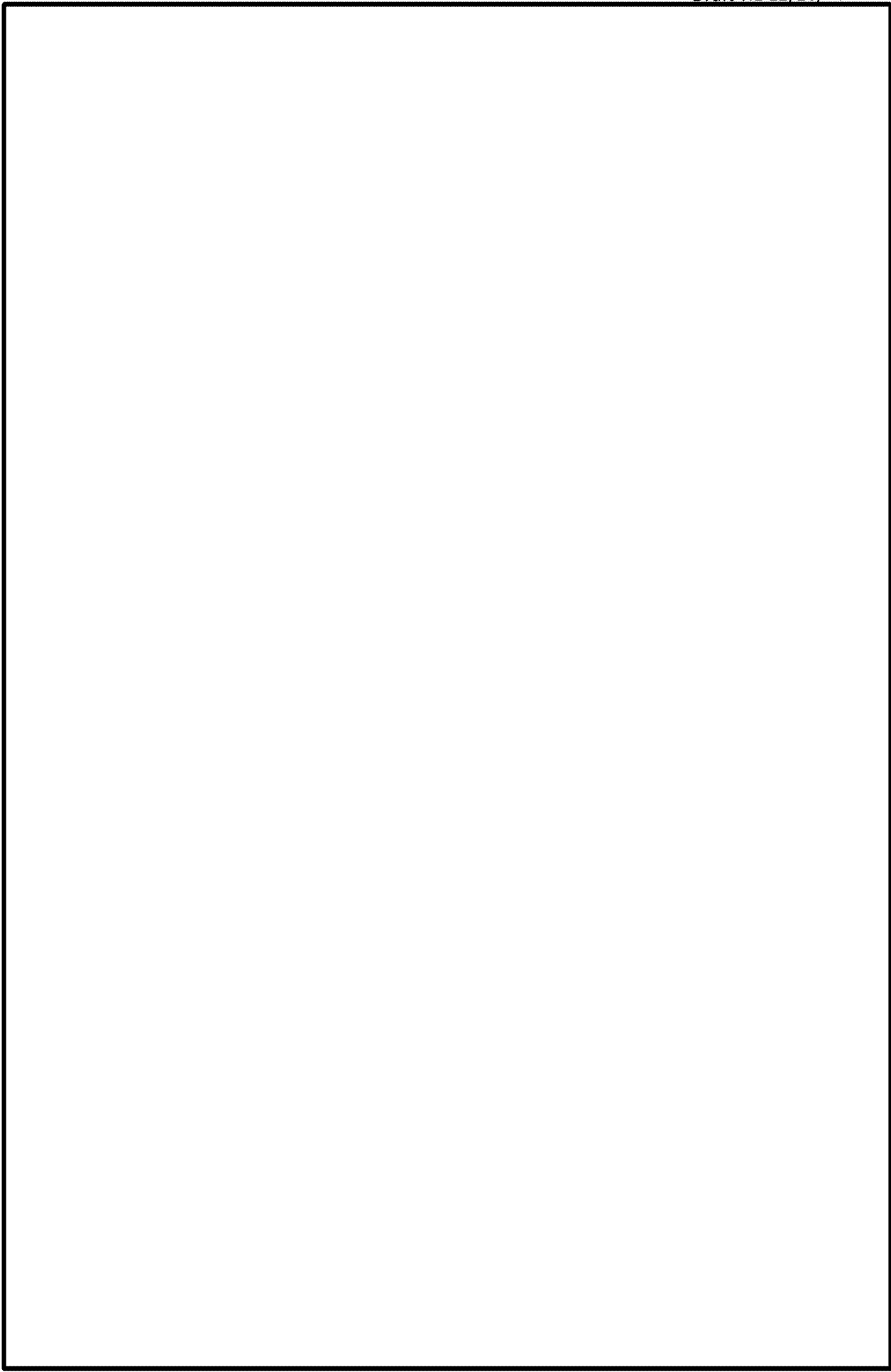


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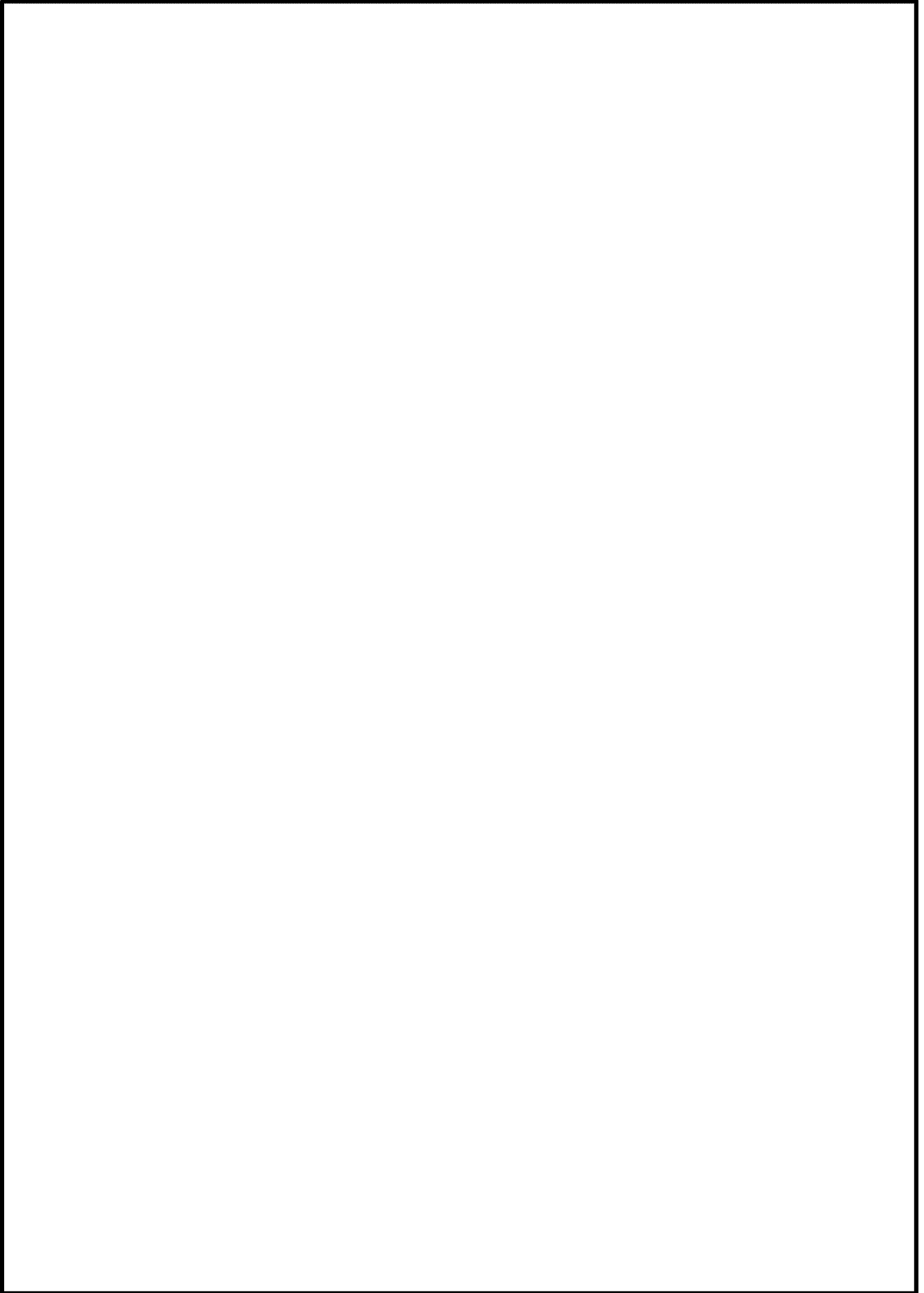


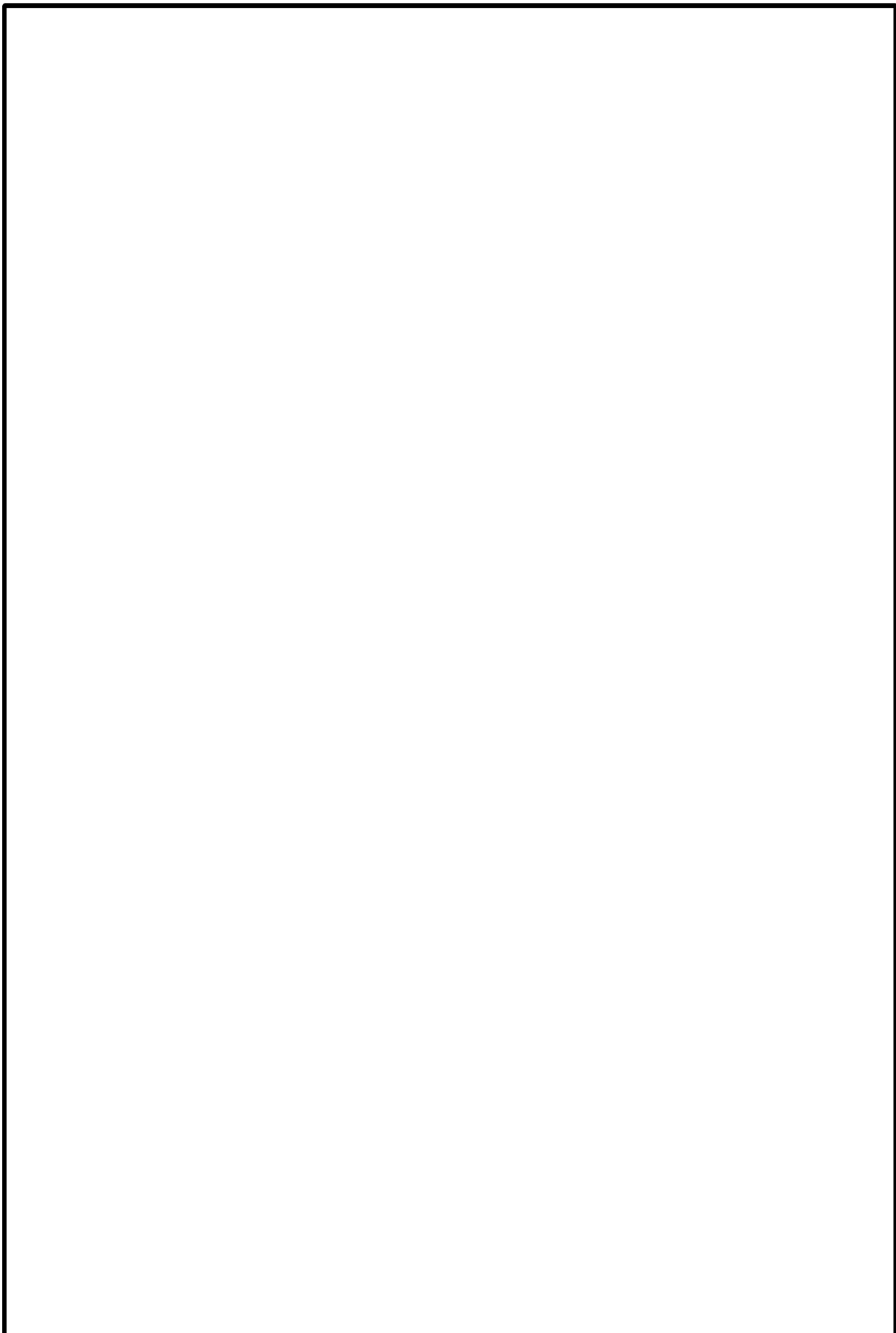


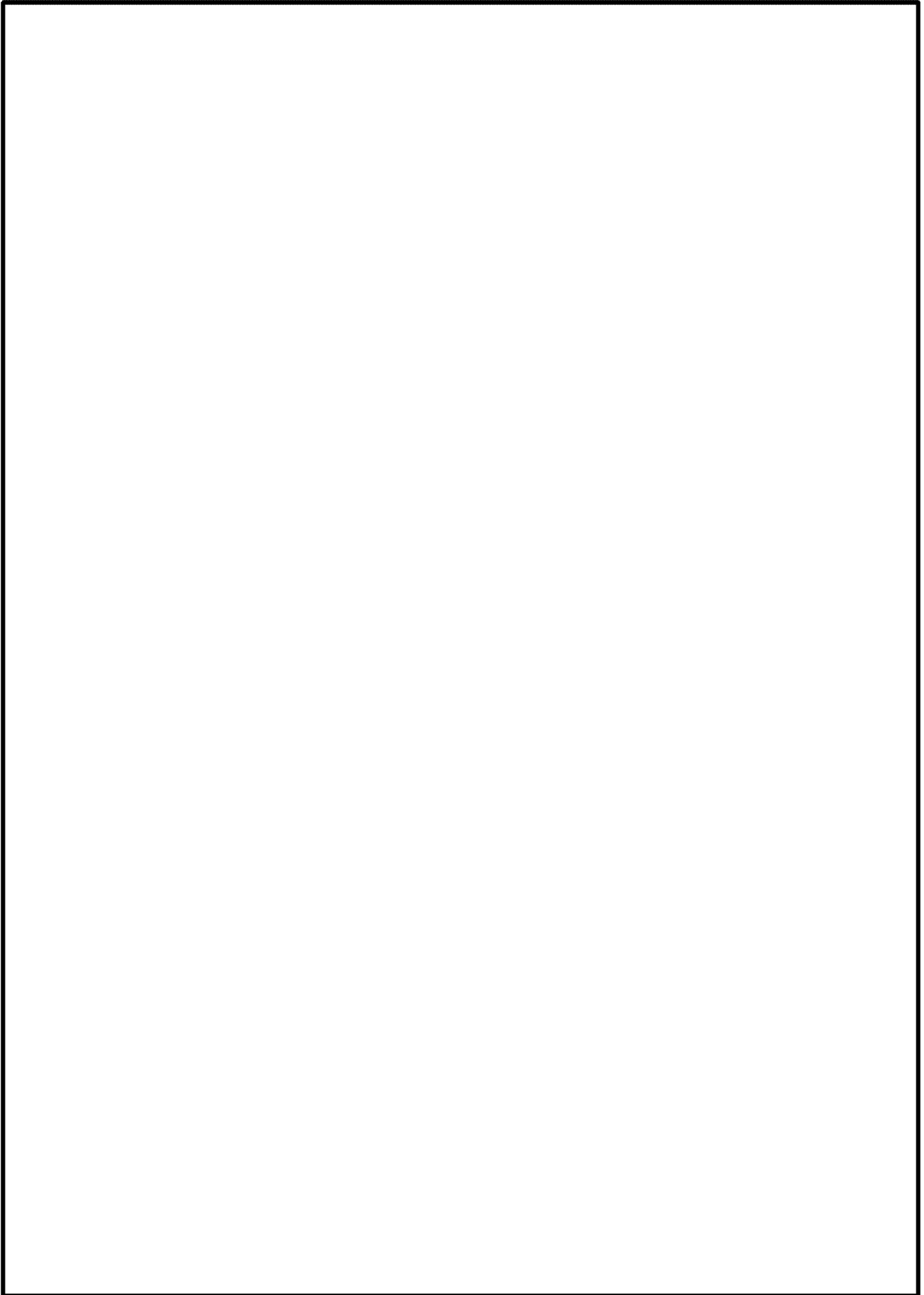


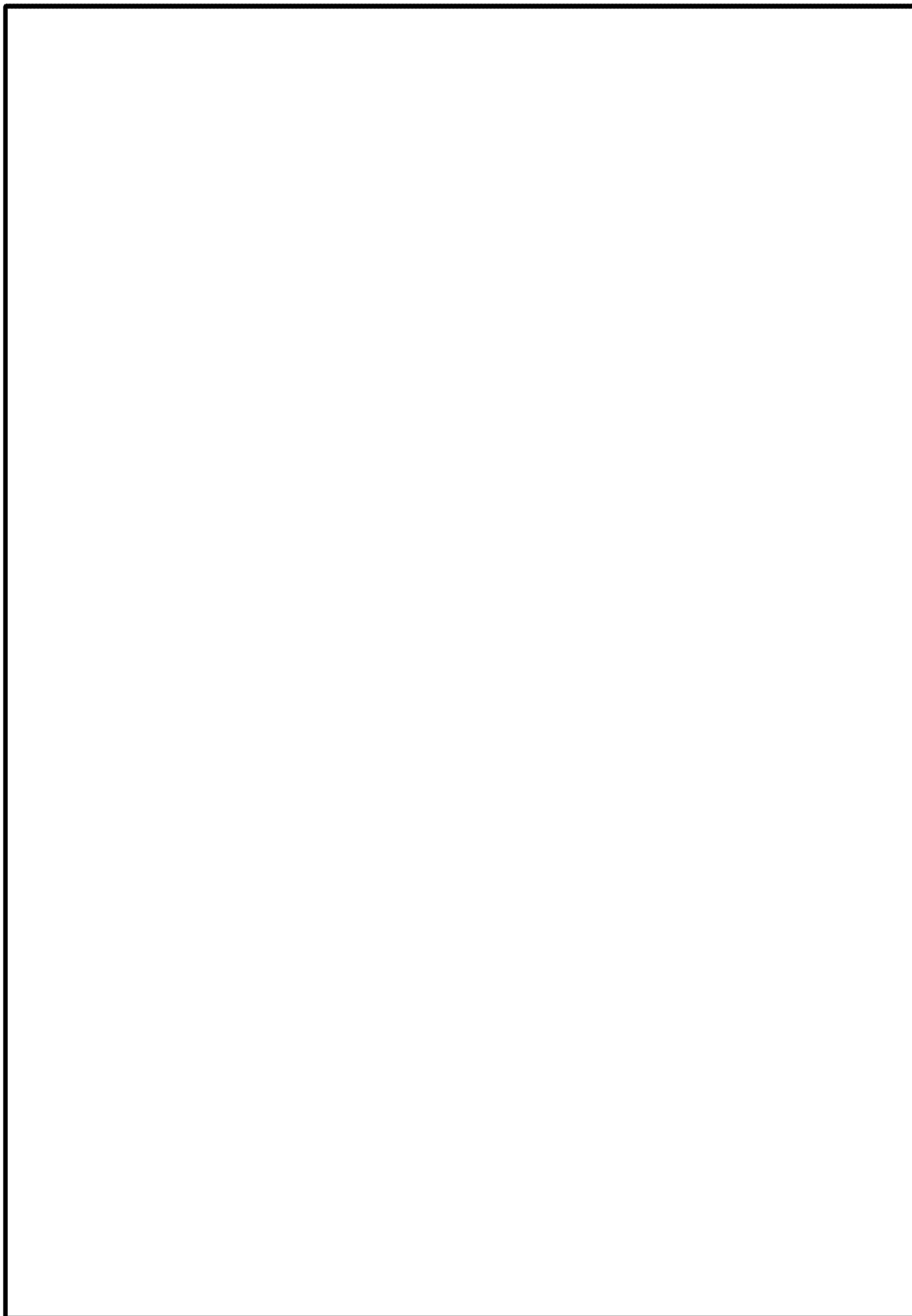


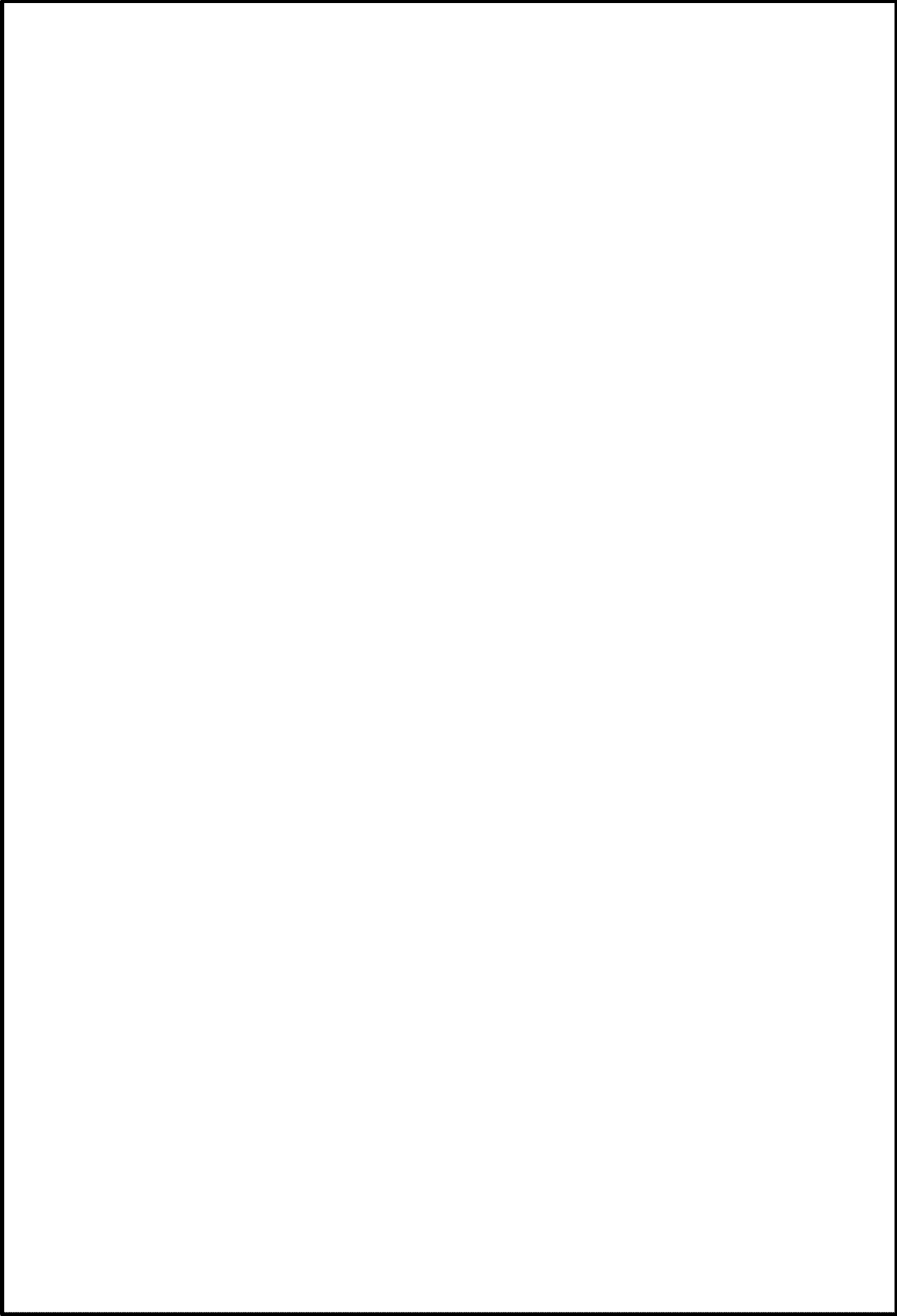
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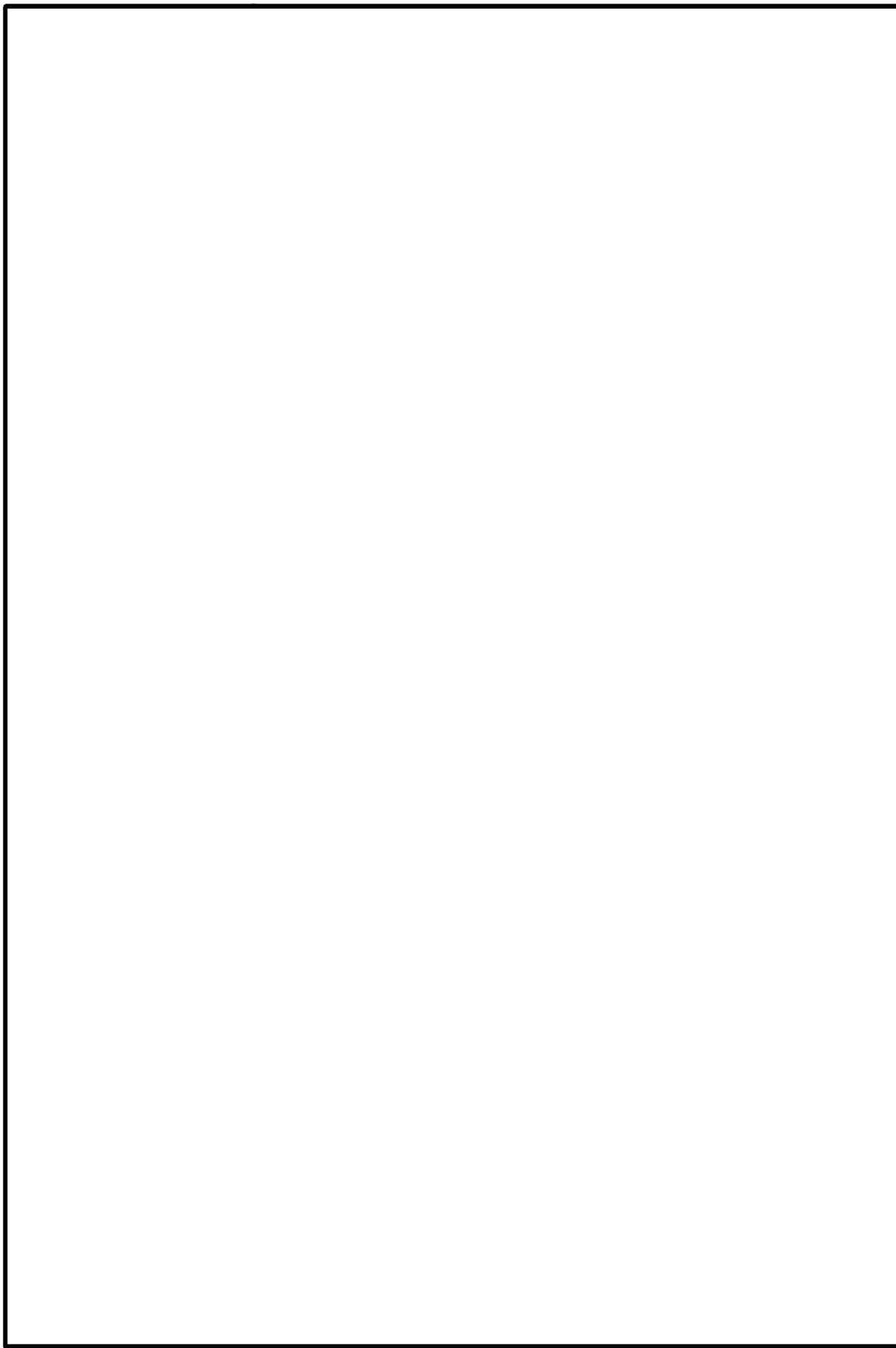


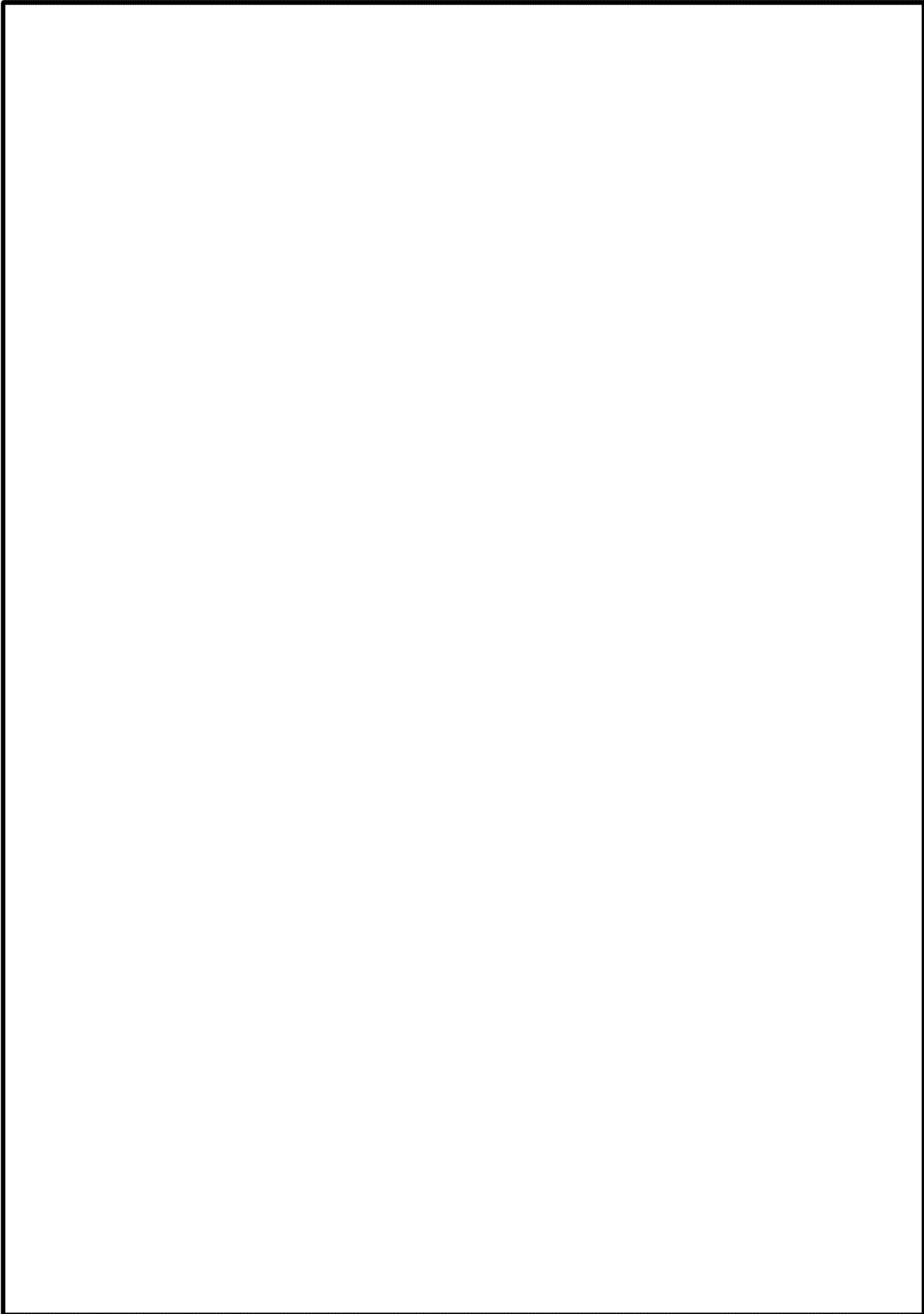


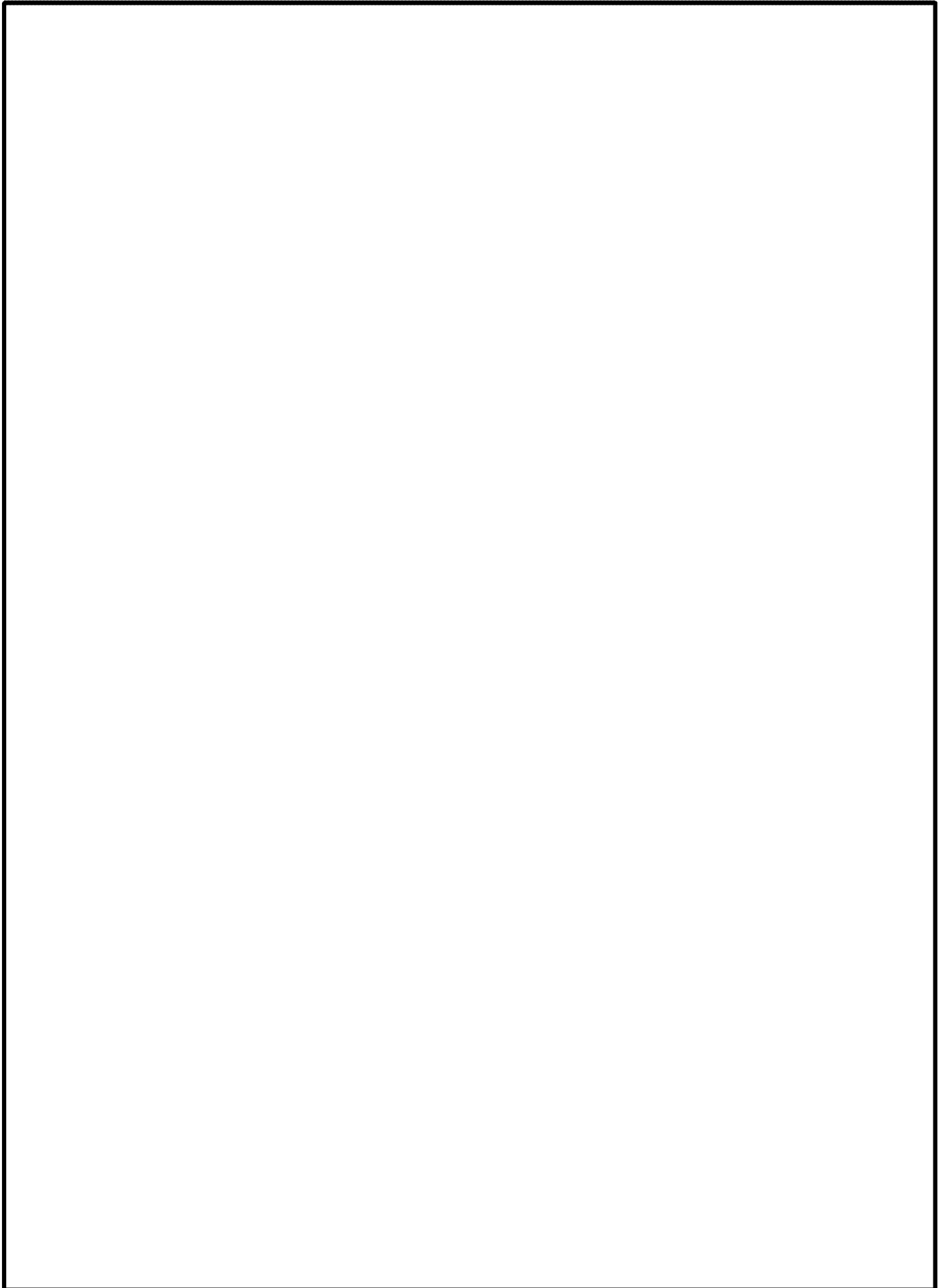




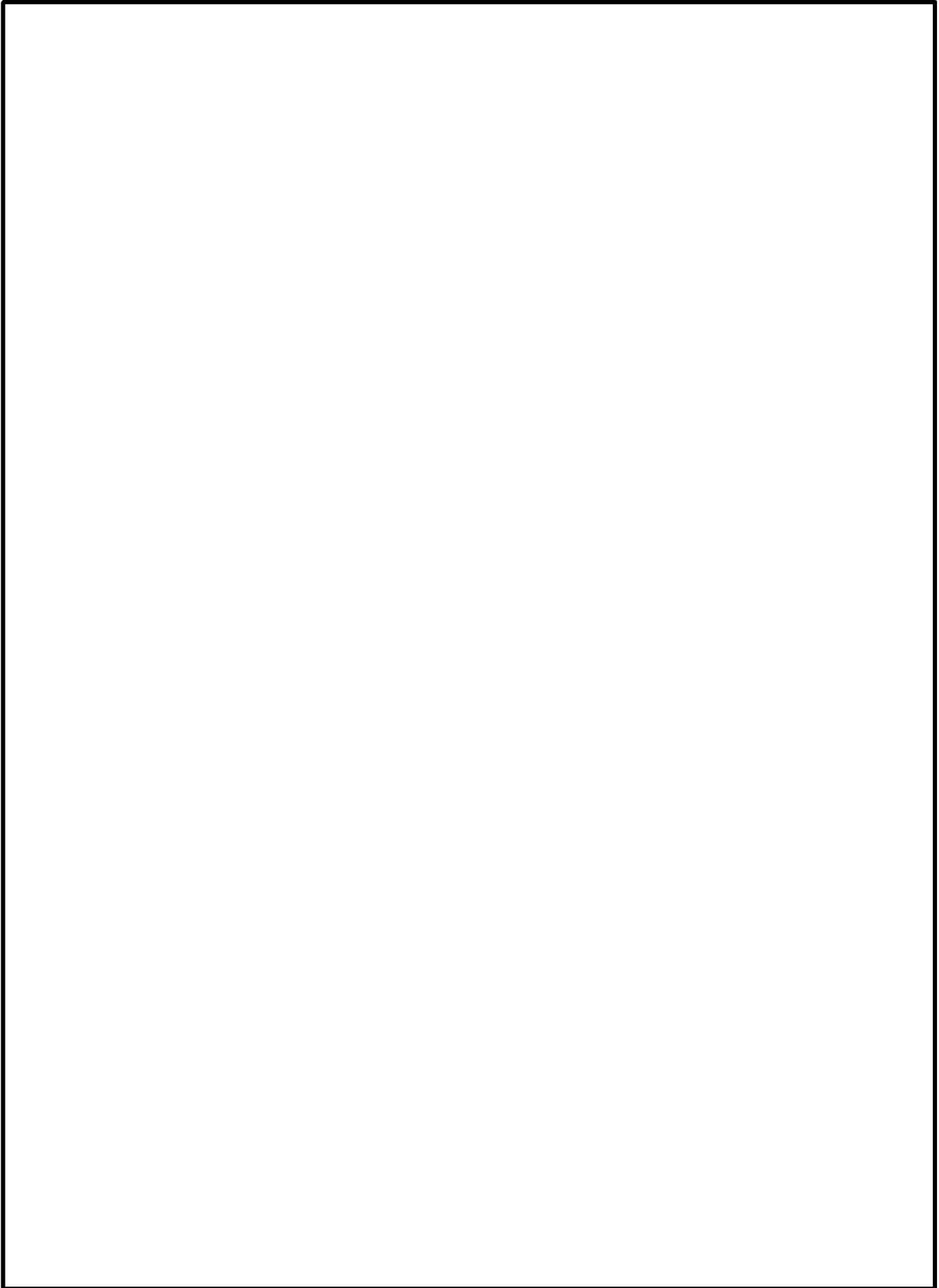


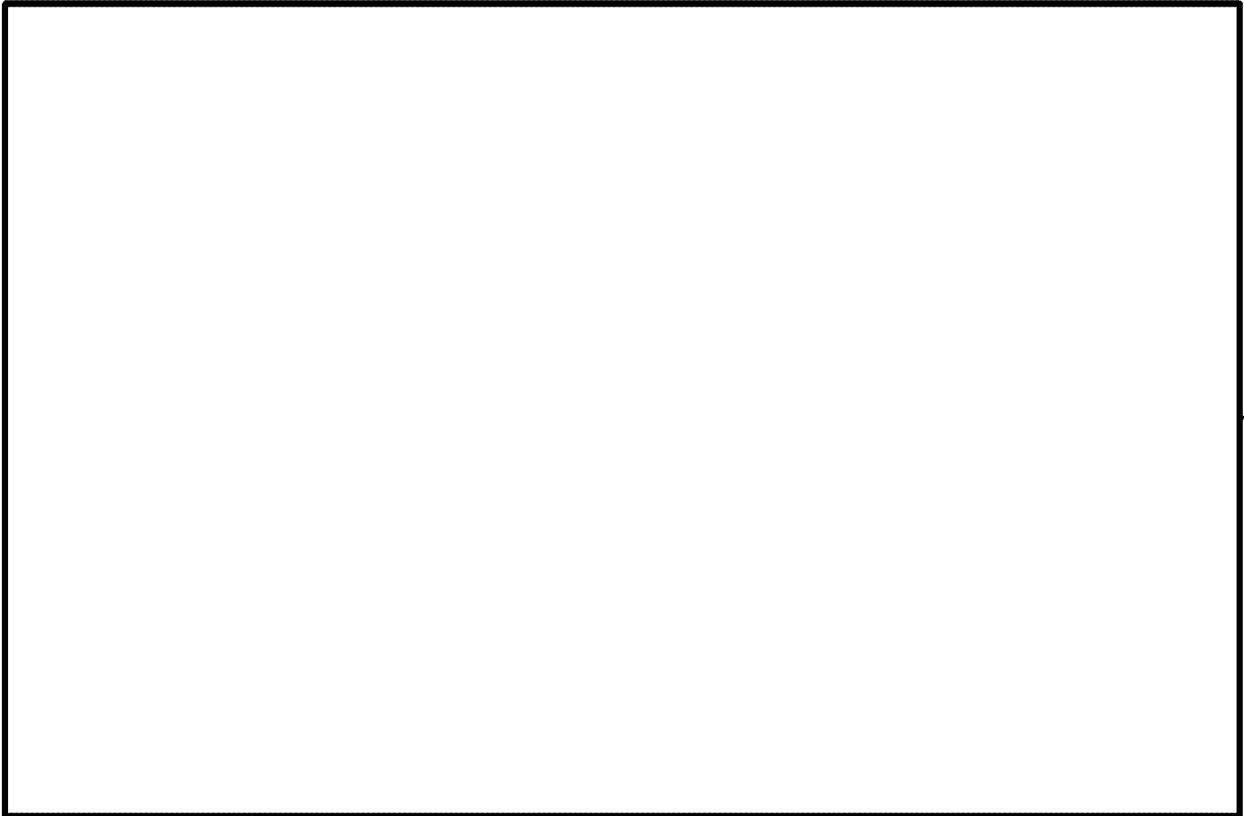












[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement as of the date first above written.

88 MORGAN STREET FUNDING, LLC,
a New Jersey limited liability company

By: **U.S. IMMIGRATION FUND GP – 88 MORGAN STREET, LLC,**
a limited liability company
its Managing Member

By: _____

Name: _____

Title: _____

Dated: _____

**88 MORGAN STREET FUNDING, LLC
OPERATING AGREEMENT**

SUBSCRIBER SIGNATURE PAGE

(Signature)

Print Name: _____

Address: _____

Telephone: _____

Tax I.D. or Social Security #: _____

Number of Units: _____

Email Address: _____

SCHEDULE 1

LIST OF INVESTING MEMBERS

EXHIBIT NAME

**TAB
NUMBER**

Sample Template of Offering Memorandum of 88 Morgan Street Project.

18.

Offeree: _____

Number: _____

Date Issued: _____

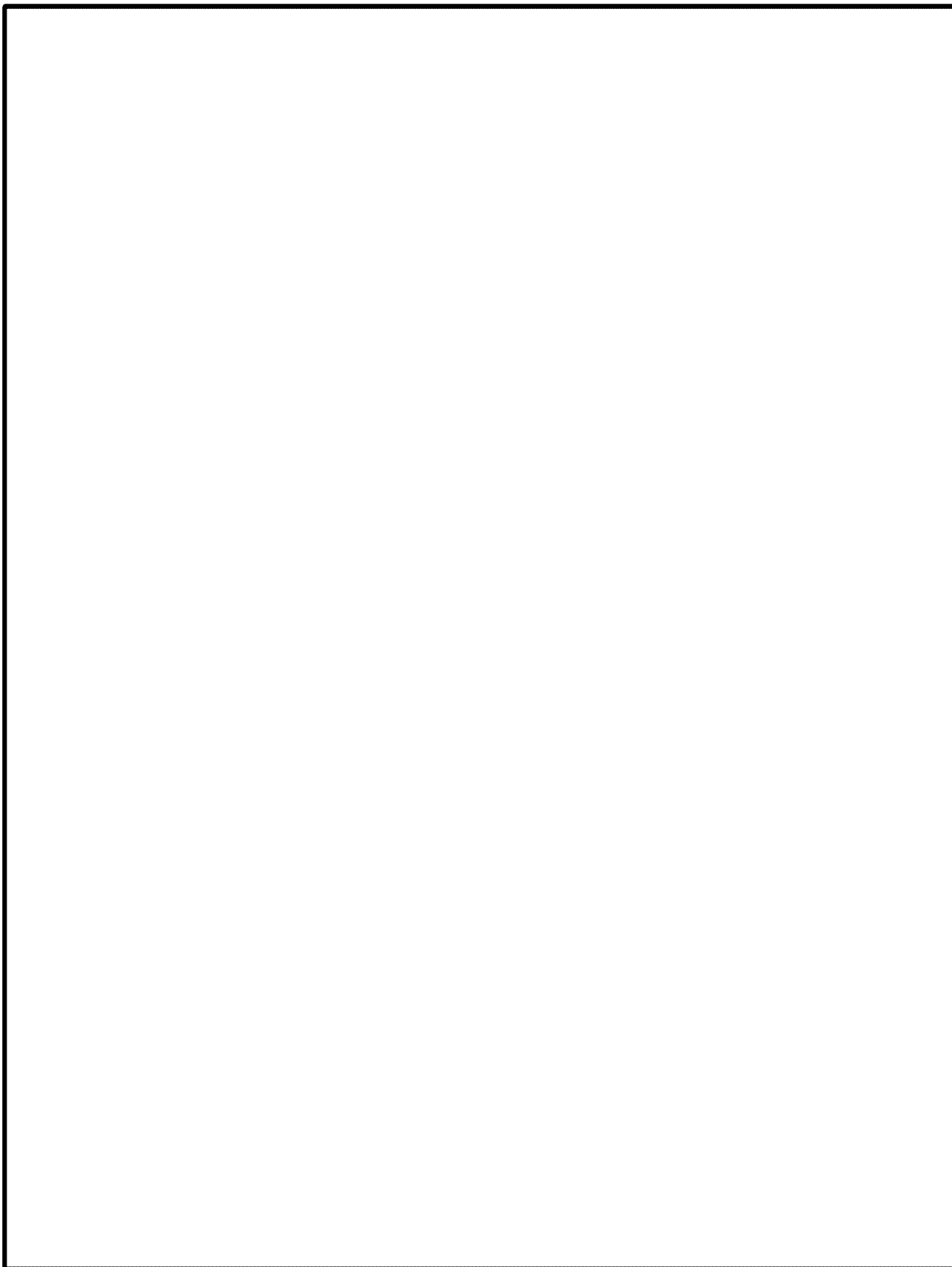
CONFIDENTIAL PRIVATE OFFERING MEMORANDUM

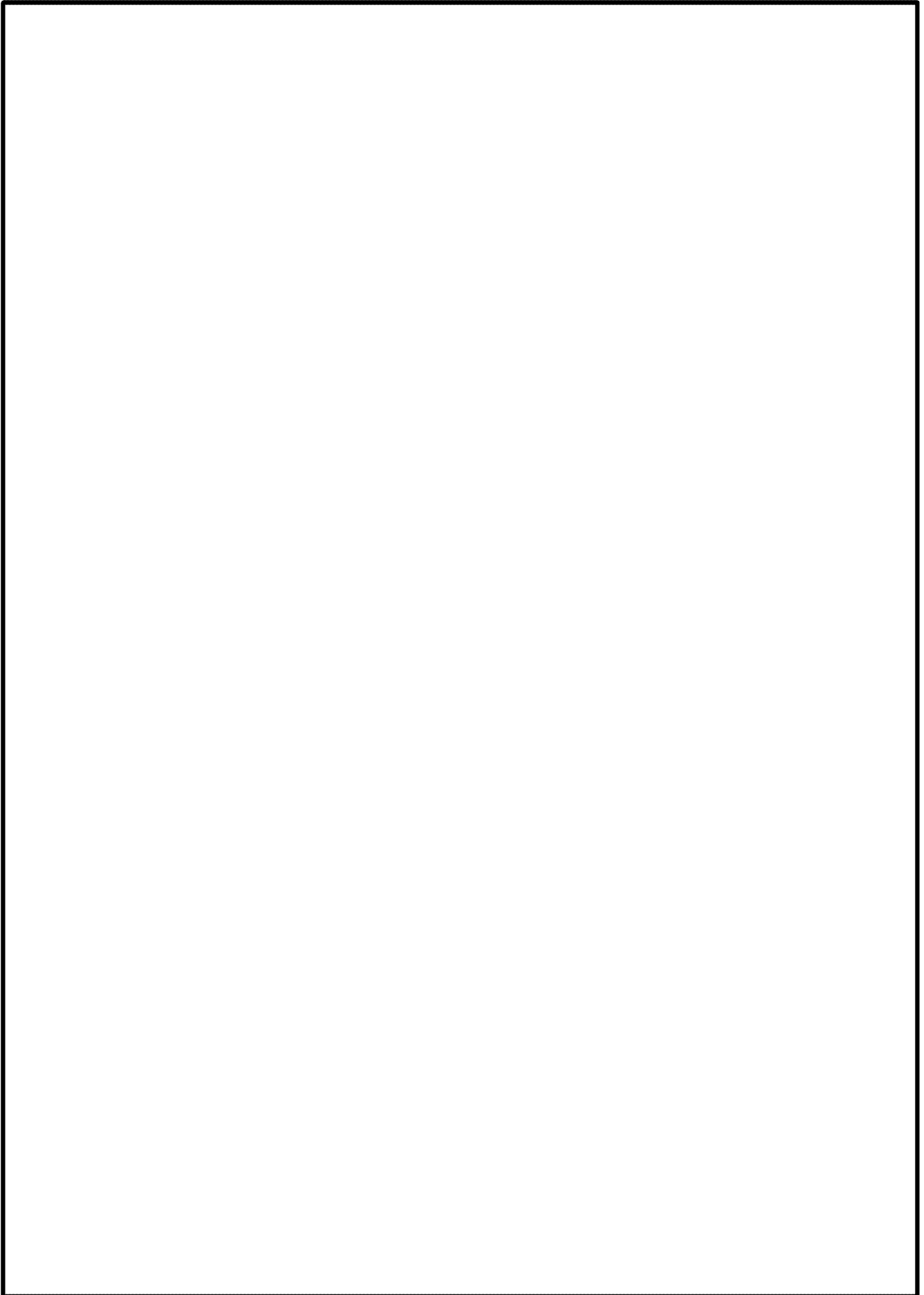
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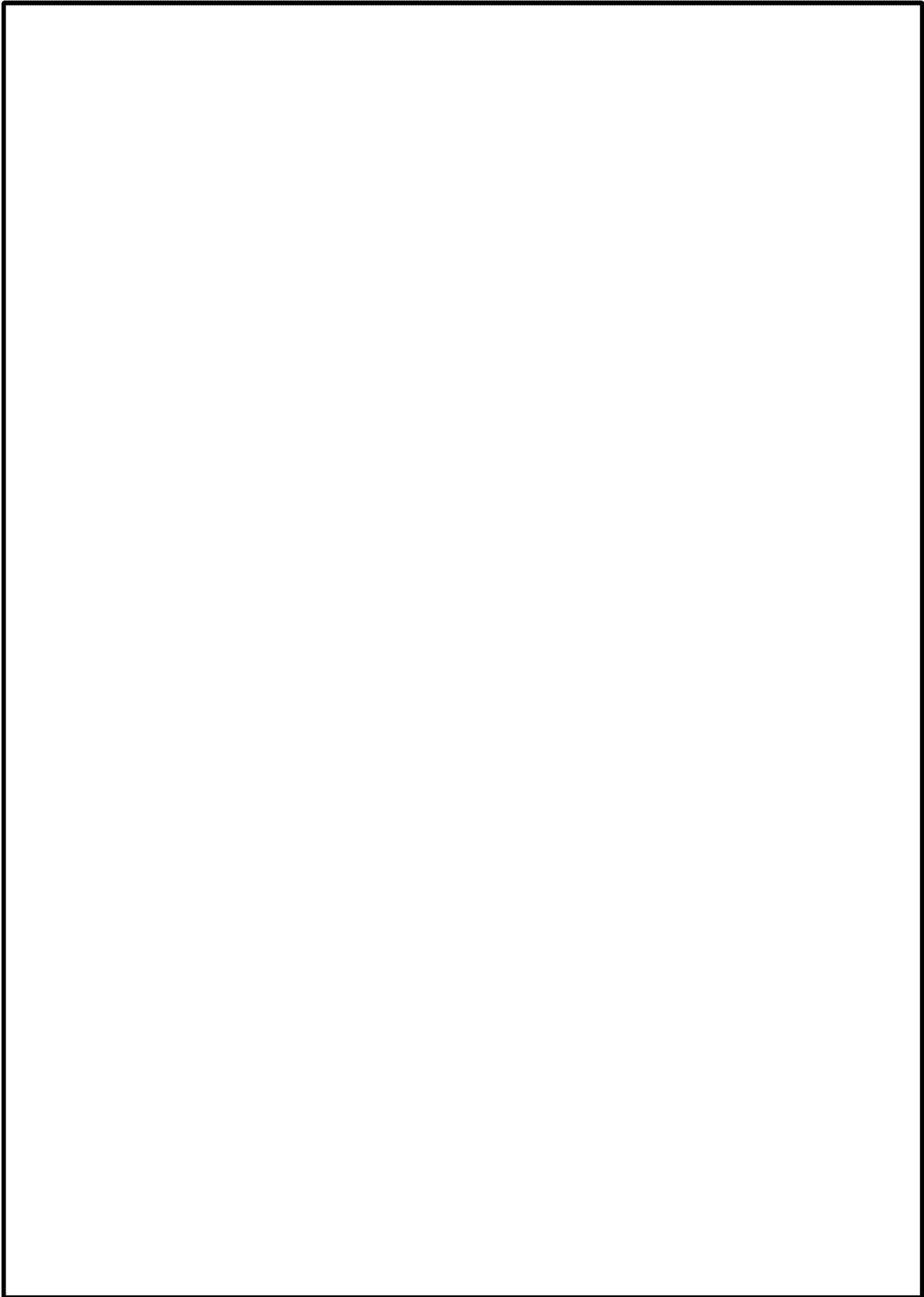
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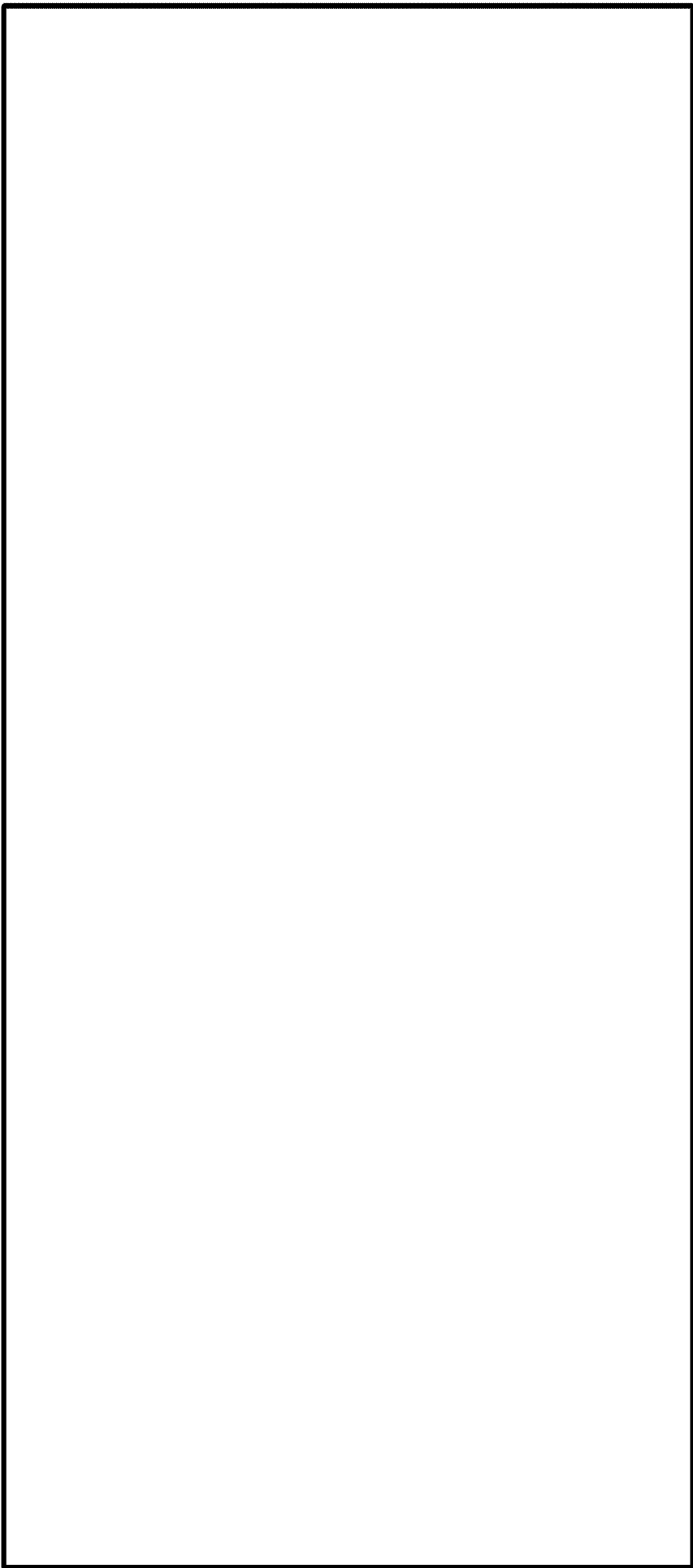
OFFERING SUMMARY



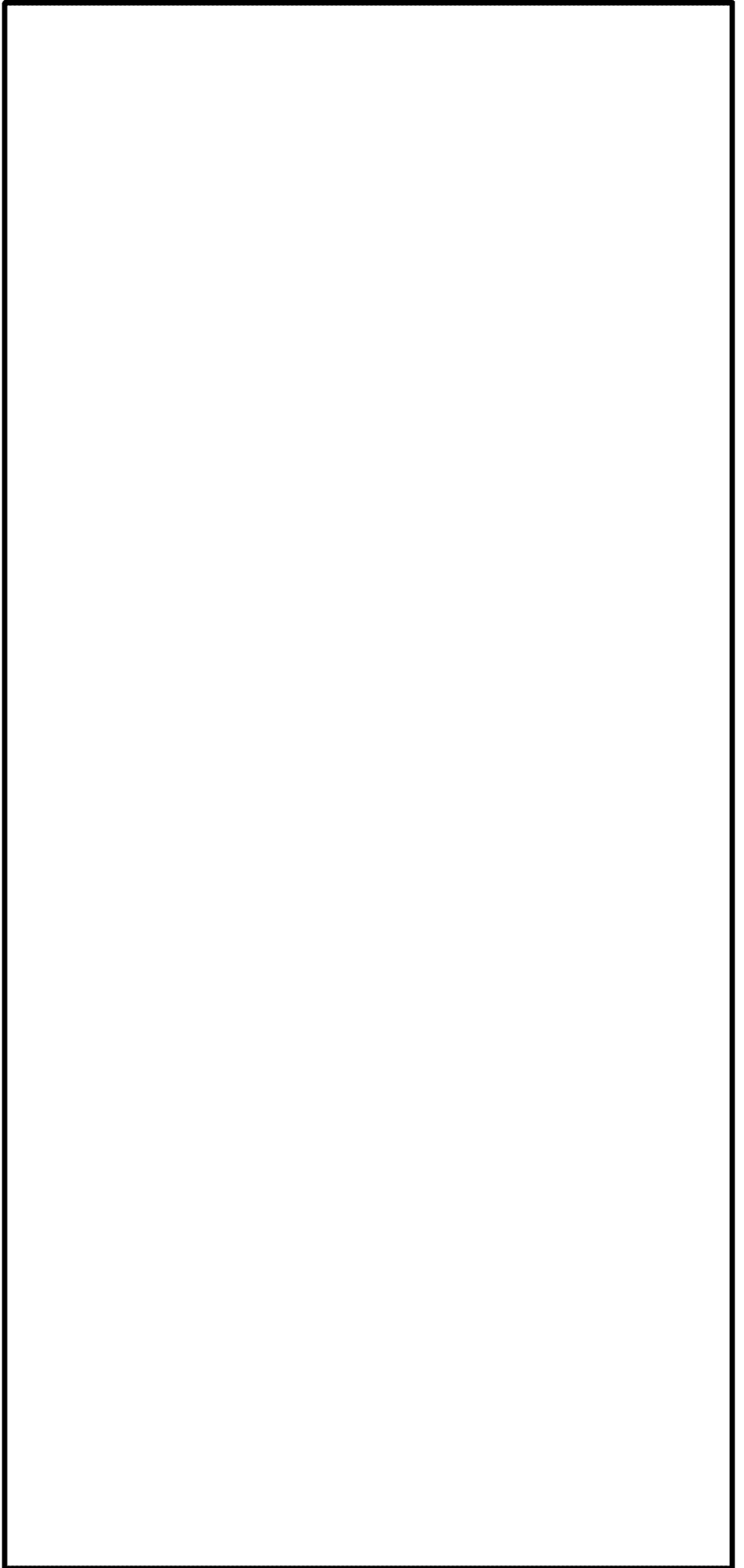




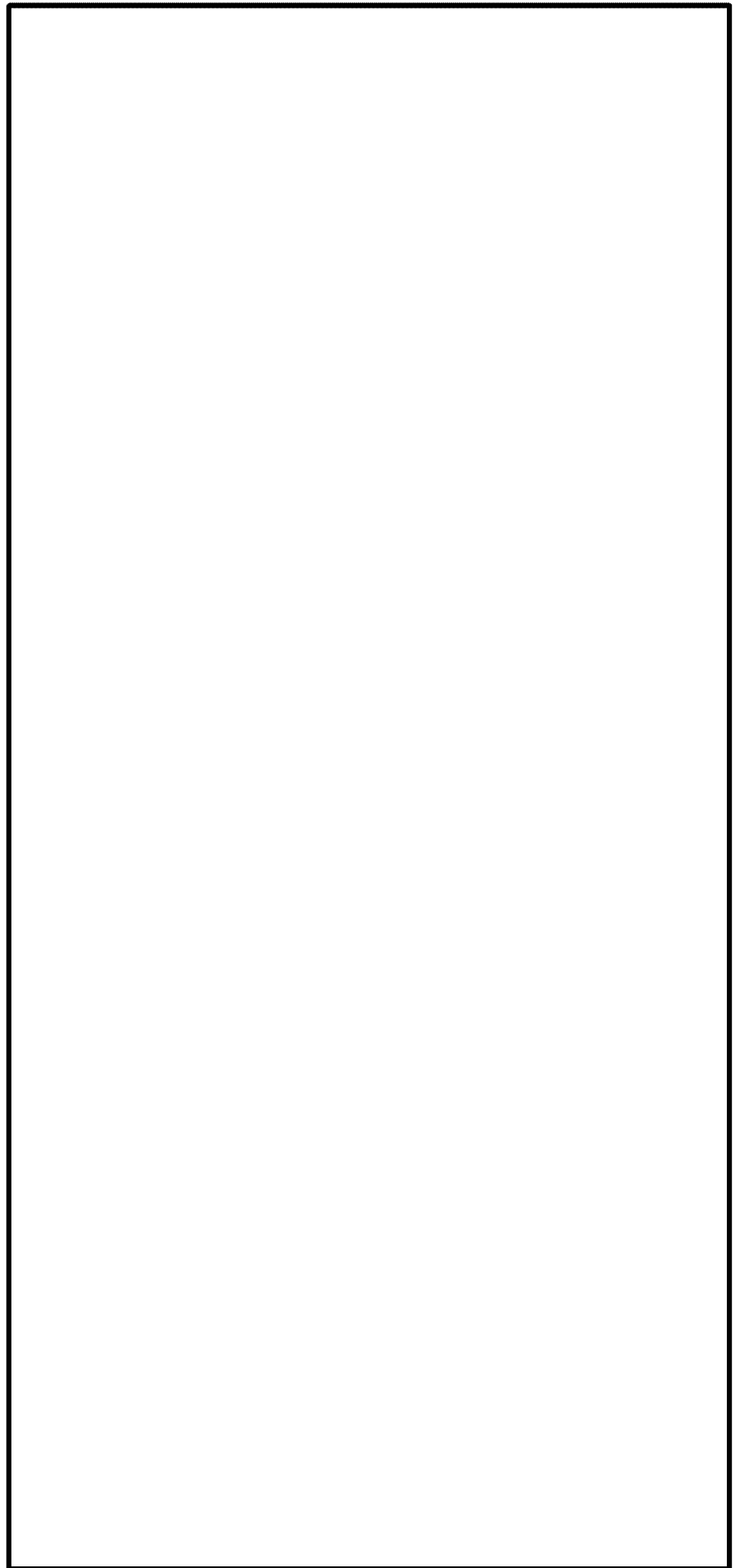
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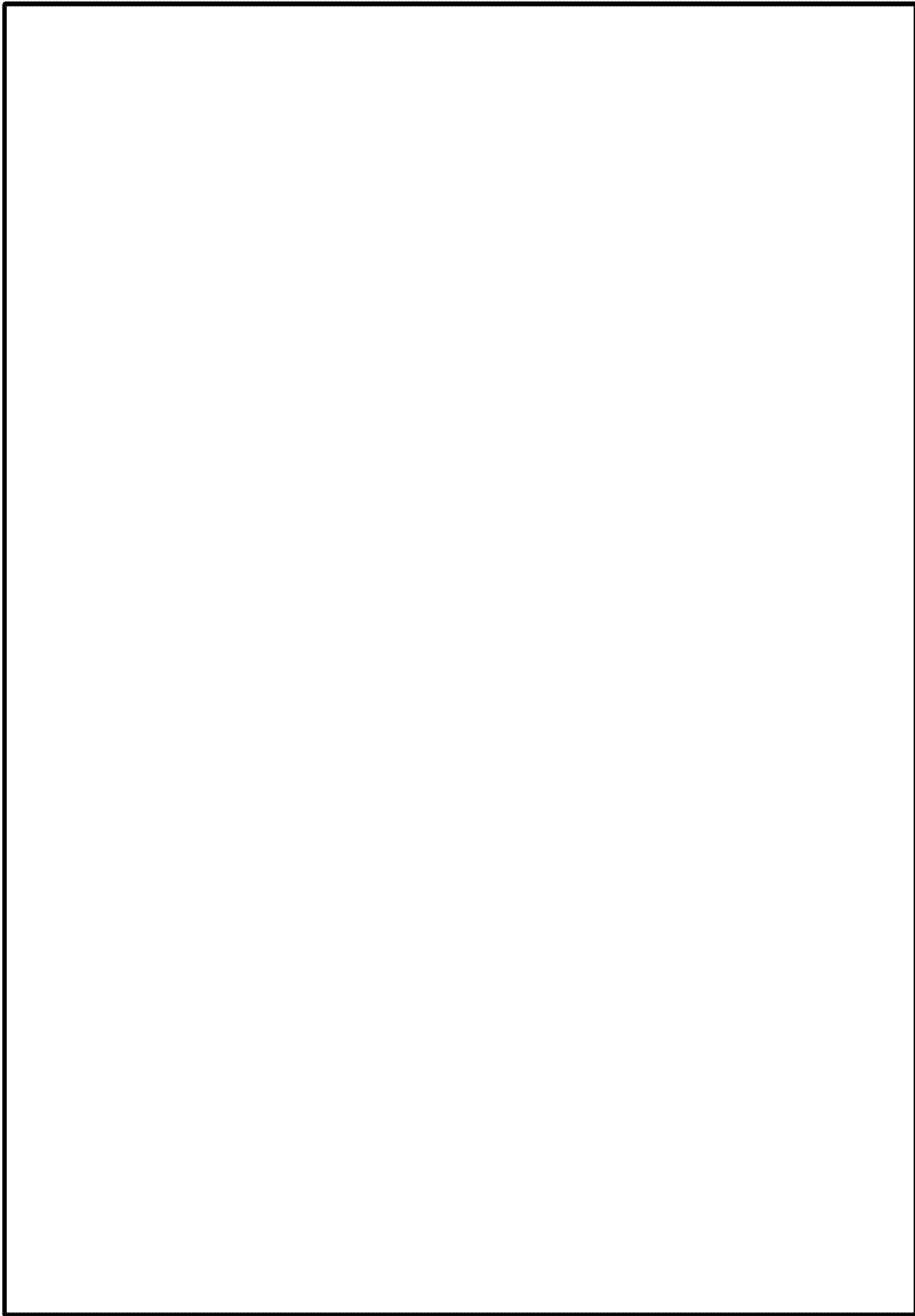


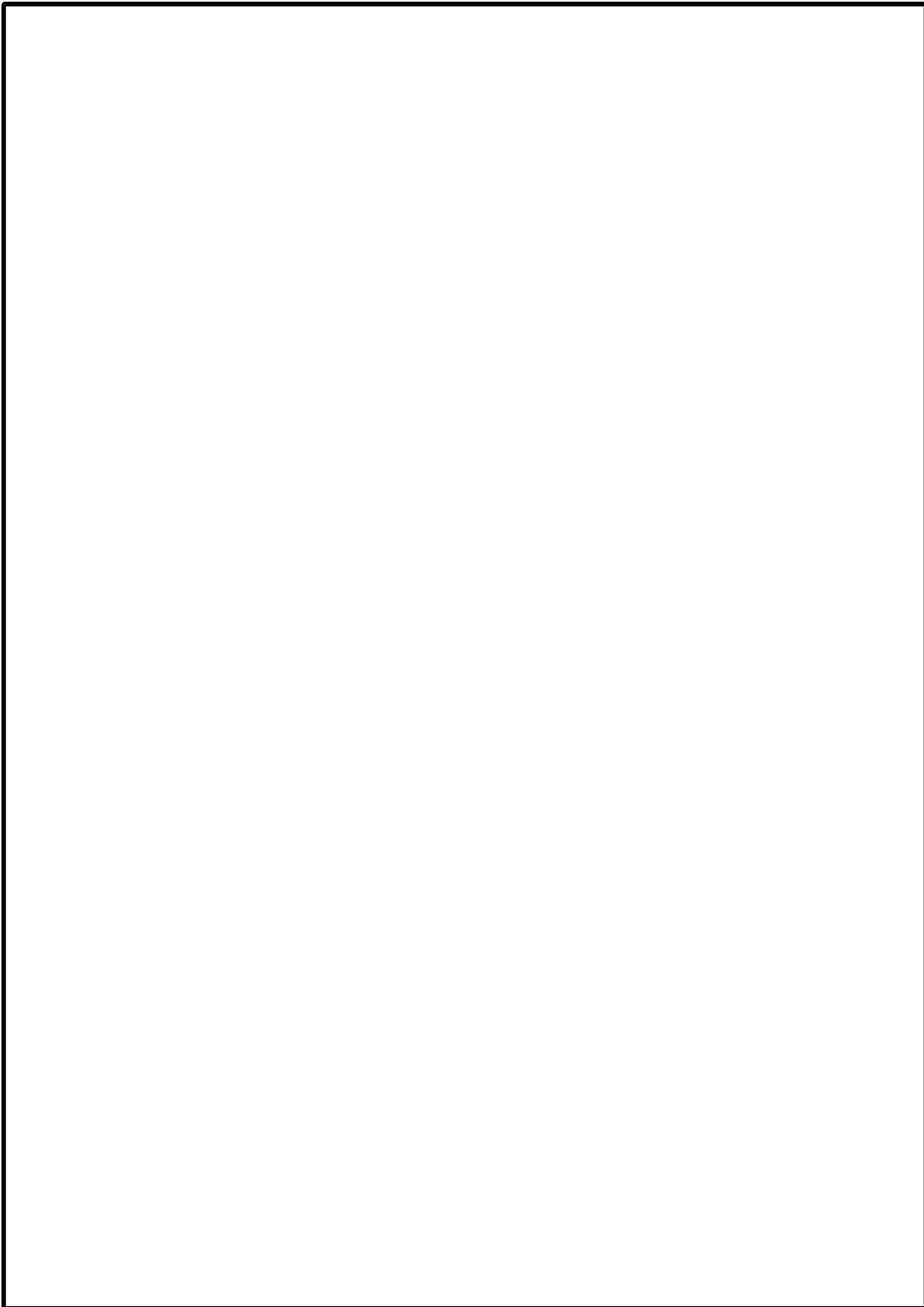
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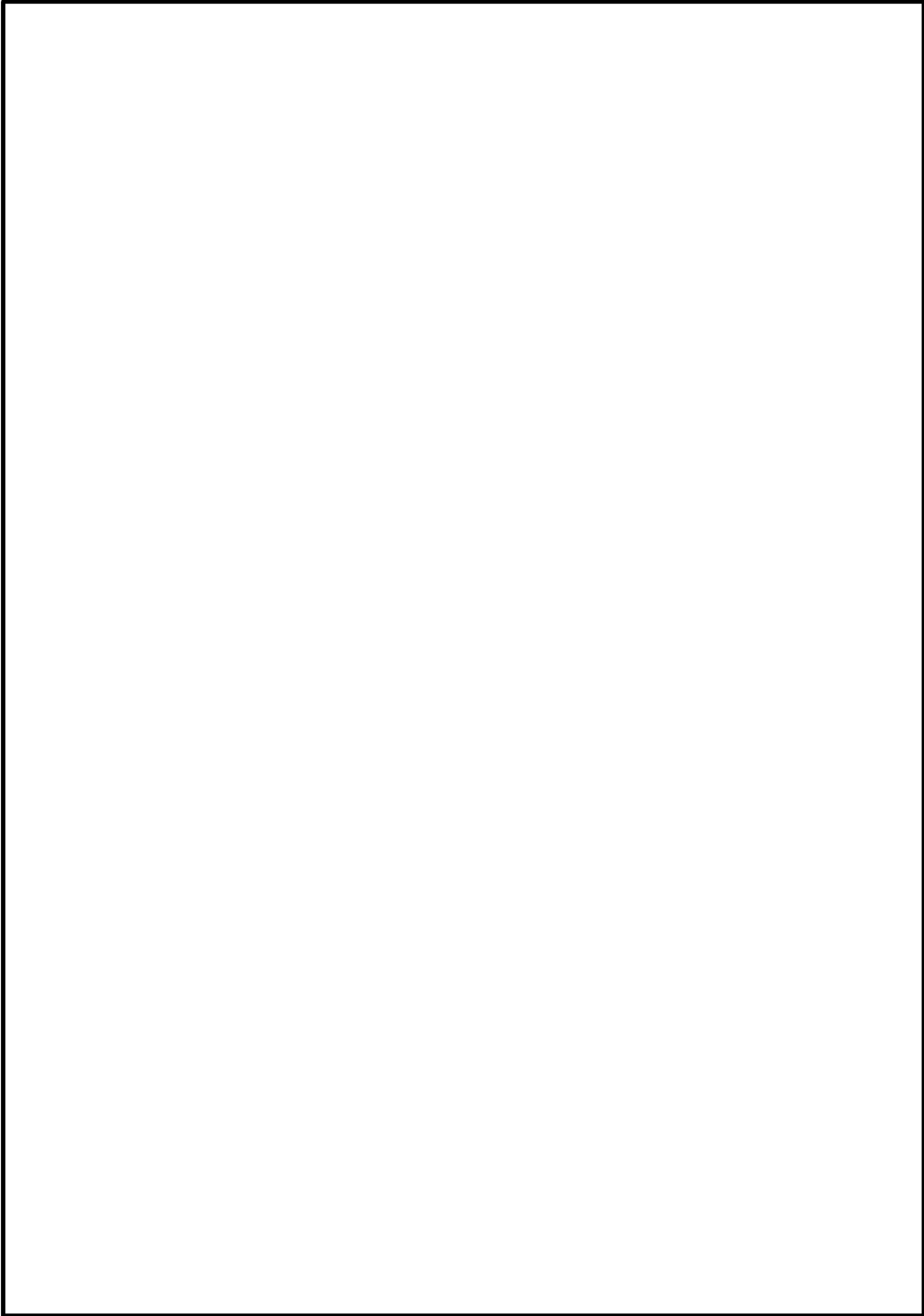


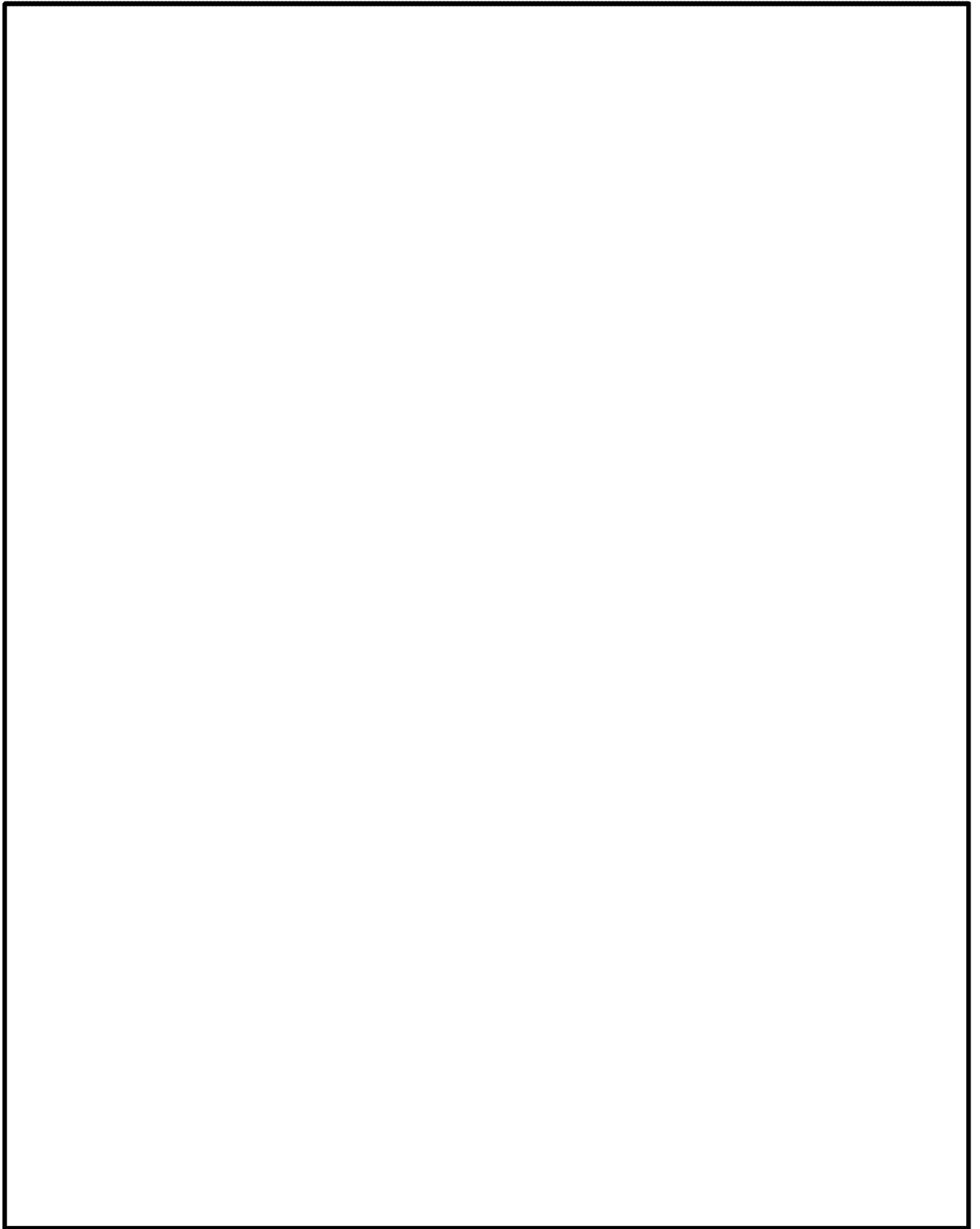
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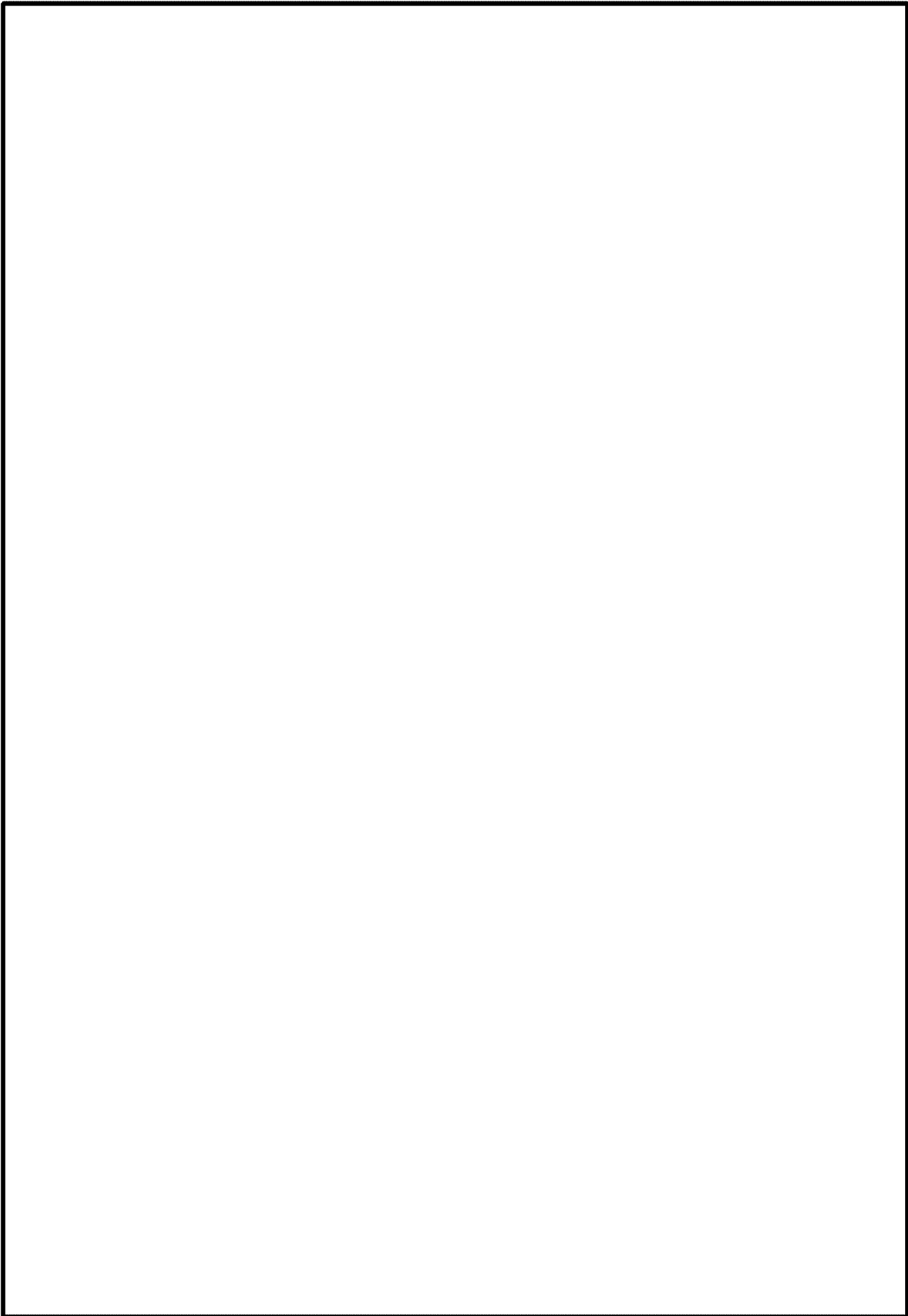


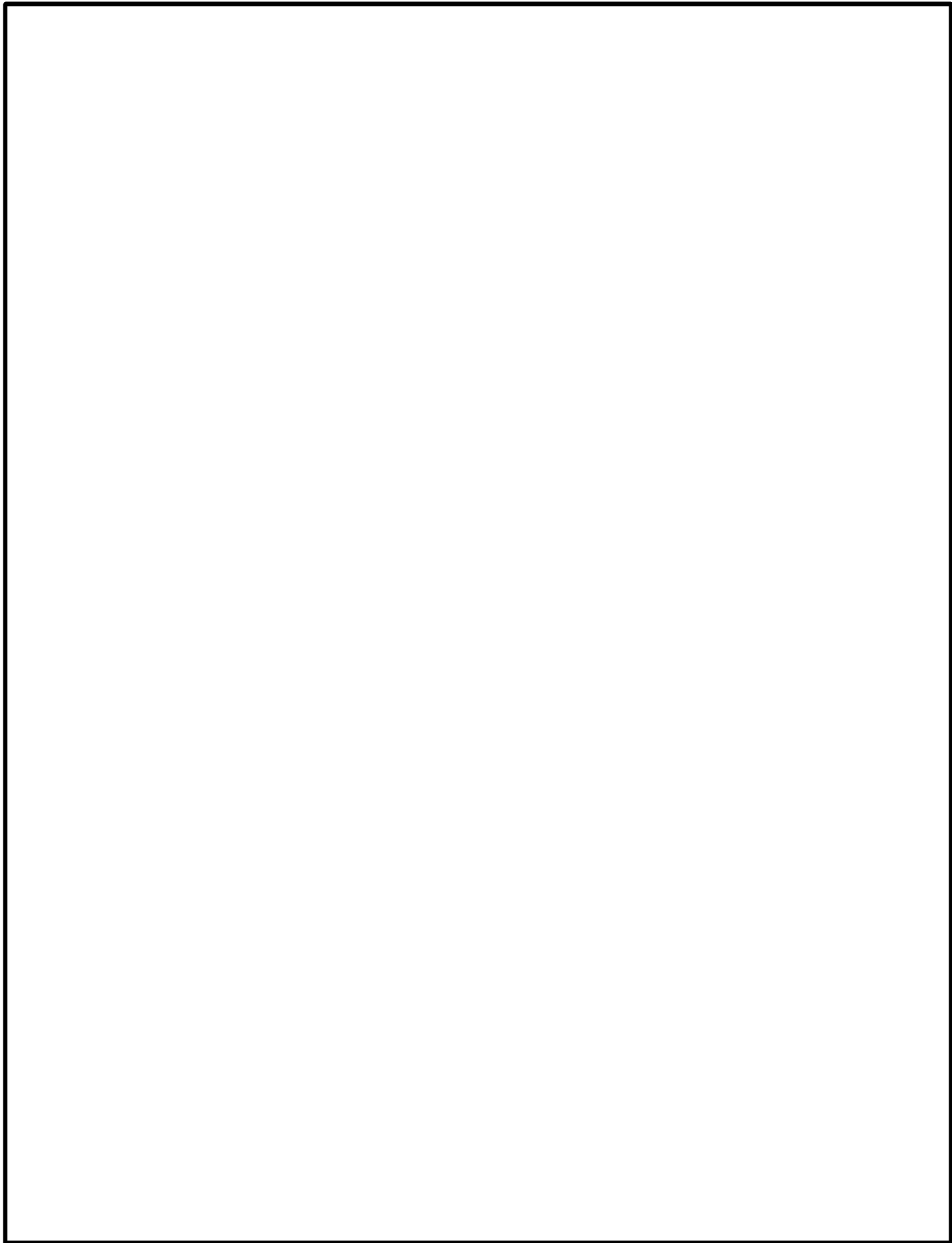


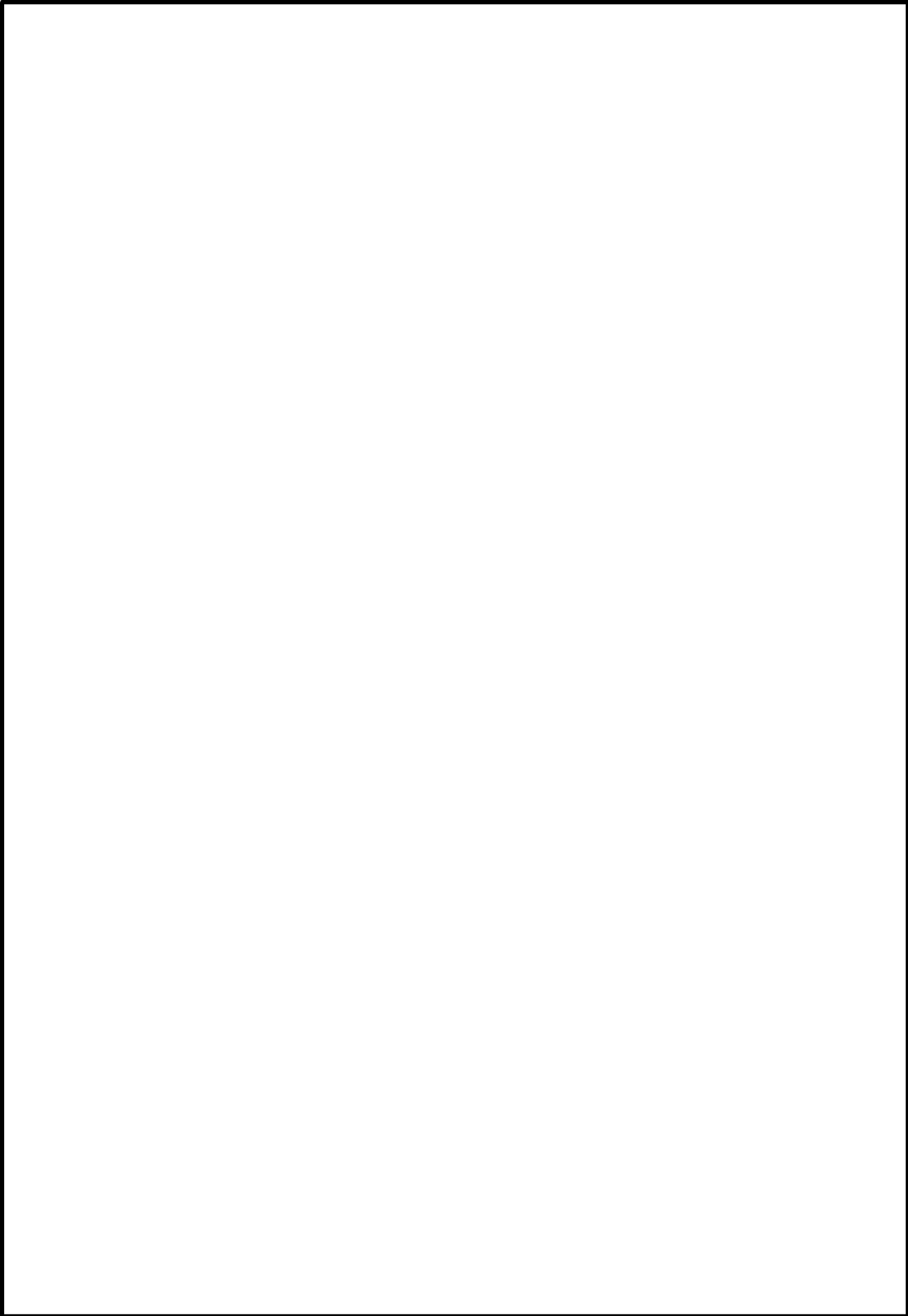


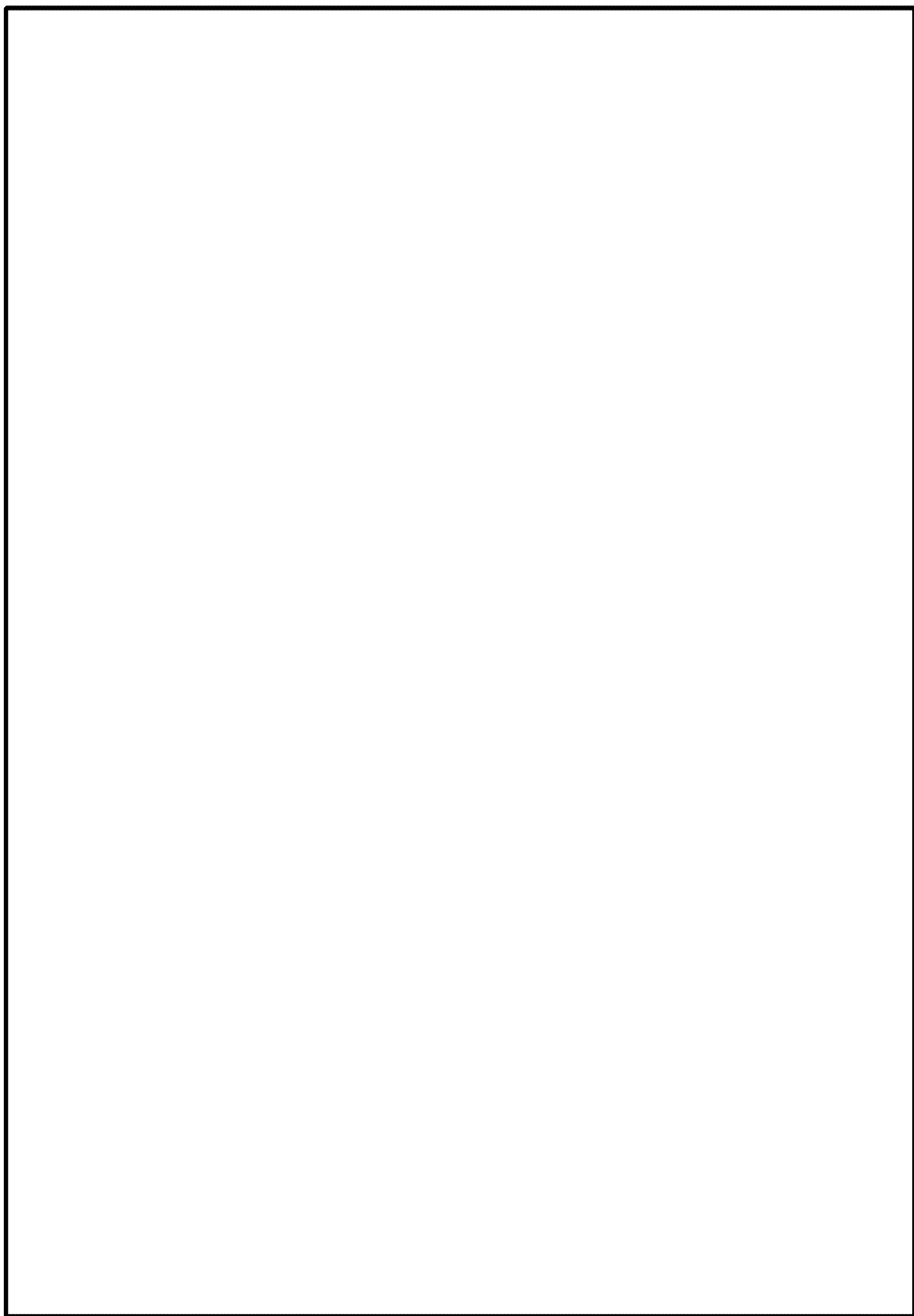


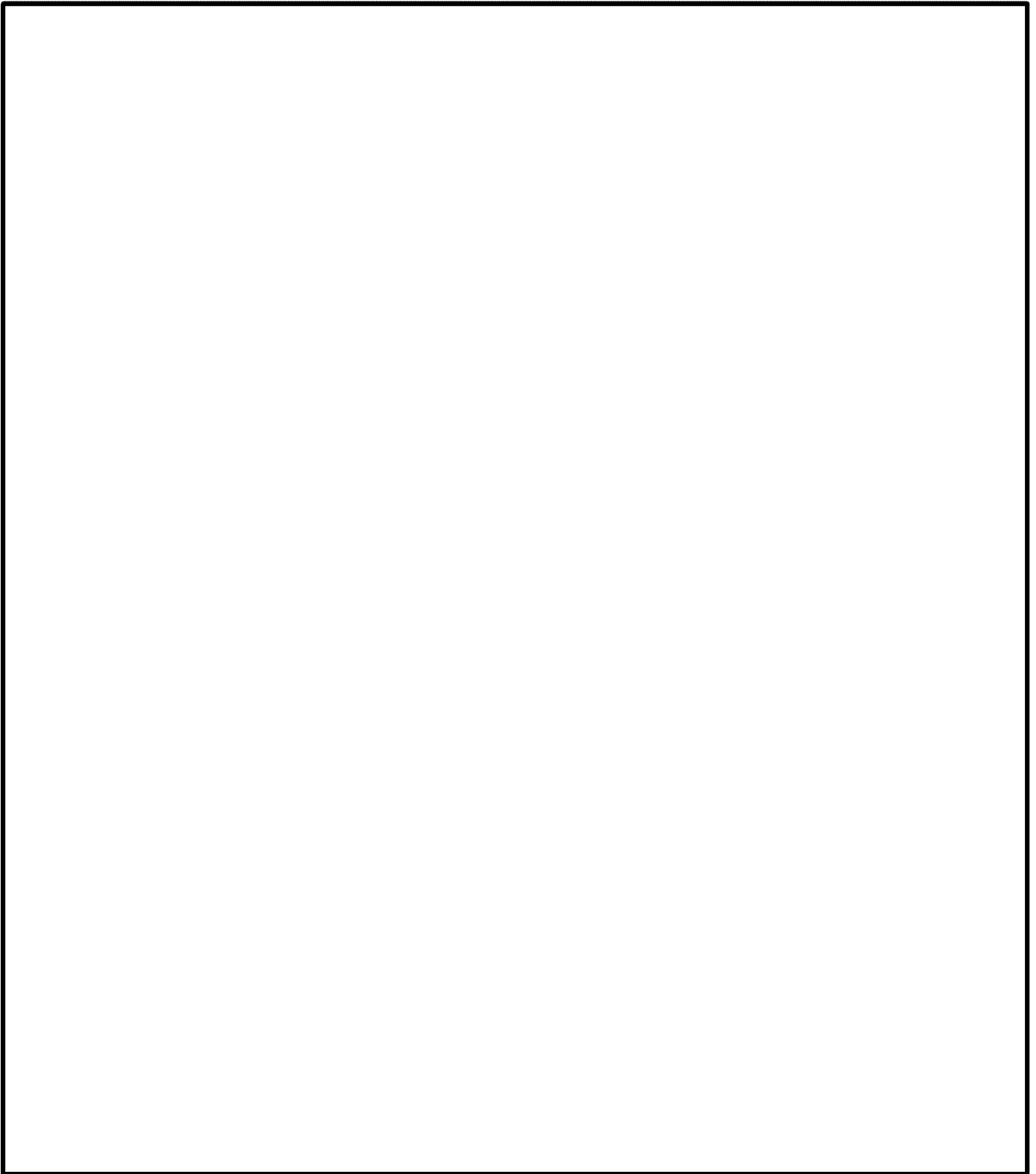




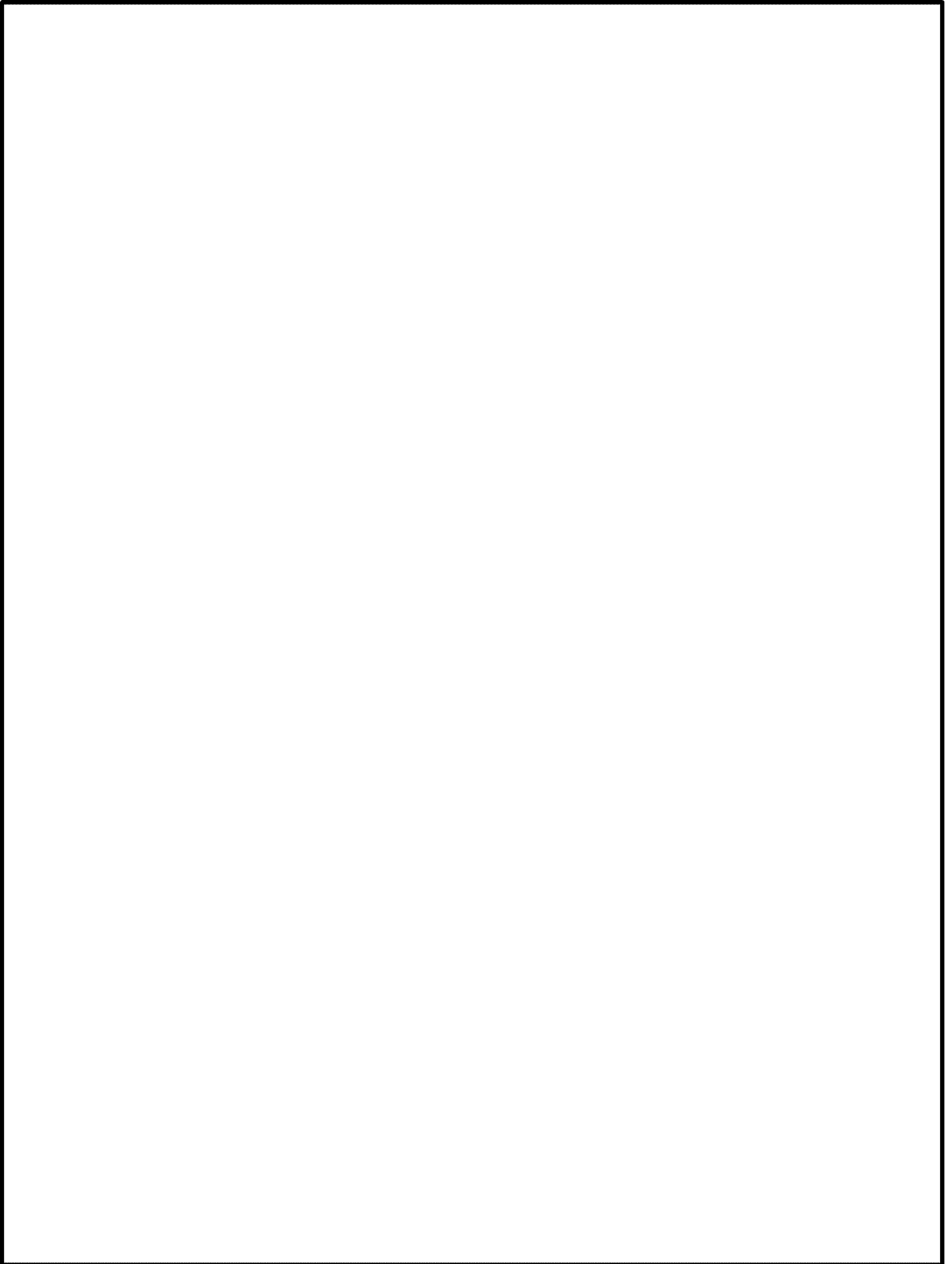


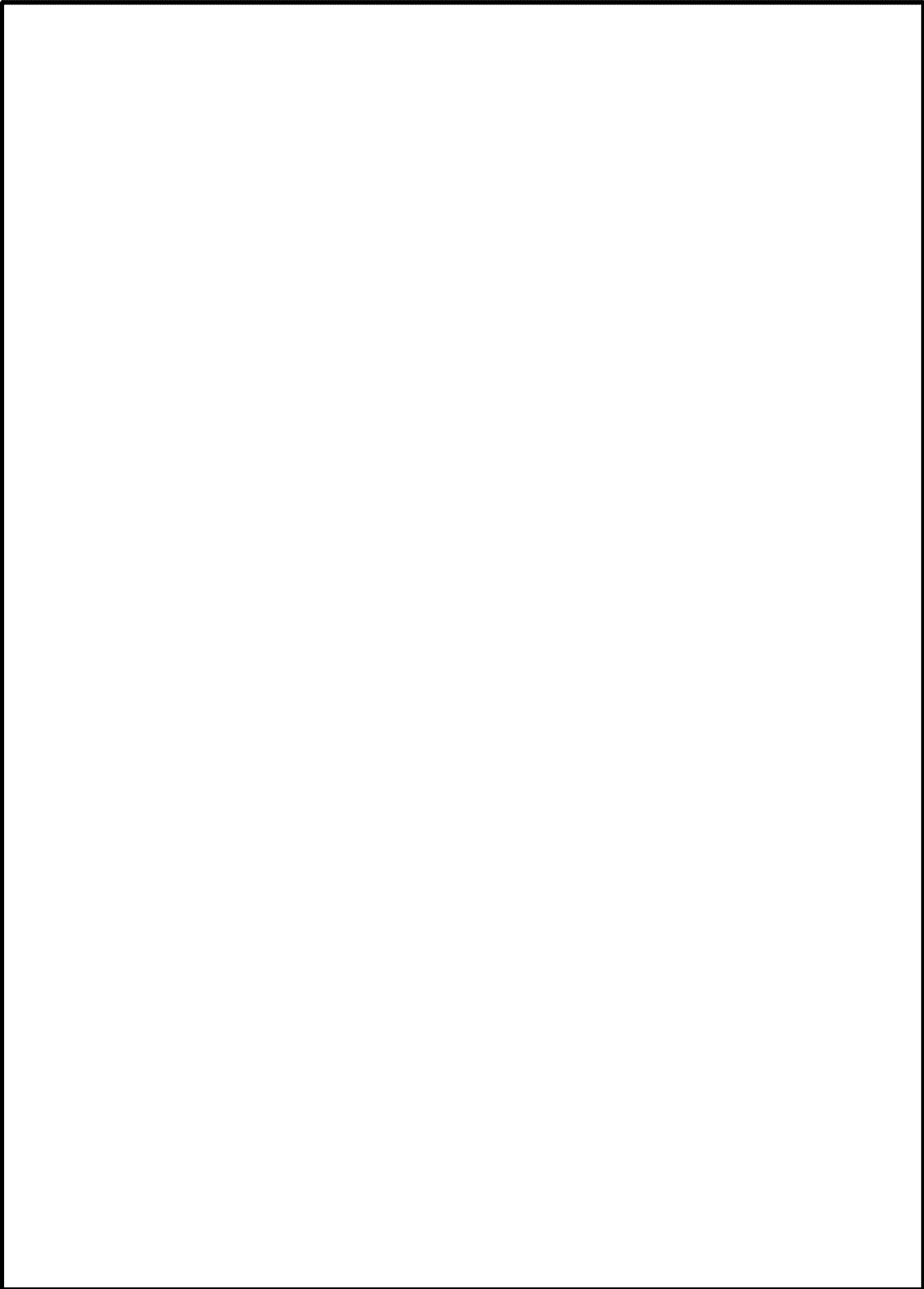


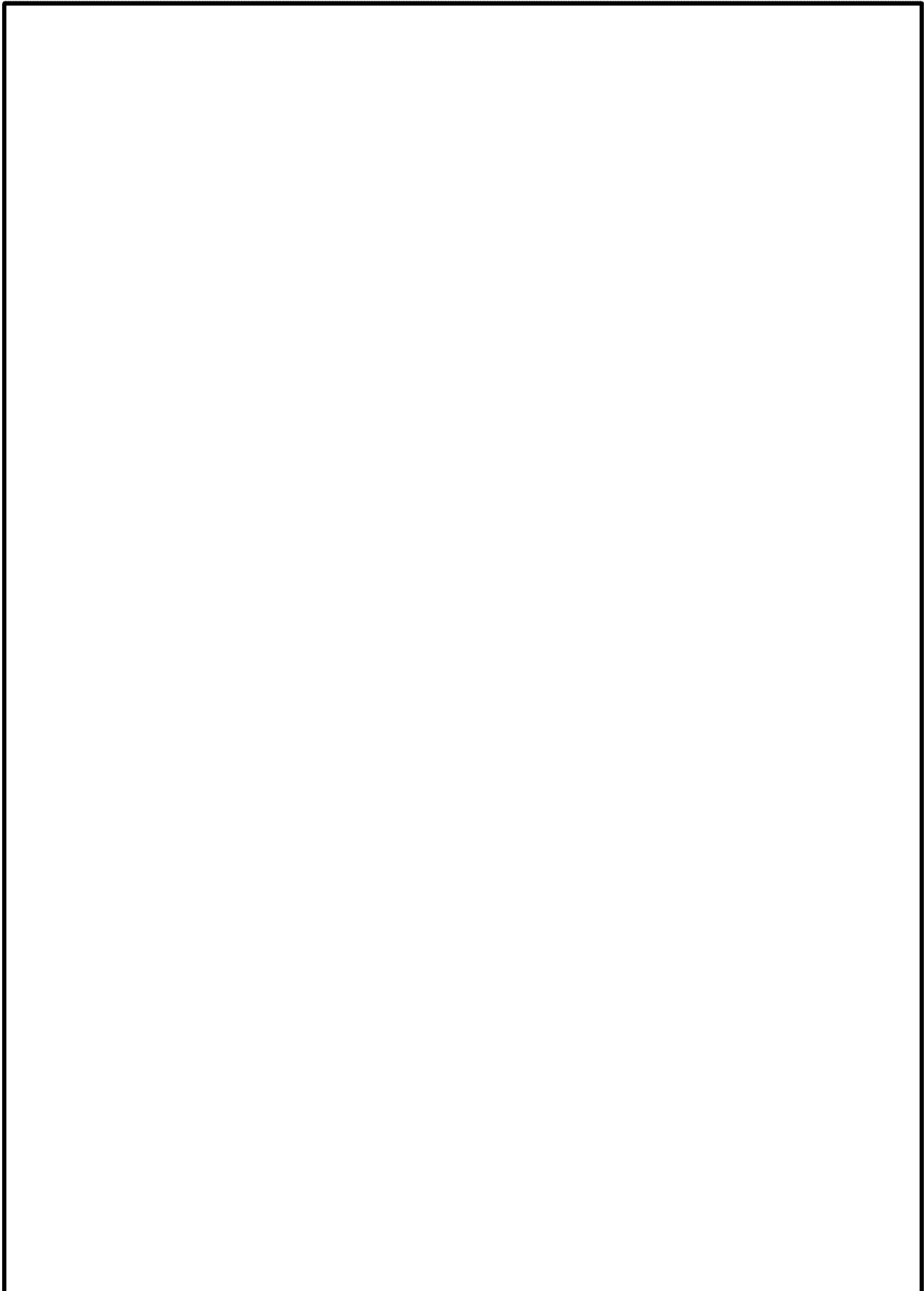






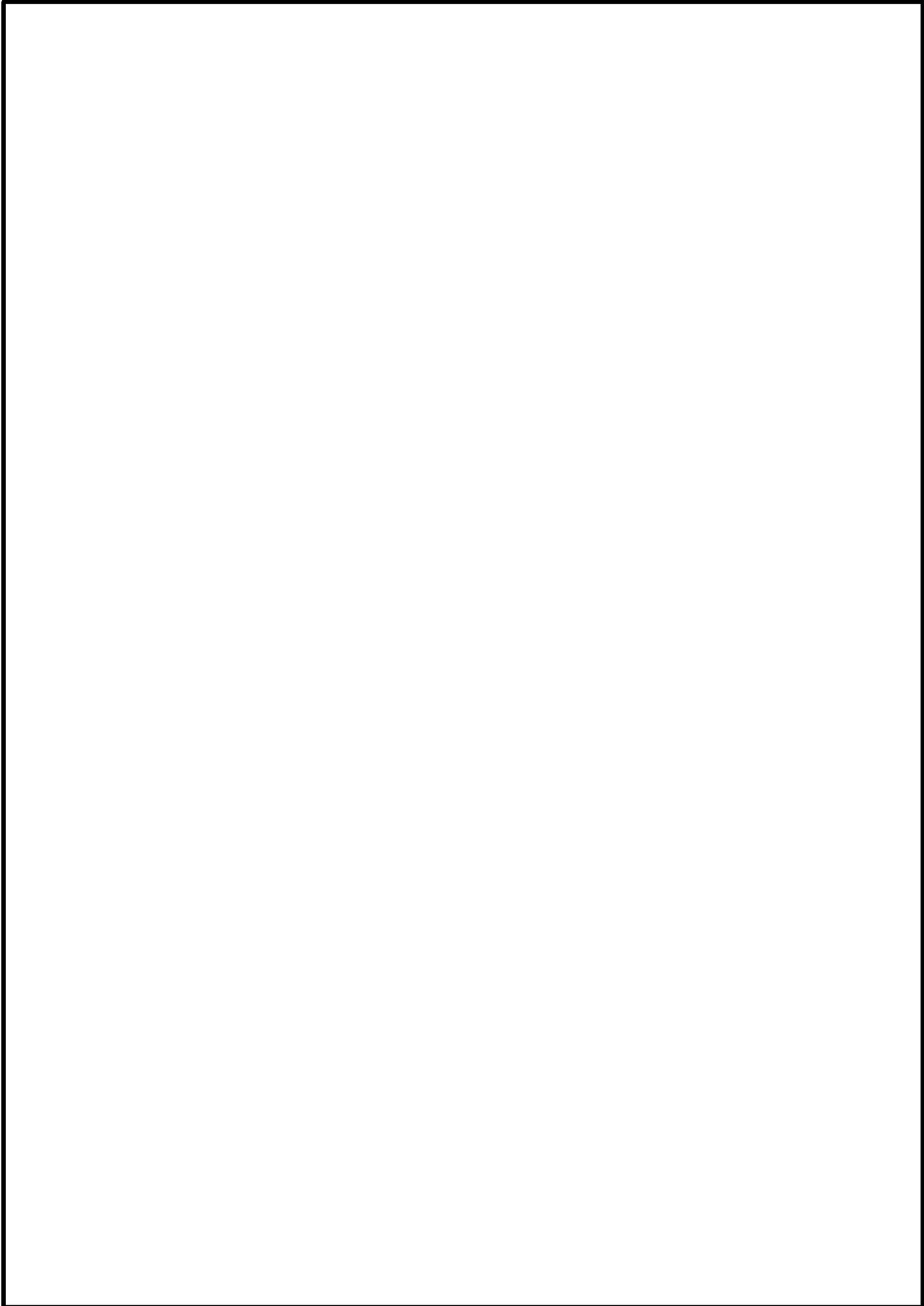


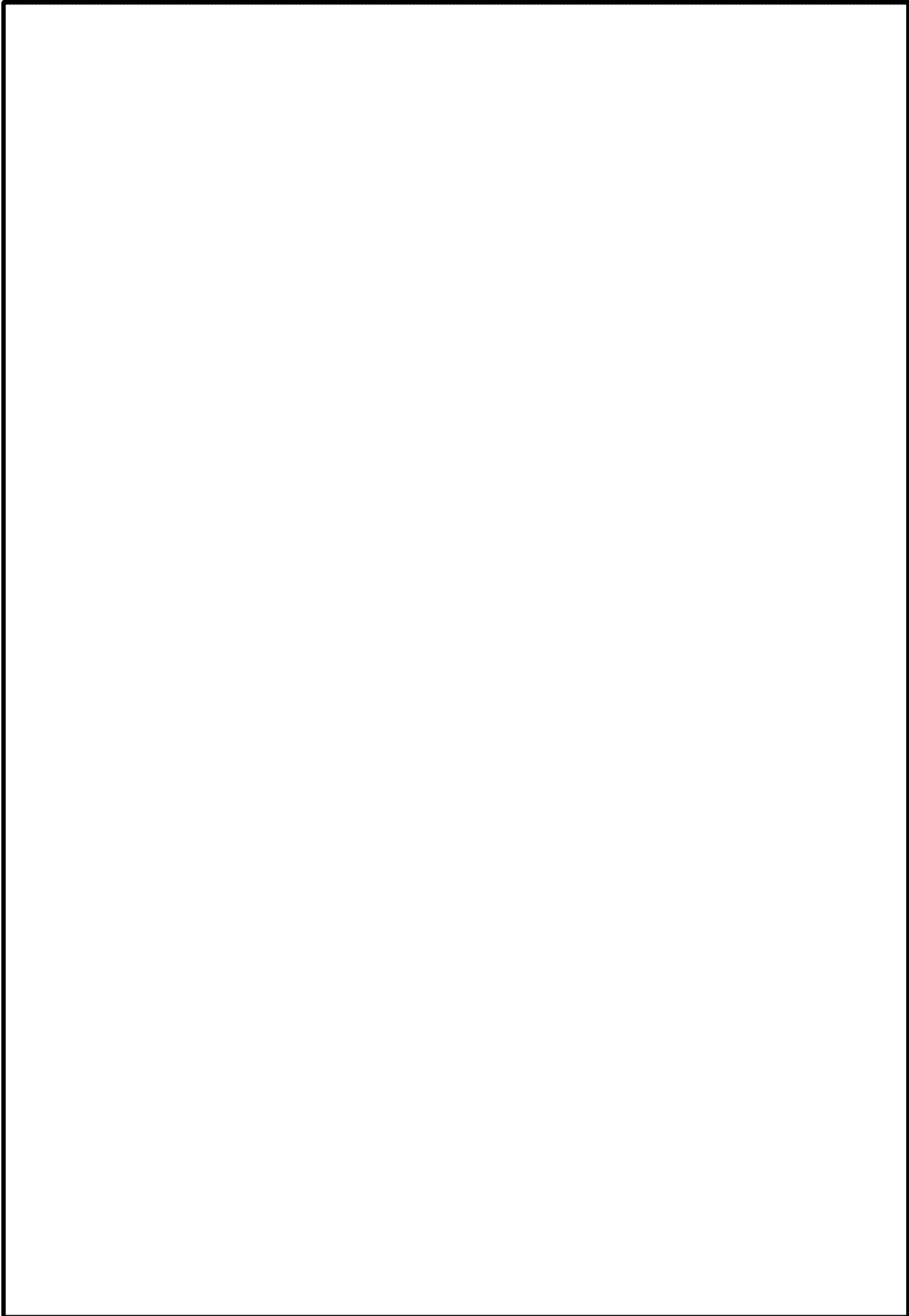


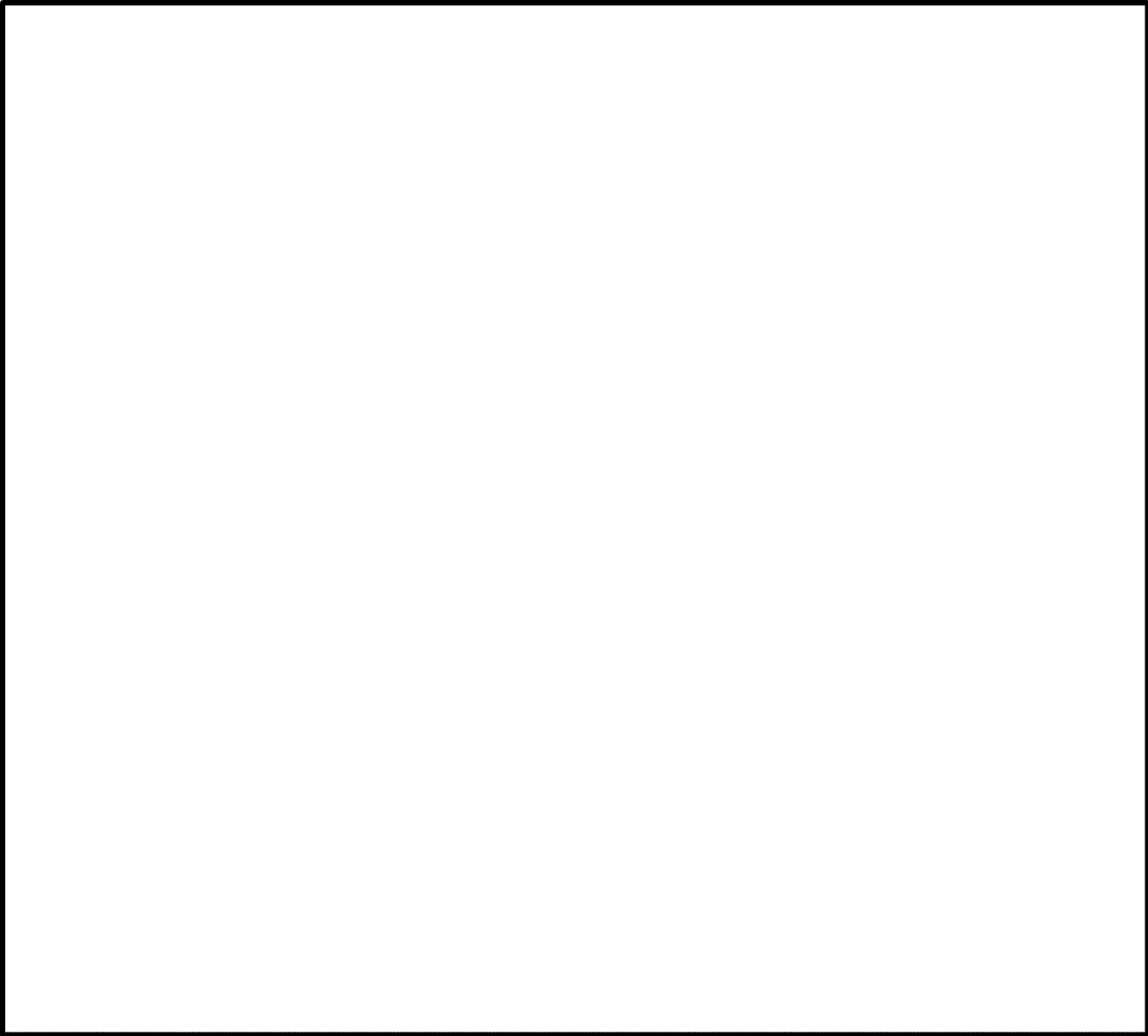


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EXHIBIT NAME

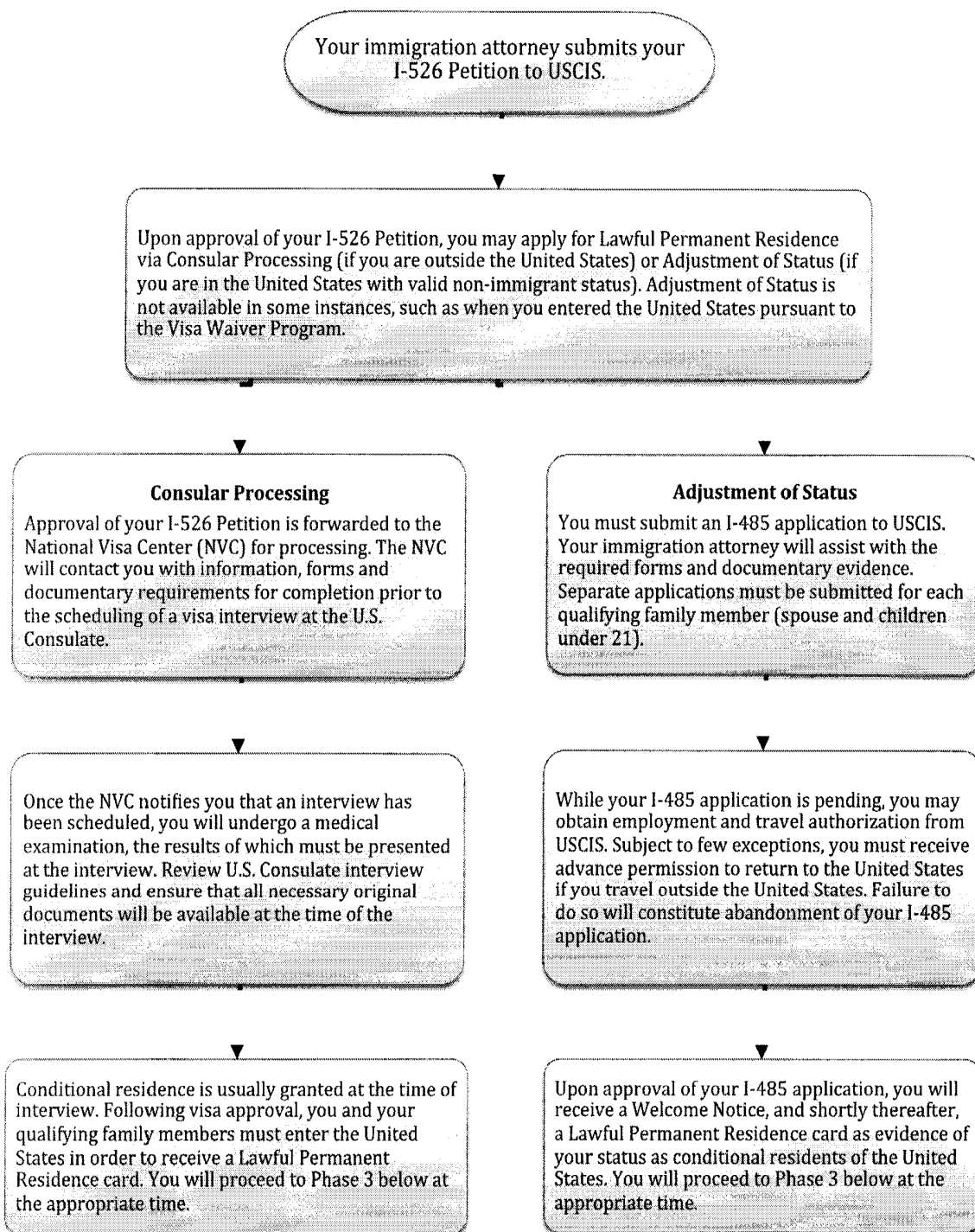
**TAB
NUMBER**

Sample Investor Flow Chart.

21.

Immigration Procedures

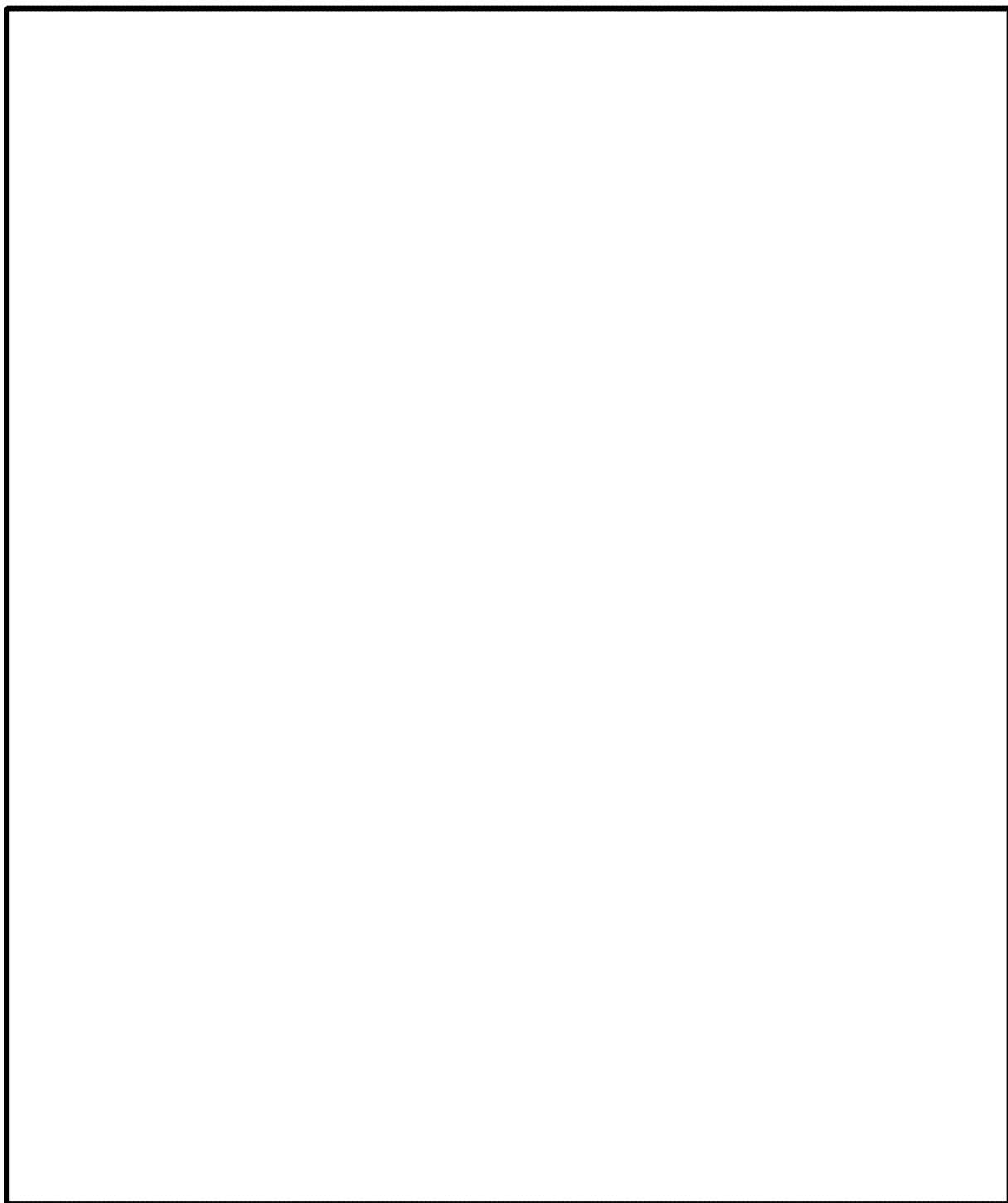
This overview is for general informational purposes only and shall not be construed as legal advice. Prospective investors must consult a qualified immigration attorney prior to commencing the procedures set forth below.



Investment Procedures

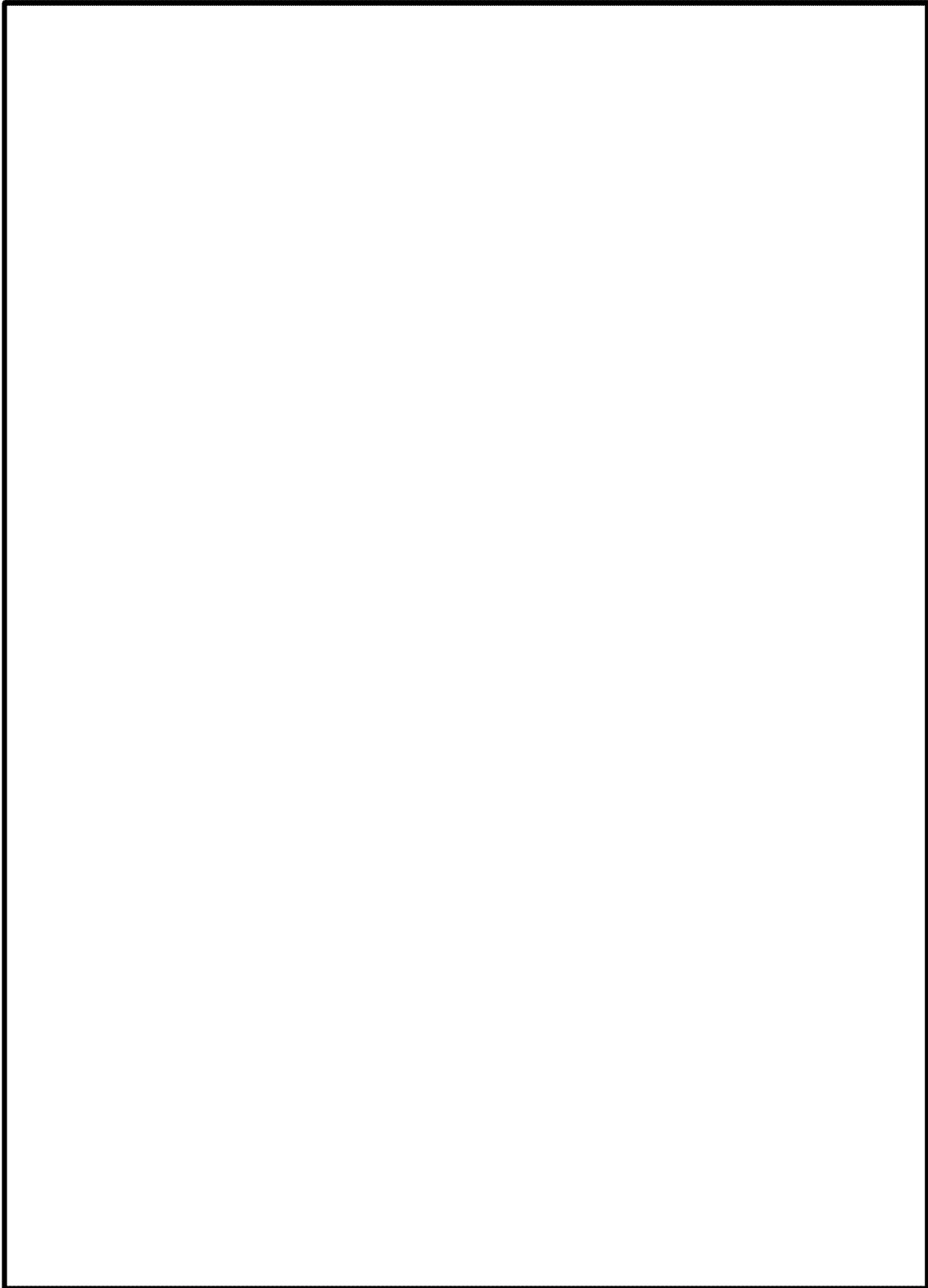
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PHASE 1: SUBSCRIPTION



(b)(4)

PHASE 2: I-526 PETITION



(b)(4)

PHASE 3: I-829 PETITION

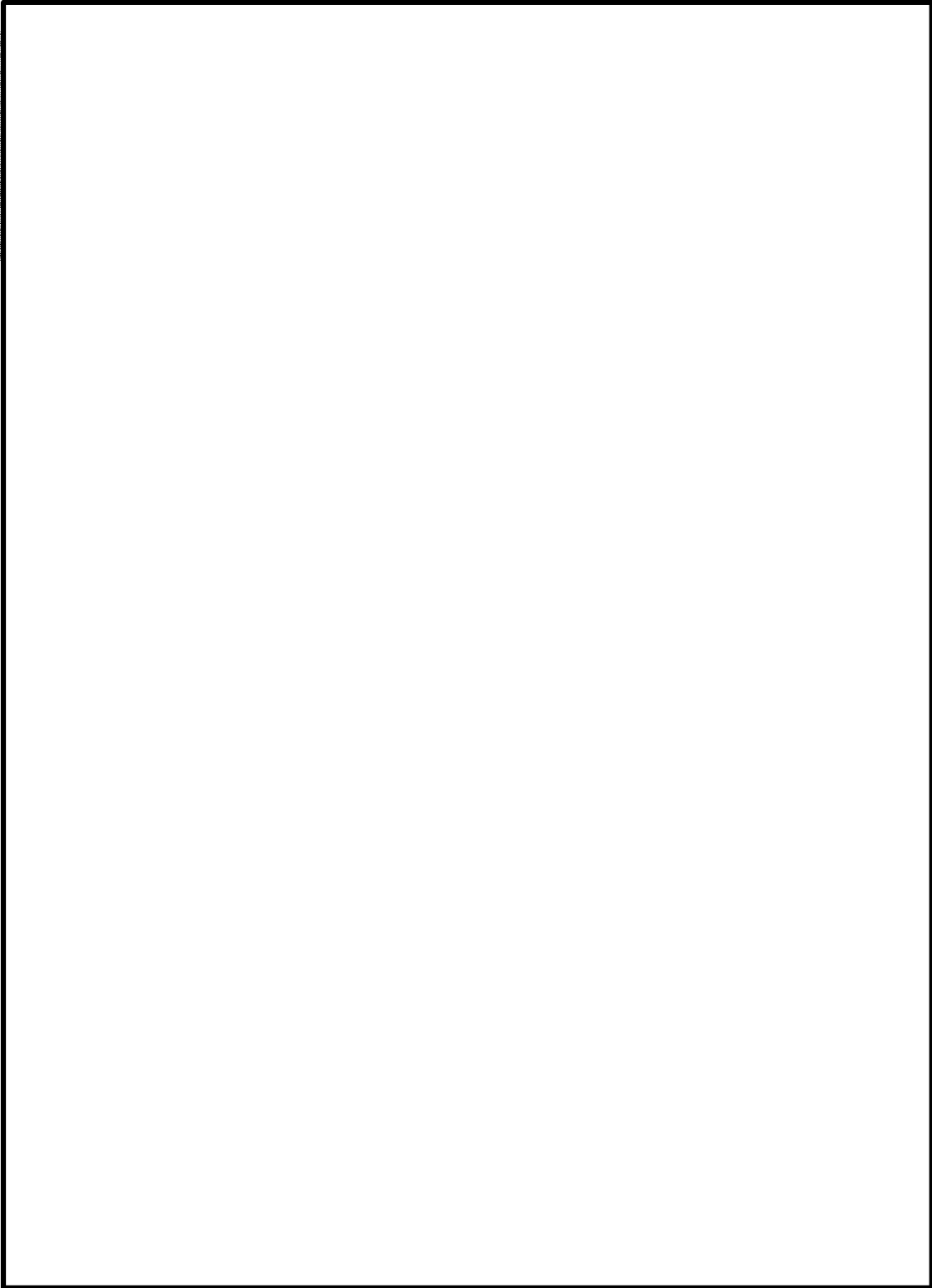


EXHIBIT NAME

**TAB
NUMBER**

Project Business Plans & Economic Analysis

Business Plan of 88 Morgan Street Project.

19.

88 Morgan
Street Funding,
LLC

November 23,
2012

An Investment opportunity in a thriving market, located in Jersey City ,
New Jersey.

88 Morgan
Street Funding,
LLC *Submission*
of Business
Plan

In support for EB-5 Designation under the USCIS Pilot Program for [redacted] USD Dollars
(USD [redacted] in EB-5 Funding

(b)(4)

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BUSINESS PLAN

88 Morgan Street Funding, LLC

I. Executive Summary

(b)(4) The U.S. Immigration Fund-NJ, LLC (“USIF”) as an approved United States Citizenship and Immigration Services (“USCIS”) regional center, will be administering and sponsoring a capital investment project pursuant to the Immigrant Investor EB-5 Pilot Program (the “**EB-5 Pilot Program**”). [redacted] Qualified Investors (defined below) are each investing [redacted] in the Funding Company Units of 88 Morgan Street Funding, LLC (the “**Funding Company**”). The Funding Company is the “New Commercial Enterprise” that is organized to be in compliance with the USCIS EB-5 Pilot Program. The Funding Company will make a secured EB5 loan (the “**Loan**”) of all of the proceeds of each of the Qualified Investor’s [redacted] investment in the Funding Company to 88 Morgan Street, LLC (the “**Owner**”) in accordance with the EB-5 Pilot Program’s guidelines.

The Owner will use the proceeds of the Loan for the construction of a mixed-use real estate development project known as 88 Morgan Street Project to be located at 88 Morgan Street (the “**Project**”), located in the most convenient location in New Jersey for access to Manhattan, residing directly in the middle of three PATH hubs, and just minutes away from the ferry and the Holland Tunnel (the “**Property**”), within the Territory of the USIF. The Project will consist of the construction of a 50 story rental apartment building, consisting of 417 rental apartments, 217 parking spaces, and approximately 4,000sqft of retail space adjacent to Trump Plaza I.

Based on the Economic Report dated December 7, 2012 prepared by Michael K. Evans, Ph.D. (“**Economic Report**”) a copy of which is attached as Exhibit (A), the Project is expected to create at least 10 qualified permanent jobs for each Qualified Investor.

The cost to construct the Project is budgeted to be [redacted] comprised of the following:

Hard Construction Costs
Soft Construction Costs
Land Purchase,

TOTAL BUDGETED COSTS

[redacted]

(b)(4)

The source of funds to complete the construction is summarized as follows:

Owner’s Equity
Senior Construction Loan
EB-5 Funds (Loan)

TOTAL FUNDING

[redacted]

The proceeds of the Loan will be used for construction of the Project and the creation of jobs in accordance with this Business Plan and the Economic Report discussed below. The proceeds of the Senior Construction Loan plus the Owner’s Equity of [redacted] will be used to purchase

the Property and the balance for construction costs to complete the Project. The [REDACTED] cost of the land is comprised of the costs of obtaining all governmental approvals and entitlements to build the Project.

II. The Project (b)(4)

A. Overview

The Project is a [REDACTED] dollar capital investment project that features a 50 story rental apartment building, consisting of 417 rental apartments, 217 parking spaces, and approximately 4,000sqft of retail space adjacent to Trump Plaza I. The Loan from the Funding Company provides the Owner with the additional funding to complete the construction of the Project and create the jobs in accordance with the Economic Report prepared by Dr. Michael Evans below.



Project Description

The Project has residential and commercial components and will be built simultaneously. Once complete, the Project will consist of the following:

Amenities & Services

- An existing easement agreement allows residents of Phase II to gain access to all of Phase I's luxurious amenities (which have already been constructed), including
- Over 41,000 square feet of extravagant indoor and outdoor lifestyle amenities
- Gracious outdoor terrace featuring a heated swimming pool surrounded by luxurious cabanas and landscaped lawn

- State-of-the-art fitness center fully equipped with cardiovascular and weight-lifting machines, private training and yoga room
- Golf simulator offering access to the world's most famous courses without leaving the building
- Billiard and Game Room
- Lavishly appointed spa complete with walk-in rainfall shower, men's and women's steam and treatment rooms
- Roman-style Aqua Grotto featuring an enclosed 26' heated thermal bath, coed steam and sauna. And walk-in shower
- Screening room featuring an oversized flat screen television
- Private dining room complete with a full kitchen
- Social room with a fireplace and a flat screen television
- Business center offering Internet access
- Children's activity room and outdoor play area
- Indoor Basketball Court and Swimming Pool
- Monthly Garage Parking is available
- Access to retail and dining
- Services include: 24 hour Concierge and Doorman, BMW zip cars, Valet Parking, Porter and Maid service, Tailoring and Dry Cleaning, and so much more...



B. The Property

- The Project at 88 Morgan St. is located in one of the most desirable areas of Jersey City, just 2 blocks from the water front and will have panoramic views of the New York City skyline. The Project is considered one of the most “shovel ready” residential development projects in Jersey City.
- The development site is approved for the construction of a 50 story residential tower consisting of 417 rental apartments, 217 parking spaces, and approximately 4,000 sq. ft. of retail space adjacent to Trump Plaza I.
- The land at 88 Morgan St. is considerably more valuable than other parcels of its size given its location and current status.
- Located on an approximately 12,000 sq. ft., graded, construction-ready parcel of land, Phase II will encompass both the corner of Greene Street and Bay Street, as well as that of Greene Street and Morgan Street.
- Included in the 12,000 sq. ft. empty lot are the air rights over the existing single story retail space adjacent to Phase I of Trump Plaza.
- The air rights allow for a five story parking garage to be constructed over the existing retail space. In doing so, Phase II will both tie into and add on to the existing 7th story amenity space of Phase I.



The 88 Morgan Street address is synonymous with high-class living, and its central location offers convenient access to all points in Manhattan.

1. **Property Zoning & Approvals:** The development site is approved for the construction of a 50 story residential tower consisting of 417 rental apartments, 217 parking spaces, and approximately 4,000 sq. ft. of retail space adjacent to Trump Plaza I.
2. **Targeted Employment Area:** The Property is located in a Census Tract that is considered by the State of New Jersey to qualify as a high unemployment area under the provisions of the EB-5 Pilot Program as a Targeted Employment Area (“TEA”) with unemployment rate that is in excess of 150% of the U.S. National average. The 88 Morgan Street Project will be located The Project at 88 Morgan St. is located in one of the most desirable areas of Jersey City, just 2 blocks from the water front and will have panoramic views of the New York City skyline. The Project is considered one of the most “shovel ready” residential development projects in Jersey City.

The USIF has requested a letter from the New Jersey Department of Labor that will confirm that the Property is located in Census Tracts within the TEA designated by the New Jersey Department of Labor (“TEA Letter”). The USIF is aware that USCIS guidance establishes that the determination of whether a geographic area qualifies as a TEA is decided by USCIS at the time that an EB-5 investor’s I-526 visa petition is filed with USCIS, instead of the date when an I-924 Application for Regional Center is filed. USIF expects that the TEA Letter will confirm that this Census Tract in New Jersey meets the requirements to qualify as a TEA. The 2011 annual unemployment rate for this tract was 14.7%, which was more than 150% greater than the U.S. National annual unemployment rate. Accordingly, the USIF has made its plans based on the requirement that Qualified Investors are each investing \$500,000 in the New Commercial Enterprise (the Funding Company) to qualify their investments under the EB-5 Pilot Program.

B. Job Creation

The Economic Report prepared by Michael Evans, Ph.D. evaluates the financial and other data set forth in this Business Plan. The Economic Report uses RIMS II econometric methodology. The Economic Report concludes that the Project will create a total of [redacted] permanent new jobs in the construction of the buildings and related improvements on the Property and the operations of the new business activities owned by the Owner that are being created in the Project. This is comprised of the following: (b)(4)

- (1) [redacted] new jobs created from construction activities.
- (2) [redacted] new jobs from architectural and engineering services.
- (3) [redacted] new jobs from the purchase of FF&E.
- (4) [redacted] new jobs from the first year of full operations of the Project.

The projected total of job creation is [redacted] new jobs.

(b)(4)

As such, the Economic Report concludes that up to [redacted] of EB-5 funds can be invested in the Project.

The Funding Company is making a [redacted] Loan to the Owner. The job creation requirements of a [redacted] Loan to the Owner are the following:

(b)(4)

| Amount of EB-5 Loan (\$) | Total No. EB-5 Investors | Capital Contribution Per EB-5 Investor | Minimum New Jobs Required (10 per Investor) | Total Jobs Created per Economic Study | Excess Number of Jobs |
|--------------------------|--------------------------|--|---|---------------------------------------|-----------------------|
| [redacted] | | | | | |

As confirmed by the foregoing table, the Project has been designed to provide a cushion of [redacted] equating to [redacted] excess jobs (31%), or [redacted] jobs per investor. USIF intends to only use the jobs from EB-5 eligible construction expenditures, architectural and engineering services, FF&E and apartment rental operations for purposes of meeting the 10 jobs per Investor minimum requirement of the EB-5 Pilot Program.

(b)(4)

C. Summary

All components of the Development (rental apartments and retail) will contribute substantially to the economics of 88 Morgan Street. The Project is expected to bring a total of [redacted] permanent new direct, indirect and/or induced jobs. The Property is located within a TEA, as previously stated.

III. EB-5 Investment

A. EB-5 Pilot Program

The Funding Company was formed to make equity and/or debt investments pursuant to and in accordance with the EB-5 Pilot Program, which 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 Funding Company will offer and sell units of the Funding Company interest (“Units”) outside the United States to Qualified Investors in a private placement exempt from registration under the Securities Act of 1933, as amended (the “Securities Act”) and in compliance with the requirements of the EB-5 Pilot Program (the “Securities Offering”). In order to invest into the Funding Company, a potential Qualified Investor must meet criteria set forth in the Securities Offering Materials, follow the required subscription procedures, and complete all required U.S. and foreign immigration procedures. The Funding Company Agreement dated [redacted], 2013 (the “Funding Company Agreement”) will govern the rights and obligations of each Qualified Investor in the Funding Company.

(b)(4)

The amount of the Offering will be up to [redacted] Dollars. Each of the [redacted] Qualified Investors will invest [redacted] in capital plus a [redacted] administrative fee (each an “Investment”) in the Funding Company. The \$500,000 capital investment in the Funding Company qualifies under the EB-5 Program because the Project is located in a TEA.

[redacted]

(b)(4)



U.S. Immigration Fund GP-88 Morgan Street, LLC (the "Management Company") will manage the Funding Company. These management responsibilities will include the collection of funds from the Qualified Investors and making the Loan to the Owner by means of a promissory note or notes and other related documents ("Loan Documents"). Other responsibilities of the Management Company and USIF will include assuring the Qualified Investors and USCIS officials that the Project is being built and the funds are being used in accordance with the approved development budget. Finally, the Management Company will monitor the payment of the Loan to the Owner. The Management Company and USIF have entered into an agreement under which the USIF agrees to oversee the activities of the Management Company to ensure compliance with all requirements of the EB-5 Pilot Program.

(b)(4)

As stated above, the Project will be completed with a total cost of [redacted]. The Investments from the Qualified Investors will be up to a total of [redacted] for a potential total of [redacted] investors) and will supplement the Owner's equity of [redacted] and senior bank financing of [redacted] to complete the construction. In the Economic Report, Dr. Evans states that there are [redacted] projected new permanent jobs calculated in accordance with USCIS requirements. This creates a surplus of [redacted] excess jobs, which is approximately [redacted] more jobs than are needed for the maximum number of Qualified Investors.

The source of funds to complete the construction is summarized as follows:

| | | |
|--------------------------|--|--------|
| Owner's Equity | | (b)(4) |
| Senior Construction Loan | | |
| EB-5 Funds (Loan) | | |
| TOTAL FUNDING | | |

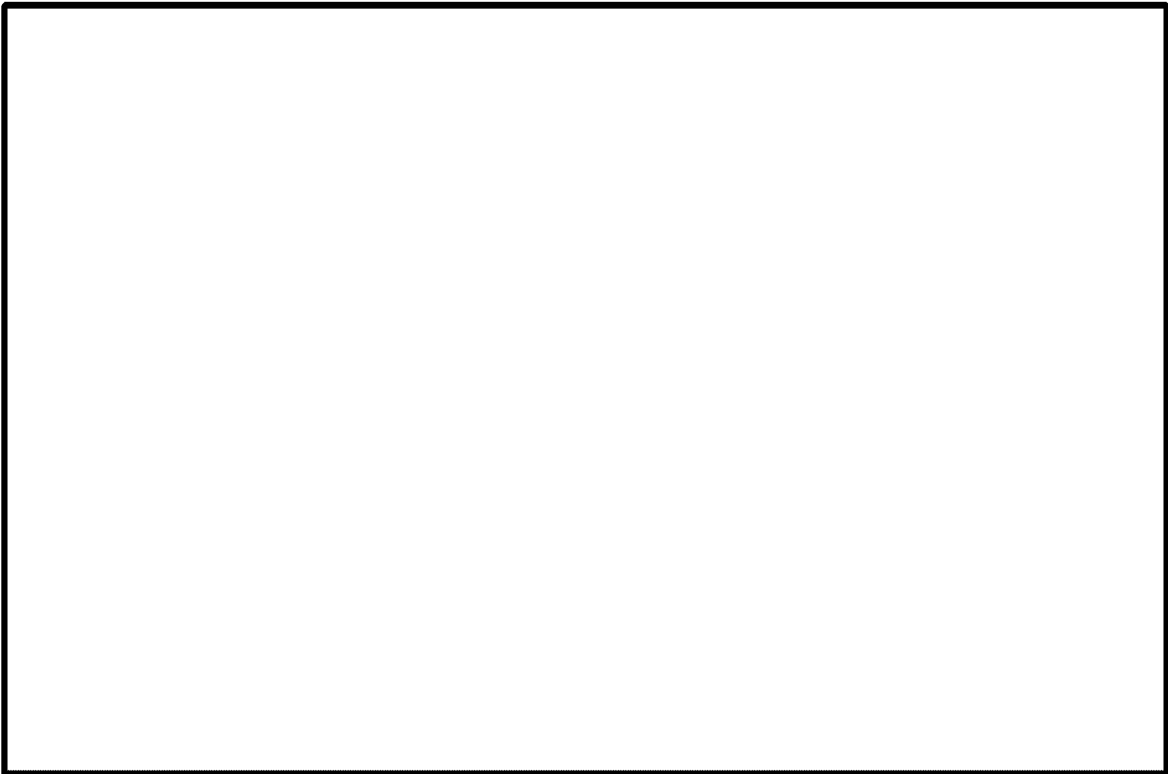
There is no guarantee that the EB-5 Loan will be repaid by the Owner or that the proceeds from the foreclosure of any of the security in the Property will be sufficient to cover any non-payment of the Loan. For this reason, the Investment is deemed fully at risk. No distribution to the Qualified Investors in the Funding Company will be made until the maturity date of the Loan which will be [redacted] years from Loan being funded, but not earlier than the end of the conditional residency period and approval of the Qualified Investor's I-829 petition.

(b)(4)

Based on the Owner's financial projections and the analysis of the independent feasibility reports, it is the expectation of the Funding Company that the Owner will be able to pay off the Loan of [redacted] plus accrued interest in full at its maturity date [redacted] years from the date funding the Loan. The potential sources of repayment are from the sale and/or refinancing of all or a portion of the Property (see Sec III B 2-"Revenue & Sales Projections").



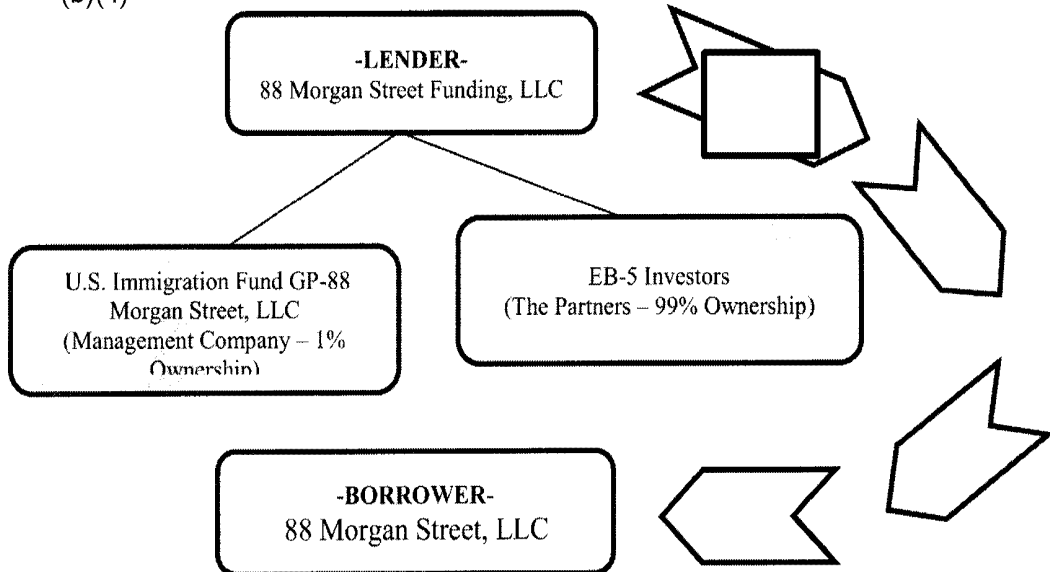
(b)(4)



B. Investment Structure

Up to [redacted] of the funding for the construction of the Project will be in the form of one or more promissory notes delivered in one (1) and up to three (3) Phases from the Funding Company to the Owner (i.e., the Loan). The ownership of the Funding Company and the Loan structure is depicted in the following diagram:

(b)(4)



C. Management

The Funding Company was formed in the state of New Jersey [on _____,] 2013. The Management Company will serve as Manager and will manage the activities of the Funding Company. The Funding Company is the entity into which the Qualified Investors will each make their Investments. The Funding Company will make the Loan of the proceeds of the respective \$500,000 Investments to the Owner for use in the construction of the Project.

USIF was organized on December 7, 2012. It has petitioned the USCIS for approval as a regional center. USIF will be the holder of the USCIS approved regional center rights to sponsor and administer qualified projects under the Pilot Program in Bergen, Essex, Hudson, Middlesex, Monmouth, Morris, Passaic and Union Counties in New Jersey (the "Territory") in which the Project is located. USIF will oversee the Project and perform the responsibilities of the USCIS regional center as set forth in Section III A. The approval of a regional center means USCIS recognizes the economic entity as a designated participant in the Pilot Program. Designated Industries include:

- Residential Building Construction (NAICS 2361)
- Non-Residential Building Construction (NAICS 2362)
- Lessors of Residential Buildings & Dwellings (NAICS 53111)
- Architectural and Engineering Services (NAICS 5413)

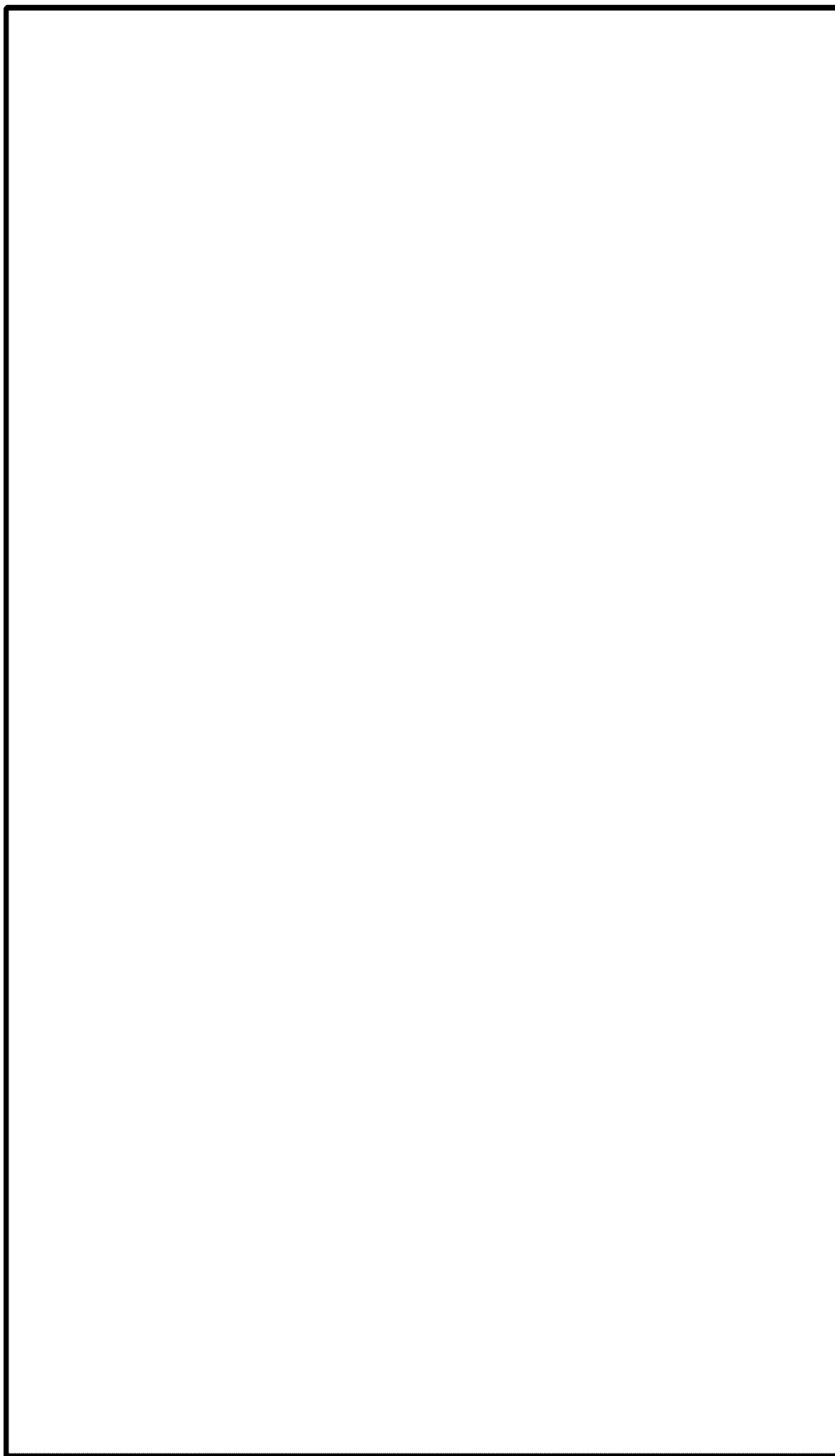
Management Company will conduct the day-to-day management of the Funding Company and shall have the following authority to act on behalf of the Funding Company:

- (1) to employ attorneys, agents, consultants, accountants and other independent contractors to perform services on behalf of the Funding Company, including affiliates of the Management Company; provided that such services are reasonably necessary or advisable and the compensation therefore is reasonable;
- (2) to bring or defend legal actions in the name of the Funding Company, pay, collect, compromise, arbitrate, or otherwise adjust or settle claims or demands of or against the Funding Company or its agents;
- (3) to perform or cause to be performed all of the Funding Company's obligations under any agreement to which the Funding Company is a party;
- (4) to cause the Funding Company to make the Loan to the Owner;
- (5) to cooperate with the USIF in all matters relating to the Project, the Qualified Investors, the Petitions to be filed with USCIS and the effective management of the investments made by the Qualified Investors;
- (6) to execute, acknowledge and deliver any and all instruments necessary to effectuate any of the foregoing.

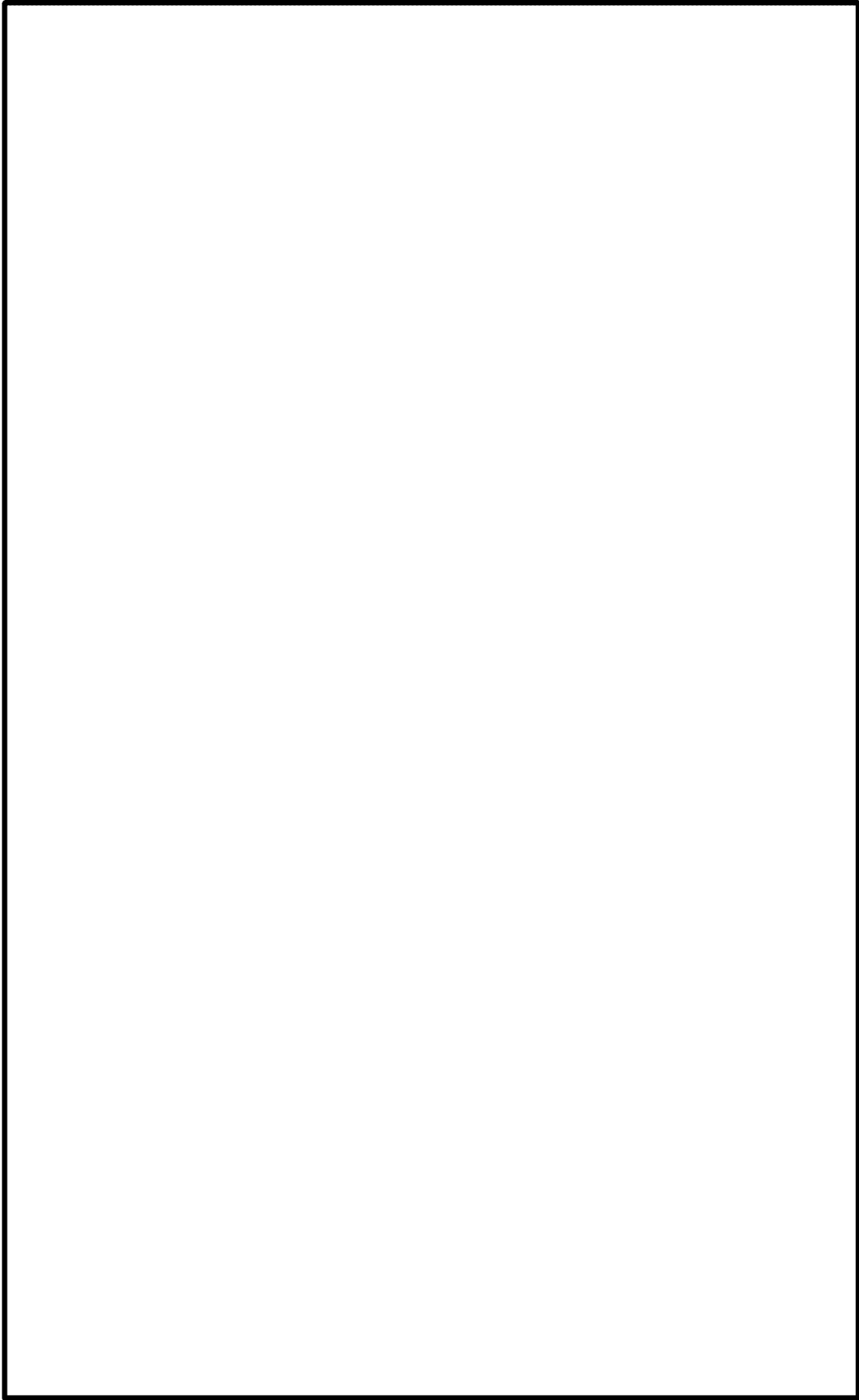
D. Investment Terms and Conditions

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

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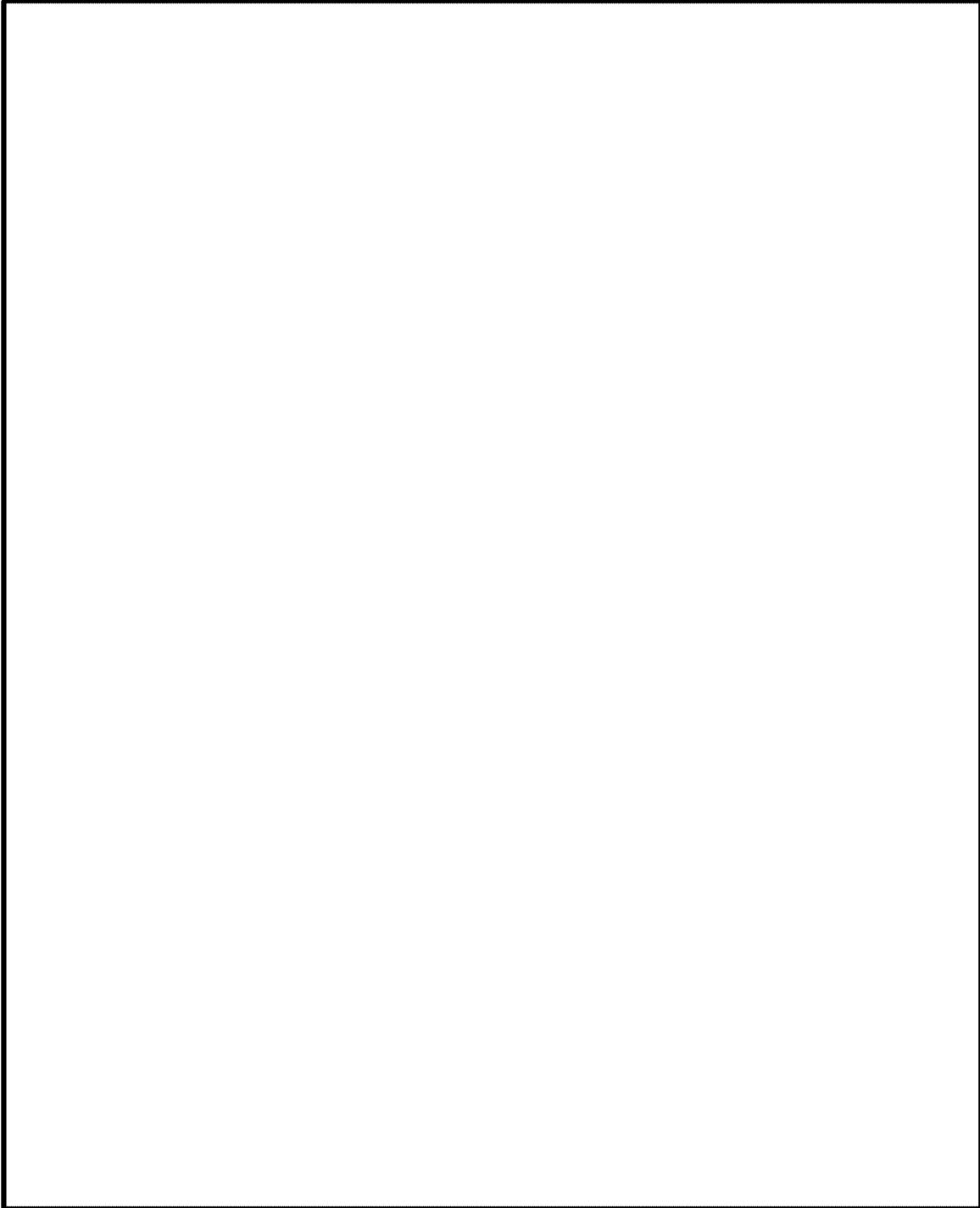
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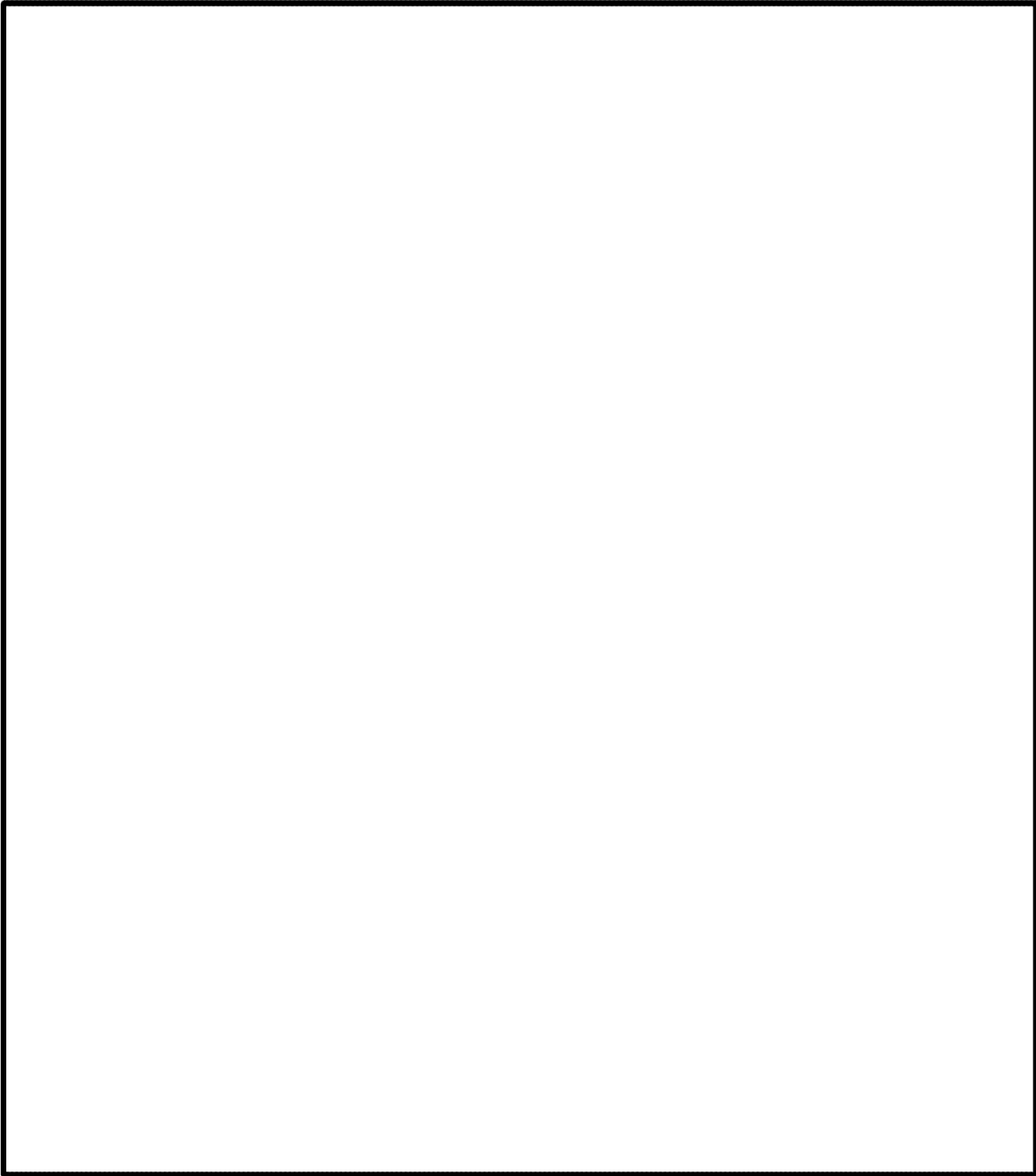
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E. Loan Structure



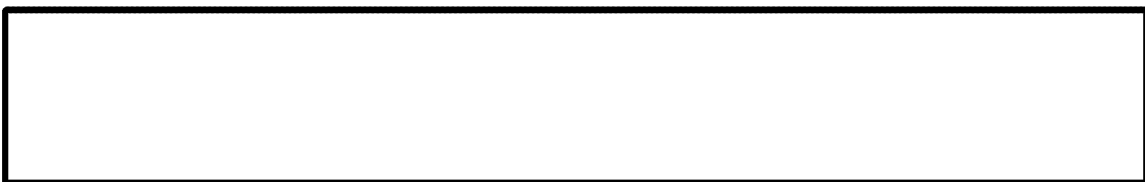
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D. Exit Strategy

In accordance with the guidelines of USCIS, relating to investments within an approved EB-5 Pilot Program project, the investment by the Qualified Investors in the Funding Company shall be “fully at risk.” There is no guarantee that the Loan will be repaid by the Owner or that the proceeds from the foreclosure of any of the security in the Property will be sufficient to cover any non-payment of the Loan. For this reason, the Investment is deemed fully at risk.

(b)(4)





(b)(4)

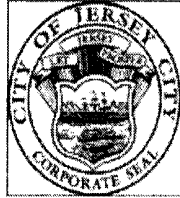
| Projected Revenue | |
|-------------------|--------|
| Project Component | Amount |
| [Redacted] | |



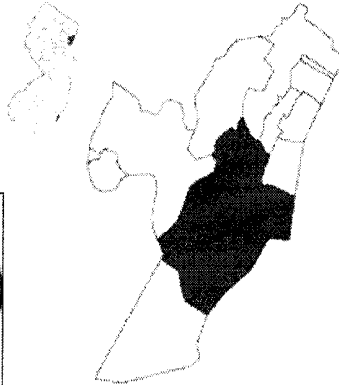
IV Location- Jersey City, NJ - Hudson County



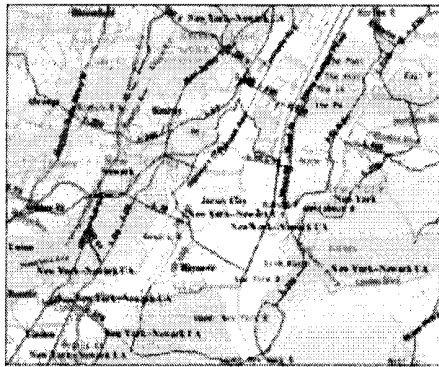
Skyline of Downtown Jersey City



Seal



Location of Jersey City within Hudson County. Inset: Location of Hudson County highlighted within the state of New Jersey.

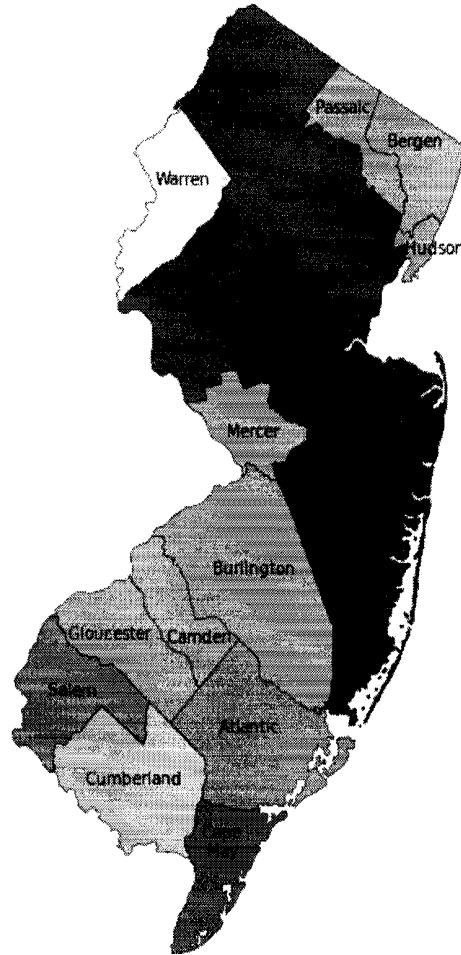


Census Bureau map of Jersey City, New Jersey

| | |
|----------------|-------------------|
| <u>Country</u> | United States |
| <u>State</u> | <u>New Jersey</u> |
| <u>County</u> | <u>Hudson</u> |

Jersey City is the seat of Hudson County, New Jersey, United States. As of the 2010 United States Census, the population of Jersey City was 247,597, making it the second-most populous city in New Jersey.

Metropolitan Statistical Areas of New Jersey




Part of the New York City metropolitan area, Jersey City lies across from Lower Manhattan between the Hudson River and Upper New York Bay and the Hackensack River and Newark Bay. A port of entry, with 11 miles (18 km) of waterfront and significant rail connections, Jersey City is an important transportation terminus and distribution and manufacturing center for the Port of New York and New Jersey. Service industries have played a prominent role in the redevelopment of its waterfront and the creation of one of the nation's largest downtowns.

- After a peak population of 316,715 measured in the 1930 Census, the city's population saw a half-century long decline to a low of 223,532 in the 1980 Census, but since then the city's population has grown, with the 2010 population reflecting an increase of 7,542 (+3.1%) from the 240,055 counted in the 2000 Census, which had in turn increased by 11,518 (+5.0%) from the 228,537 counted in the 1990 Census.

Geography


Jersey City is bordered to the east by the Hudson River, to the north by Secaucus, North Bergen, Union City and Hoboken, to the west, across the Hackensack, by Kearny and Newark, and to the south by Bayonne. Given its proximity to Manhattan, Jersey City and Hudson County are sometimes referred to as New York City's sixth borough.^{[22][23][24]}



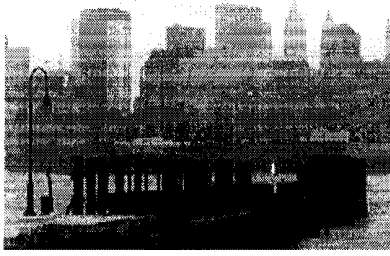
 Image of Jersey City taken by NASA. (The red line demarcates the municipal boundaries of Jersey City.)

History



 Jersey City at the end of the 19th century.

Among the oldest surviving houses in Jersey City is the stone Van Wagenen House of 1742. During the American Revolutionary War the area was in the hands of the British who controlled New York. Paulus Hook was attacked by Major Light Horse Harry Lee on August 19, 1779. After the war Alexander Hamilton and other prominent New Yorkers and New Jerseyans attempted to develop the area that would become historic downtown Jersey City and laid out the city squares and streets that still characterize the neighborhood, giving them names also seen in Lower Manhattan or after war heroes (Grove, Varick, Mercer, Wayne, Monmouth, and Montgomery among them). During the 19th century, 60,000 former slaves reached Jersey City on one of the four routes of the Underground Railroad that led to the city.^[29]



The old ferry docks at the CRRNJ terminal in Liberty State Park in 2011

The **City of Jersey** was incorporated by an Act of the New Jersey Legislature on January 28, 1820, from portions of Bergen Township, while the area was still a part of Bergen County. The city was reincorporated on January 23, 1829, and again on February 22, 1838, at which time it became completely independent of North Bergen and was given its present name. On February 22, 1840, it became part of the newly created Hudson County.^[30]



Jersey City and Hoboken in 1886

Soon after the Civil War, the idea arose of uniting all of the towns of Hudson County east of the Hackensack River into one municipality. A bill was approved by the State legislature on April 2, 1869, with a special election to be held October 5, 1869. An element of the bill provide that only contiguous towns could be consolidated. While a majority of the voters across the county approved the merger, the only municipalities that had approved the consolidation plan and that adjoined Jersey City were Hudson City and Bergen City.^[31] The consolidation began on March 17, 1870, taking effect on May 3, 1870.^[32] Three years later the present outline of Jersey City was completed when Greenville agreed to merge into the Greater Jersey City.

20th century

Jersey City was a dock and manufacturing town for much of the 19th and 20th centuries. Much like New York City, Jersey City has always been a destination for new immigrants to the United States. In its heyday before World War II, German, Irish, and Italian immigrants found work at Colgate, Chloro or Dixon Ticonderoga. However, the largest employers at the time were the railroads, whose national networks terminated on the Hudson River at Pavonia Terminal, Exchange Place and Communipaw. In 1908, the first permanent, drinking water disinfection system in the U.S. was installed on the water supply for the City by John L. Leal.^[34] The Hudson Tubes opened in 1911, allowing passengers to take the train to Manhattan as an alternative to the extensive ferry system. The Black Tom explosion occurred on July 30, 1916, as an act of sabotage on American ammunition supplies by German agents to prevent the materials from being used by the Allies in World War I.

From 1917 to 1947, Jersey City was governed by Mayor Frank Hague. Originally elected as a reform candidate, the Jersey City History Web Site says his name is "synonymous with the early

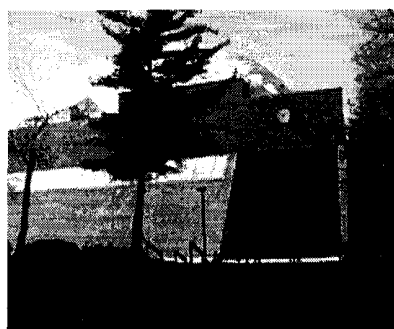
twentieth century urban American blend of political favoritism and social welfare known as bossism." Hague ran the city with an iron fist while, at the same time, molding governors, United States senators, and judges to his whims. Boss Hague was known to be loud and vulgar, but dressed in a stylish manner earning him the nickname "King Hanky-Panky".^[36] In his later years in office, Hague would often dismiss his enemies as "reds" or "commies". Hague lived like a millionaire, despite having an annual salary that never exceeded \$8,500. He was able to maintain a fourteen-room duplex apartment in Jersey City, a suite at the Plaza Hotel in Manhattan, and a palatial summer home in Deal, and travel to Europe yearly in the royal suites of the best liners.


After Hague's retirement from politics, a series of mayors including John V. Kenny, Thomas J. Whelan and Thomas F. X. Smith attempted to take control of Hague's organization, usually under the mantle of political reform. None were able to duplicate the level of power held by Hague,^[38] but the city and the county remained notorious for political corruption for years.^{[39][40][41]} By the 1970s, the city experienced a period of urban decline that saw many of its wealthy residents leave for the suburbs, rising crime, civil unrest, political corruption, and economic hardship. From 1950 to 1980, Jersey City lost 75,000 residents, and from 1975 to 1982, it lost 5,000 jobs, or 9% of its workforce.

Beginning in the 1980s, development of the waterfront in an area previously occupied by rail yards and factories helped to stir the beginnings of a renaissance for Jersey City. The rapid construction of numerous high-rise buildings increased the population and led to the development of the Exchange Place financial district, also known as 'Wall Street West', one of the largest banking centers in the United States. Large financial institutions such as UBS, Goldman Sachs, Chase Bank, Citibank and Merrill Lynch occupy prominent buildings on the Jersey City waterfront, some of which are among the tallest buildings in New Jersey. Simultaneous to this building boom, the light-rail network was developed.^[43] With 18,000,000 square feet (1,700,000 m²) of office space, it has the nation's 12th largest downtown.

Education

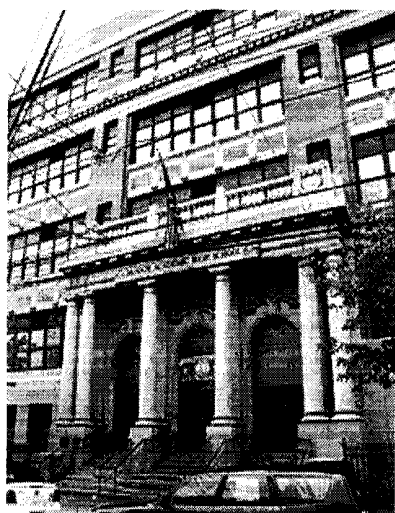
Colleges and universities



 The Yanitelli Center on the campus of Saint Peter's College.

Jersey City is home to the New Jersey City University (NJCU) and Saint Peter's College, both of which are located in the city's West Side district. It is also home to Hudson County Community College, which is located in Journal Square. The University of Phoenix has a small location at Newport, and Rutgers University offers MBA classes at Harborside Center. Hudson County Community College, a junior college located in the Journal Square area offering courses to help the transition into a larger university, is praised for the culinary department and program.^[117]

Public schools



Dr. Ronald E. McNair Academic High School

The Jersey City Public Schools serve students three years and older from Pre-K 3 through twelfth grade. The district is one of 31 Abbott districts statewide,^[118] which are now referred to as "SDA Districts" based on the requirement for the state to cover all costs for school building and renovation projects in these districts under the supervision of the New Jersey Schools Development Authority.¹

Dr. Ronald E. McNair Academic High School was the second-ranked public high school in New Jersey out of 322 schools statewide, in New Jersey Monthly magazine's September 2010 cover story on the state's "Top Public High Schools", after being ranked second in 2008 out of 316 schools.^[121] and was selected as 41st best high school in the United States in Newsweek magazine's national 2011 survey.^[122] William L. Dickinson High School is the oldest high school in the city and one of the largest schools in Hudson County in terms of student population. Opened in 1906 as the Jersey City High School it is one of the oldest school sites in the city, its a four-story Beaux-Arts building located on a hilltop facing the Hudson River.^[123] Liberty High School (New Jersey) is also one of the top schools in the Heights and the only high school that focuses on all academics. Other public high schools in Jersey City are James J. Ferris High School, Lincoln High School, and Henry Snyder High School. The Hudson County Schools of Technology (which also has campuses in North Bergen and Secaucus) has a campus in Jersey City, which includes County Prep High School.

Among Jersey City's elementary and middle schools is Academy I Middle School and Frank R. Conwell Middle School #4, which is part of the Academic Enrichment Program for Gifted Students. Another school is Alexander D. Sullivan P.S. #30, an ESL magnet school in the Greenville district, which services nearly 800 Pre-k through 5th grade students.

Jersey City also has 12 charter schools, which are run under a special charter granted by the Commissioner of the New Jersey Department of Education, including the Mathematics, Engineering, Technology and Science Charter School (for grades 6 - 12) and the Dr. Lena Edwards Charter School (for K-8), which were approved in January 2011.^[126]

Private schools

a) *Catholic schools*

The Roman Catholic Archdiocese of Newark maintains a network of elementary and secondary Catholic schools serve every area of Jersey City. High schools administered by the Archdiocese are Hudson Catholic Regional High School, St. Anthony High School, Saint Dominic Academy and St. Peter's Preparatory School.^[127] St. Mary High School - Closed in June 2011 due to declining enrollment^l

Catholic grade schools include Our Lady of Mercy Academy, Our Lady of Czestochowa School, Resurrection School, Sacred Heart School, St. Aloysius Elementary Academy, St. Anne School, St. Joseph School and St. Nicholas School.

b) *Other private schools*

Other private high schools in Jersey City include First Christian Pentecostal Academy^[130] and Stevens Cooperative School.^[131] Kenmare High School is operated through the York Street Project as part of an effort to reduce rates of poverty in households headed by women, through a program that offers small class sizes, individualized learning and development of life skills.^[132]

A number of other charter and private schools are also available. Genesis Educational Center^[133] is a private Christian school located in downtown Jersey City for ages newborn through 8th grade. The Jersey City Art School is a private art school located in downtown Jersey City for all ages.

Museums and libraries

The Jersey City Free Public Library has five regional branches, some of which have permanent collections and host exhibitions. At the Main Library, the New Jersey Room contains historical archives and photos. The Miller Branch is home to the Afro-American Historical and Cultural Society Museum. The Five Corners Branch specializes in works related to music and the fine arts, and is a gallery space. The library system also supports a bookmobile and five neighborhood libraries.

Liberty State Park is home to Central Railroad of New Jersey Terminal, the Interpretive Center, and Liberty Science Center, an interactive science and learning center. The center, which first opened in 1993 as New Jersey's first major state science museum, has science exhibits, the

world's largest IMAX Dome theater, numerous educational resources, and the original Hoberman sphere.^[136] From the park, ferries travel to both Ellis Island and the Immigration Museum and Liberty Island, site of The Statue of Liberty.

The Museum of Russian Art specializes in Soviet Nonconformist Art.

The Jersey City Museum closed in December 2010 and is not expected to reopen. It showed contemporary work and sponsored community-oriented projects.

Some stations of the Hudson Bergen Light Rail feature public art exhibitions, including those at Exchange Place, Danforth Avenue^[140] and Martin Luther King Drive station.^{[141][142]}

Commerce

Jersey City has several shopping districts, some of which are traditional *main streets* for their respective neighborhoods, such as Central, Danforth, and West Side Avenues. Journal Square is a major commercial district. Newport Mall is a regional shopping area.^[143] Portions of the city are part of an Urban Enterprise Zone. In addition to other benefits to encourage employment within the Zone, shoppers can take advantage of a reduced 3½% sales tax rate (versus the 7% rate charged statewide) at eligible merchants.

Jersey City is home to the headquarters of Verisk Analytics^[145] and Lord Abbett, a privately held money management firm.^[146] Companies such as Computershare, ICAP, ADP, and Fidelity Investments also conduct operations in the city.^[147] Goya Foods, which is headquartered in adjacent Secaucus, announced plans in 2011 to open a 500,000-square-foot distribution center in Jersey City.

Media

Jersey City is located within the New York media market, most of its daily papers available for sale or delivery. The daily newspaper The Jersey Journal, located at its namesake Journal Square, covers Hudson County, its morning daily, Hudson Dispatch now defunct.^[149] The Jersey City Reporter is part of the Hudson Reporter group of local weeklies. The Jersey City Independent is a web-only news outlet that covers politics and culture in the city.^[150] The River View Observer is another weekly published in the city and distributed throughout the county. Another countywide weekly, El Especialito, also serves the city.^[151] The Daily News maintains extensive publishing and distribution facilities at Liberty Industrial Park.

WFMU 91.1FM (WFMU 90.1FM in the Hudson Valley), the longest running freeform radio station in the US, moved to Jersey City in 1998.^[153] WSNR-620 AM is also licensed in the city.

Jersey City is the filming location for the 2012 reality television series Snooki & JWoww, a spinoff of Jersey Shore that stars Nicole "Snooki" Polizzi and Jennifer "JWoww" Farley living at a former firehouse at 38 Mercer Street at Grove Street in Downtown Jersey City.

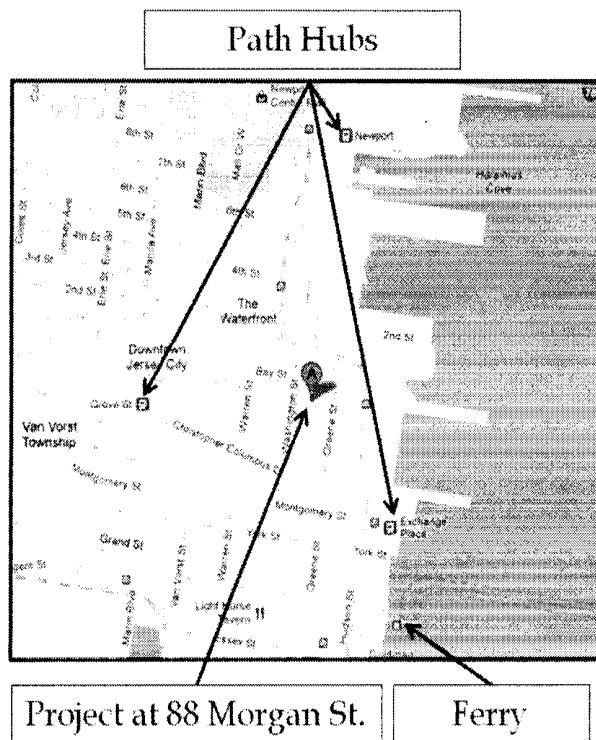
Notable landmarks

- See List of Registered Historic Places in Hudson County, New Jersey

- Statue of Liberty National Monument, Ellis Island and Liberty Island
- Liberty Science Center
- The Katyń Memorial by well-known Polish-American artist Andrzej Pitynski on Exchange Place is the first memorial of its kind to be raised on American soil to honor the dead of the Katyń Forest Massacre.
- The Colgate Clock, promoted by Colgate-Palmolive as the largest in the world, sits in Jersey City and faces Lower New York Bay and Lower Manhattan (it is clearly visible from Battery Park in lower Manhattan). The clock, which is 50 feet (15 m) in diameter with a minute hand weighing 2,200 pounds, was erected in 1924 to replace a smaller one that was relocated to a plant in Jeffersonville, Indiana.
- The Landmark Loew's Jersey Theatre, one of the five Loew's Wonder Theatres constructed in the 1920s and the only one located outside of New York City, is located in Journal Square. Currently presenting classic films, live performances, and events while the theatre undergoes restoration by volunteers.

- With the waterfront, the PATH and the light rail only steps away, as well as readily available ZIP cars on-site, the property is conveniently positioned for travel.

- Phase II is located between three mass transit PATH hubs (Grove, Exchange Place, and Newport/Pavonia). The PATH (Port Authority Trans Hudson) system links Jersey City to Hoboken, Harrison, Newark and to both Downtown and Midtown in New York City within minutes.



- The PATH is both reliable and efficient; businesses at Jersey City's Exchange Place say that

they are "across the street" from Manhattan's Wall Street.

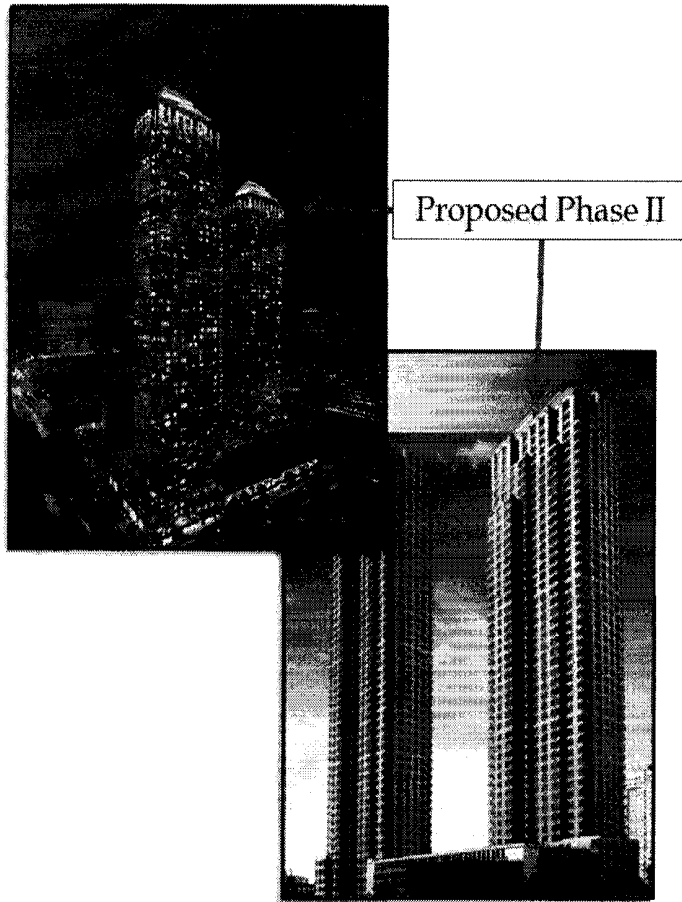
- The Light Rail, which connects Jersey City with Bayonne, Hoboken, and Weehawken is an award-winning, nationally recognized, innovative transit system. Its electric powered modern trolleys are both environmentally friendly as well as very helpful in decongesting New York-New Jersey traffic.
- Jersey City is in close proximity to the Holland Tunnel, providing cars and buses with a simple, direct access to Manhattan.
- A number of ferry lines go from Jersey City to Manhattan:
NY Waterway provides several routes out of Jersey City and considered the largest concentration of service offered.
- Since Jersey City is at the center of this major highway system, it's extremely easy for employees and goods to stream both in and out of the project location.

V. Project Feasibility

The owners financial assumptions are based on their many years of experience in the Real Estate market relating to ownership, management and development of similar projects. They have confirmed the demand for luxury apartments in the area and the low level of recent or future planned development. They are projecting a rental income between [redacted] for a studio apartment up to [redacted] per month for a 3 bedrooms. In the examples below for similar properties in the project location the monthly rentals start at [redacted] for a studio apartment and up to [redacted] for a 3 bedroom.]

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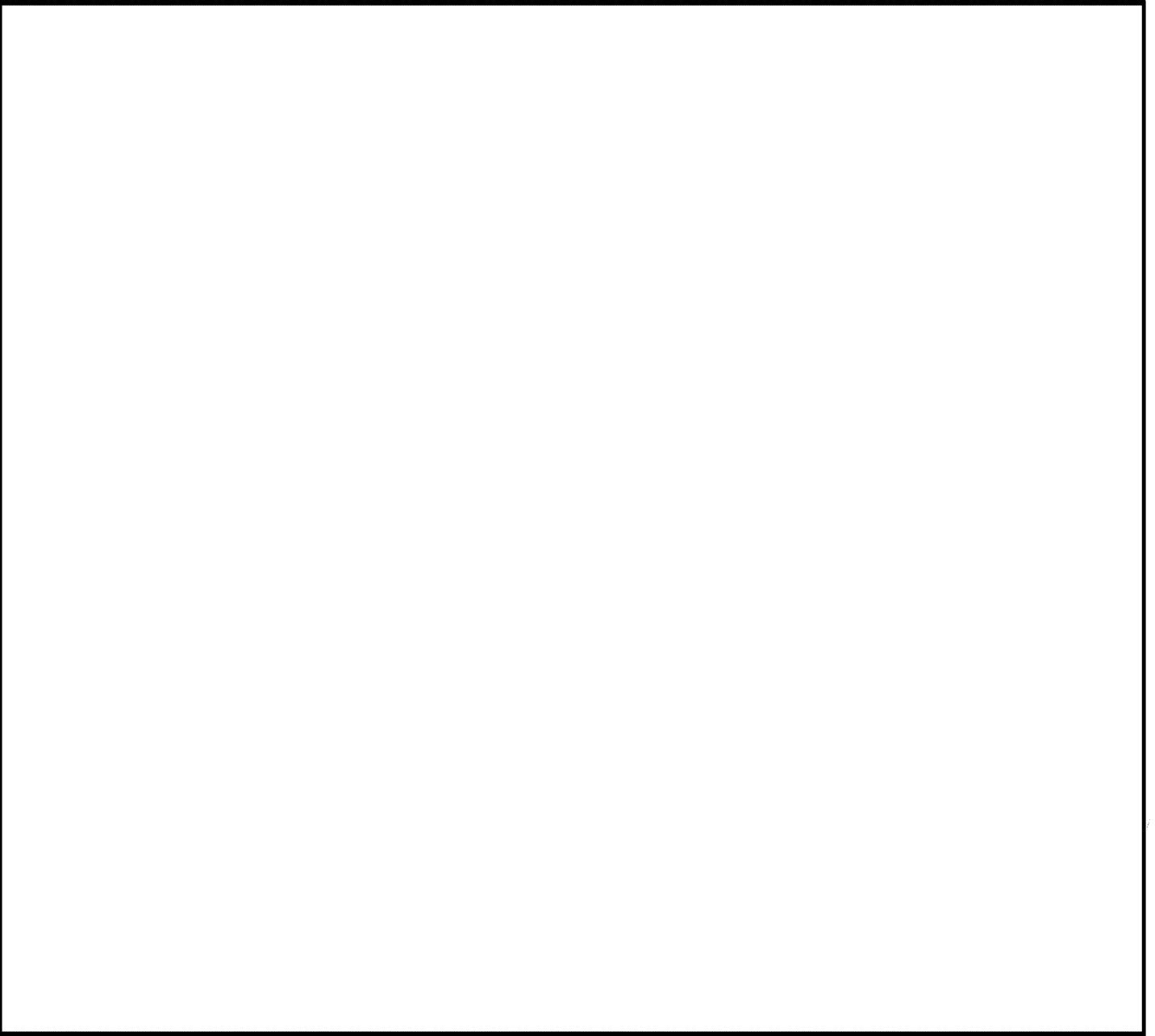
Neighborhood – Jersey City Powerhouse District



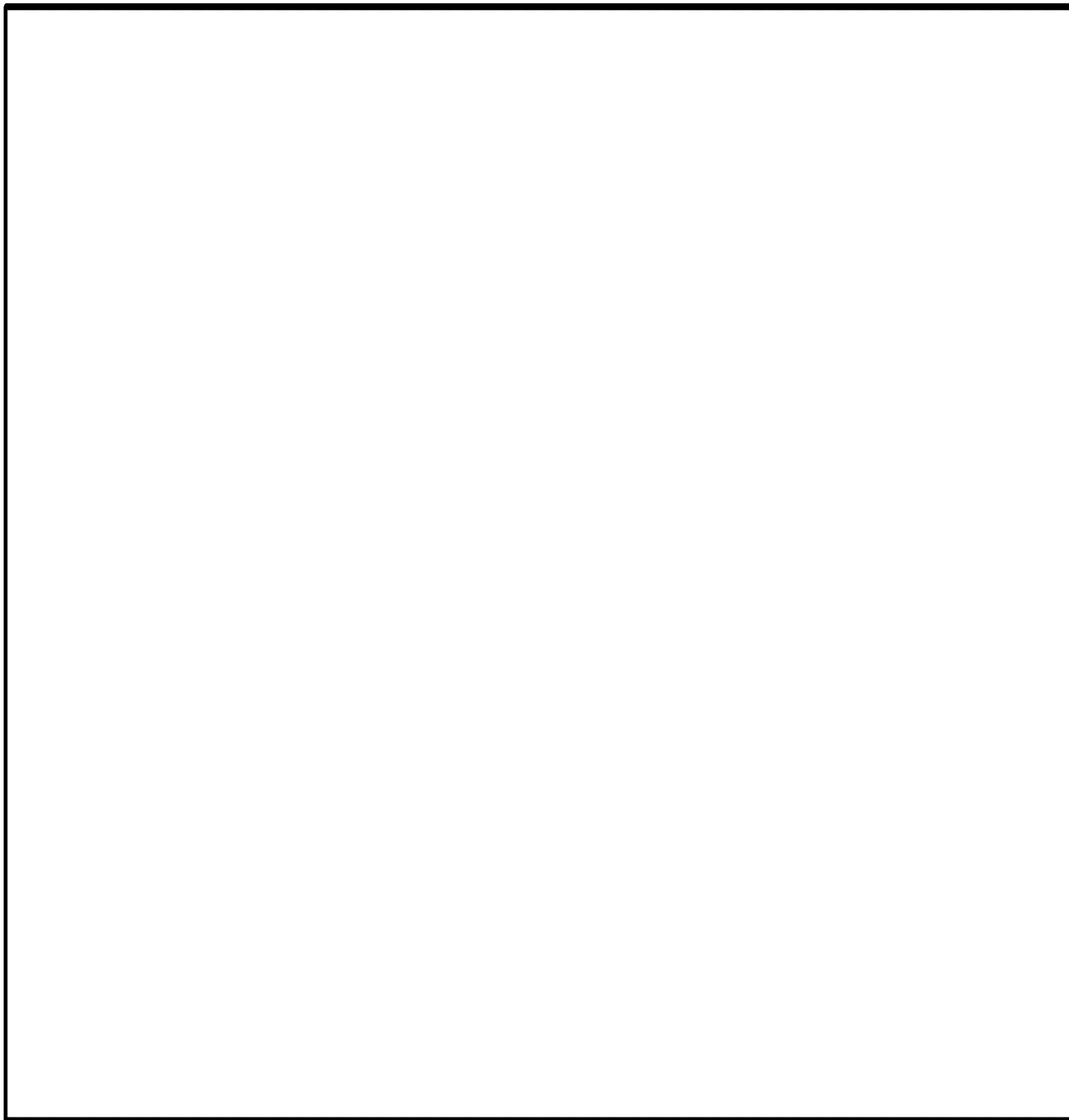
- The Powerhouse District is a veritable hot bed of arts and culture, making this one of Jersey City's most desirable and blossoming neighborhoods.
- Only minutes away from Manhattan, Jersey City attracts many young families and single workers, helping to make Jersey City a hub for nightlife, theater, art-galleries, Parks, museums and a thriving waterfront.
- Jersey City boasts the largest mall in Hudson County, the Newport Mall, which has 3 levels and is anchored by Macy's, Sears, and JC Penney.
- Jersey City has a modern medical center and is the seat of Jersey City State College and St. Peter's College. Liberty State Park, on the waterfront, is the site of the science museum and provides an excellent view of New York Harbor.

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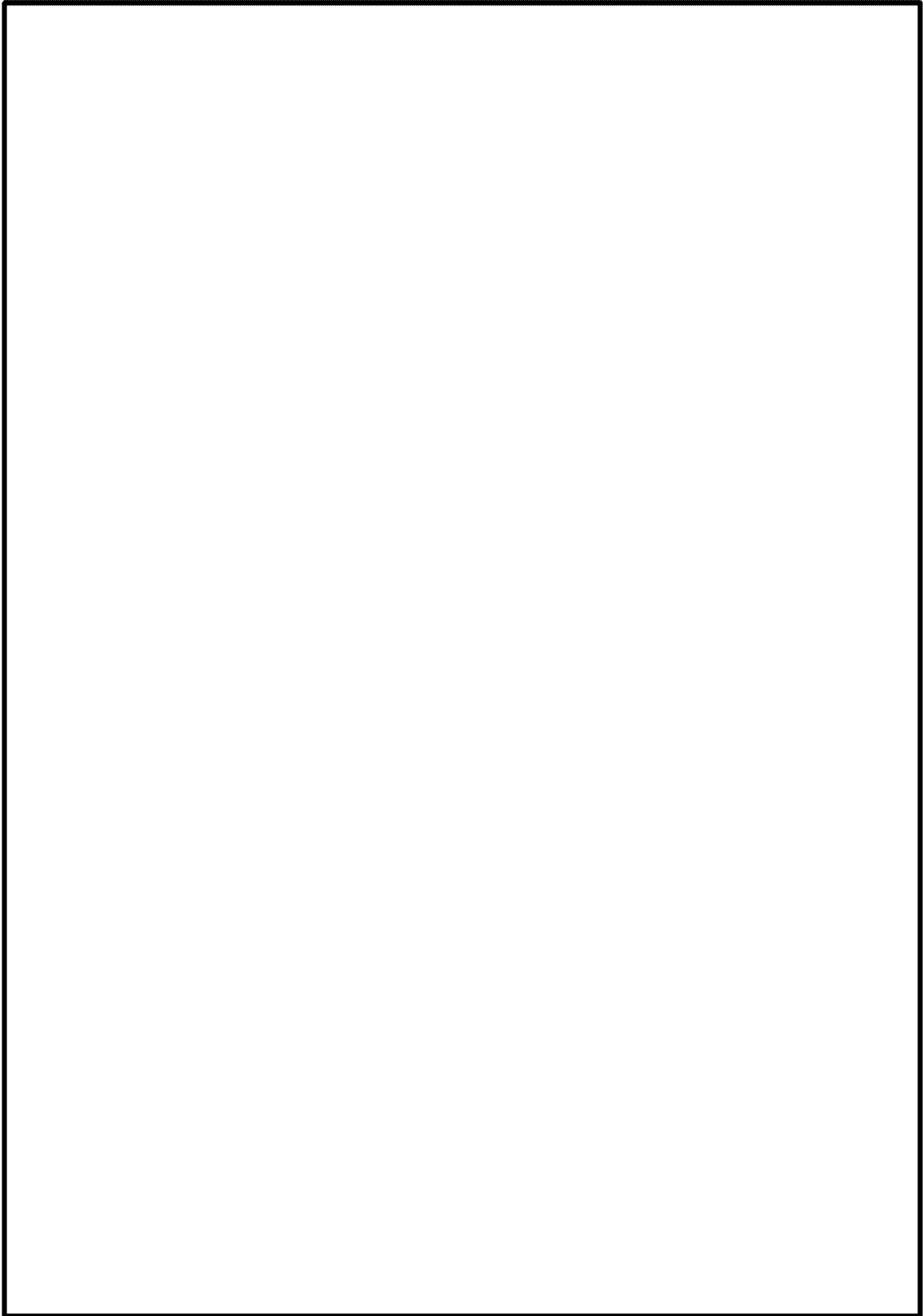
Rental Comparables



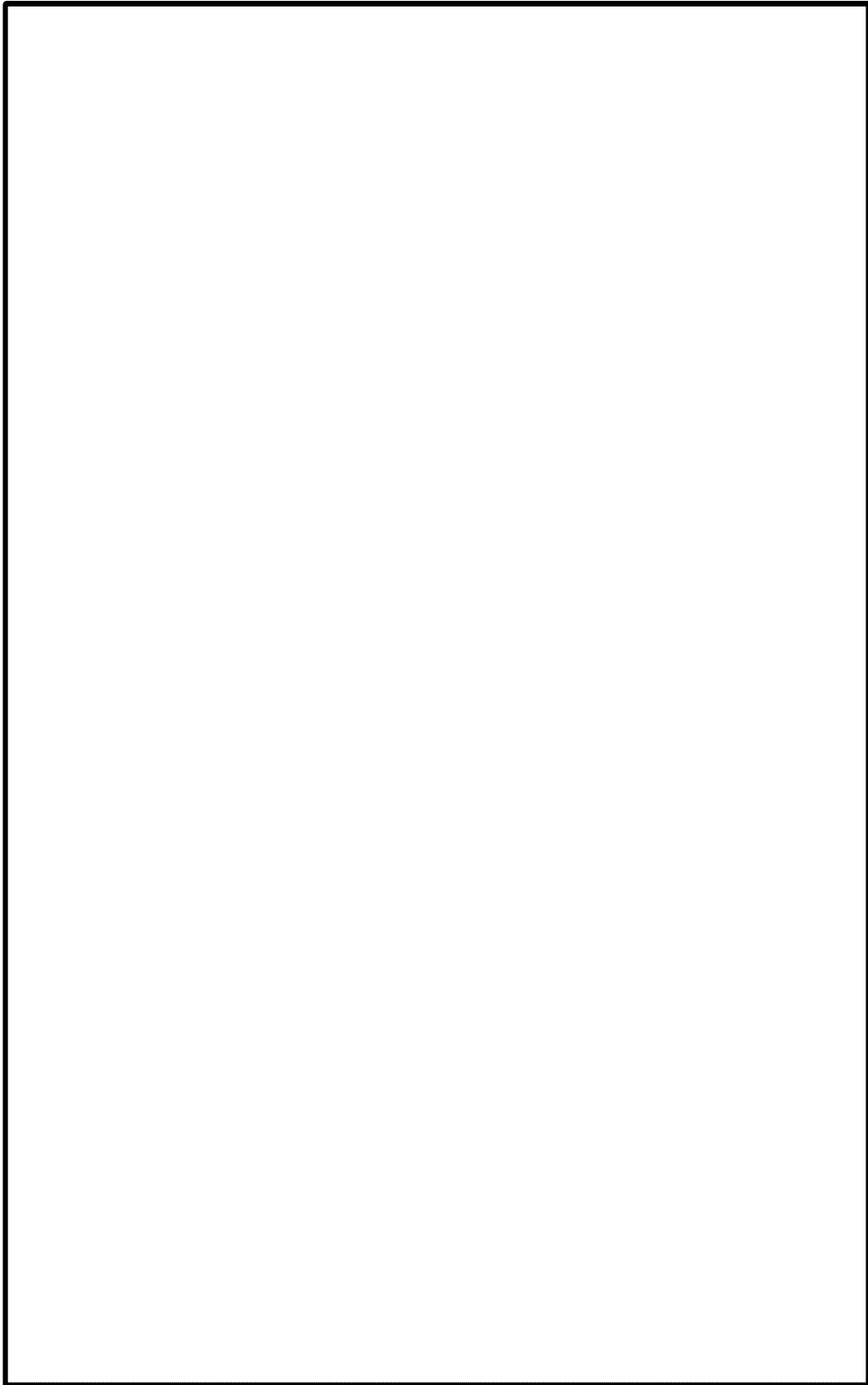
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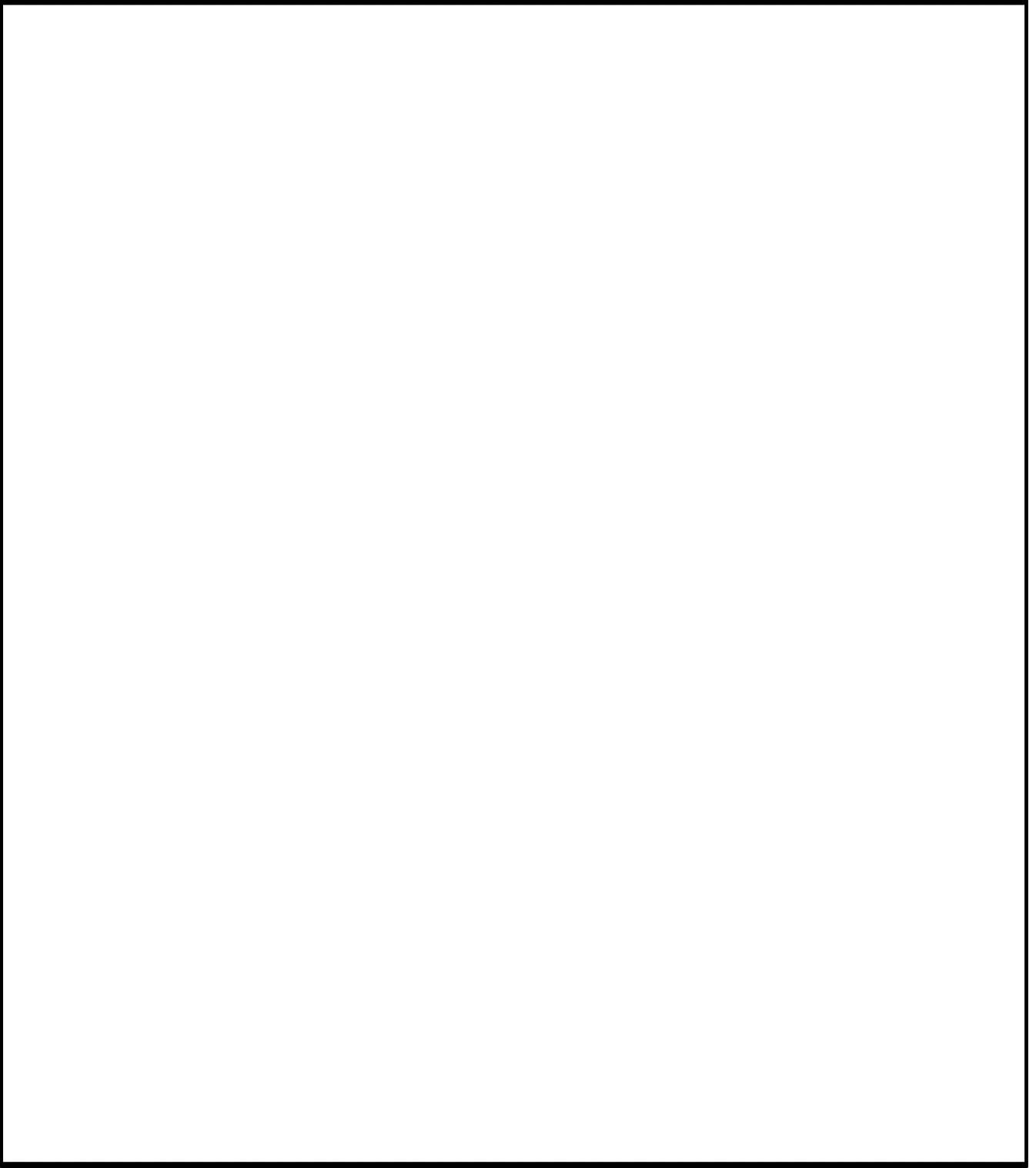
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(b)(4)



VI. Financial Information

A. Sources and Uses

The Project has a total projected cost of [REDACTED] This is comprised of the following:

- (b)(4)
- [REDACTED] for the purchase of the Property which includes all the cost of obtaining the necessary governmental approvals, other entitlements, all pre-development costs and;
 - [REDACTED] of projected costs to complete the construction, which includes approximately [REDACTED] of projected “hard” construction costs, and approximately [REDACTED] in projected “soft” construction costs, FF&E, financing expenses and other costs.
 - (b)(4)

The Owner is securing approximately [REDACTED] of senior construction debt (the “**Senior Construction Loans**”). The Owner’s equity investment of [REDACTED] and the [REDACTED] Loan to be provided by the Funding Company (the proceeds of which are derived from the EB-5 Investor) will be used solely for project construction hard costs or qualified soft costs.

All EB-5 Investor capital investment (\$500,000 for each individual) will be used as part of the Loan to pay for “hard” construction costs and other qualified development expenses in accordance with the EB-5 Pilot Program guidelines.

The following chart summarizes the projected Source and Use of funds, and shows the percentage participation in the Project for each funding source.

(b)(4)

| Source of Funds (in millions) | Use of Funds (in millions) |
|-------------------------------|----------------------------|
| [REDACTED] | |

B. Budgets and Construction Timeline

The following budget represents the total costs to complete the construction of the Project on the Property. This includes projected construction costs to be funded with proceeds from the Senior Construction Loan together with the proceeds of the Loan from the Funding Company. As noted above, the Owner previously acquired the Property and paid for the costs related to obtaining the entitlements on the Property all represented by the total Land Costs in the budget below. All the Hard and Soft costs represented in the following budget are the projected future costs. The budget has been prepared by the joint effort of the owners who have many years experience in real estate development of similar projects. The cost used are based on current local costs provided by industry suppliers, i.e steel, cement, plumbing, electric etc.

Construction Timeline

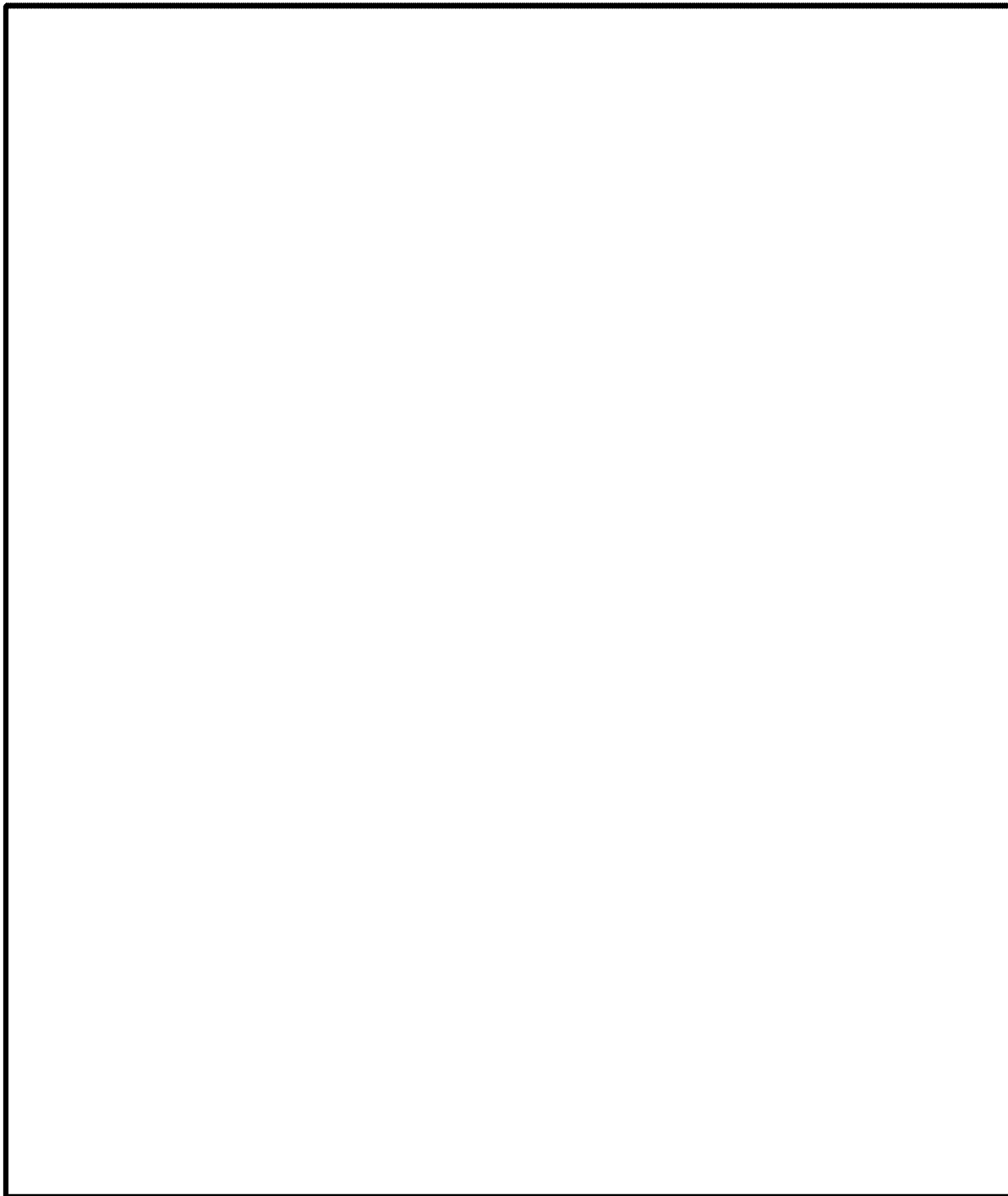
Based on the construction timetable provided by the Owners and Triton Construction, it will take approximately 26 months for the Developer to complete the construction of the Building and obtain a final Certificate of Occupancy. Important construction milestones include the completion of the following:

- Excavation – February/March 2013
- Concrete Foundation and Waterproofing – April 2013
- Tower Building Construction begins – April 2013
- Tower Building Construction completed – November 2013
- Roofing and Tower Crane Areas – February 2014
- Interior Finishes – January 2015
- Mechanicals, Electrical, Plumbing and Sprinkler Systems – February 2015
- Punch List and Temporary Certificate of Occupancy items – April 2015

Funding will be provided by the Funding Company in one (1) Phase and up to three (3) Phases.

(b)(4)

Development Budget

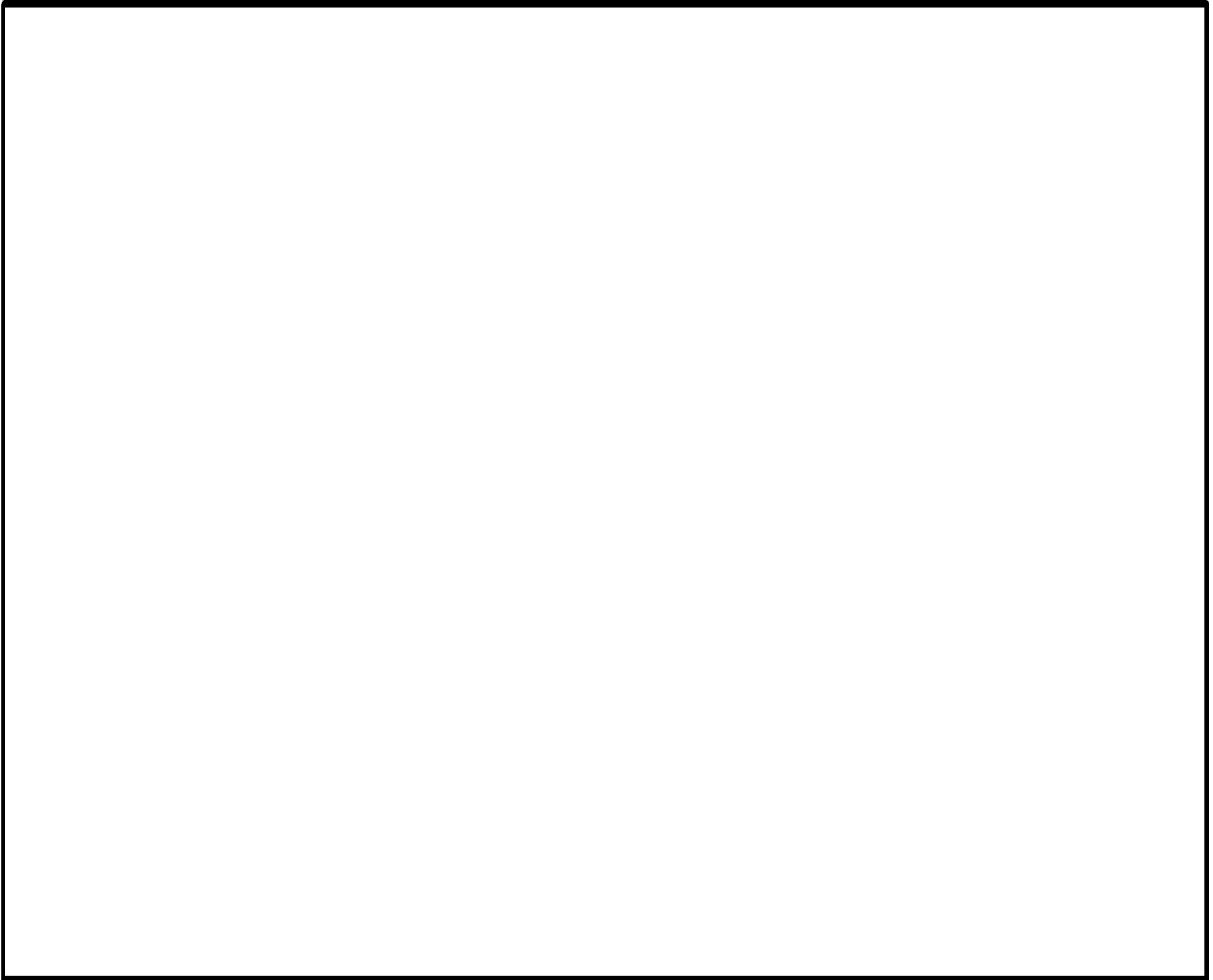


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Operating Assumptions



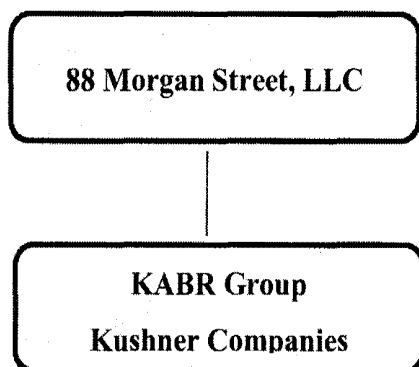
(b)(4) Detailed Operating Projections



VII. Investment Structure

A. Description

The Project Ownership and Management a Joint Ownership between the KABR Group and Kushner Companies (the “Owner”) was formed in February 2012 for the purpose of acquiring and developing the Project. The Management Company of the Owner is structured as follows:



B. Development Team

In February of 2012, the KABR Group and Kushner Companies (the “Ownership”) established a Joint Venture to manage the entitlement, development, and operation of a 50 story rental apartment building, consisting of 417 rental apartments, 217 parking spaces, and approximately 4,000sqft of retail space adjacent to Trump Plaza I.

(b)(4) **Kushner Companies** is a diversified real estate organization headquartered in New York with extensive experience in the ownership, management, development, and redevelopment of properties, owning over 13,000 multi-family apartments nationwide. Historically, the company has developed, acquired and successfully managed over 30,000 apartments, half of which was sold to AIG in 2007 for

KABR Group is a diversified real estate investment company dedicated to the timely and opportunistic purchase of real estate assets in the New York metro region. The group currently owns and operates a diverse portfolio of properties in several states

VIII. Regional Center

USIF as an approved EB-5 regional center within Bergen, Essex, Hudson, Middlesex, Monmouth, Morris, Passaic and Union Counties in New Jersey will sponsor the project located within its Territory.

The USIF will manage and oversee all operations and Project activities to ensure compliance with all requirements through the design and execution of a database and reporting system that will provide the following information on an annual basis to USCIS:

- Maintain a current listing of the officials and point of contact for the management and administration of the Project. This will include the USIF, the Management Company, the Funding Company and the Owner.
- Maintain a current list of approved methodologies to evaluate and track job creation in the Project that resulted from the Loan and the use of the proceeds from the Qualified Investors investment in the Funding Company.
- Maintain an inventory of the name, date of birth, and alien registration number of each Qualified Investor who makes an investment in the Funding Company and who files an EB-5 Pilot Program I-526 Petition with USCIS, specifying whether the petition was approved, denied, or withdrawn by the Qualified Investor/petitioner.
- Maintain a current list of the country of nationality of each Qualified Investor who makes an investment in the Funding Company and files an I-526 Petition with USCIS.
- Maintain a current list of the U.S. municipality and state of residence of each Qualified Investor who makes an investment in the Funding Company and files an I-526 Petition with USCIS.
- Maintain a listing of the categories of approved business activity within the geographic Territory of the USIF that have received the Qualified Investor's capital, and in what amounts.
- Report the amounts invested by Qualified Investors and the amounts of other domestic capital that have been invested together in each job created by virtue of the Loan from the Funding Company to the Owner and distinguish between the separate totals for each.
- Report to USCIS the aggregate number of approved EB-5 alien investor I-526 Petitions per Federal Fiscal Year to date made through the USIF.
- Report the aggregate number of approved EB-5 alien investor I-829 petitions per Federal Fiscal Year to date through the USIF.
- Report the aggregate EB-5 alien capital amount invested through the USIF with respect to the Project for each Federal Fiscal Year to date since the approval and designation of the USIF as a regional center.
- Provide the combined aggregate of "new" direct and/or indirect jobs created by the Project and the use of the capital invested by the Qualified Investors for each Federal Fiscal Year to date since the approval and designation of the USIF as a regional center.

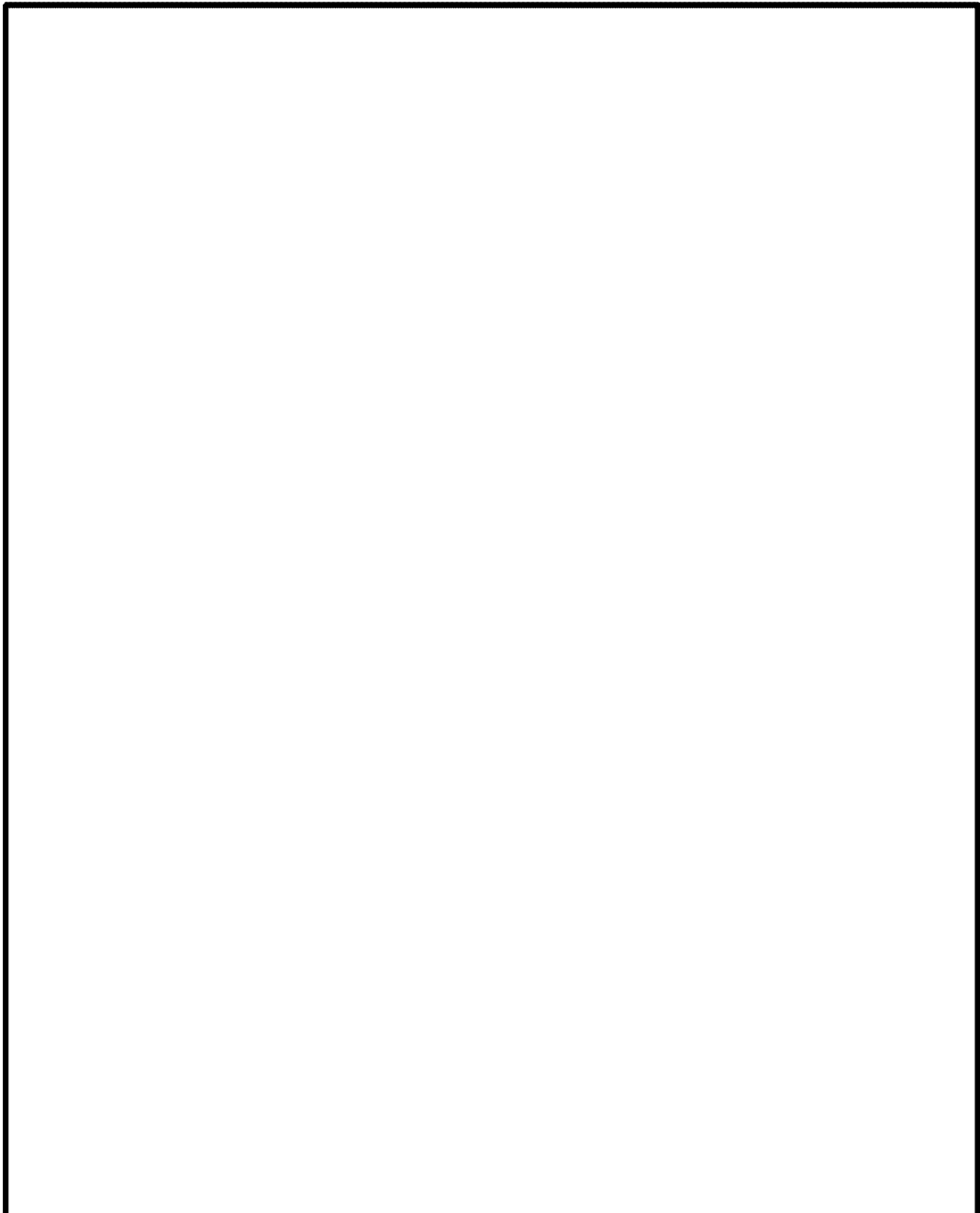
IX. Marketing Plan to Attract Immigrant Investors

A. Marketing Program

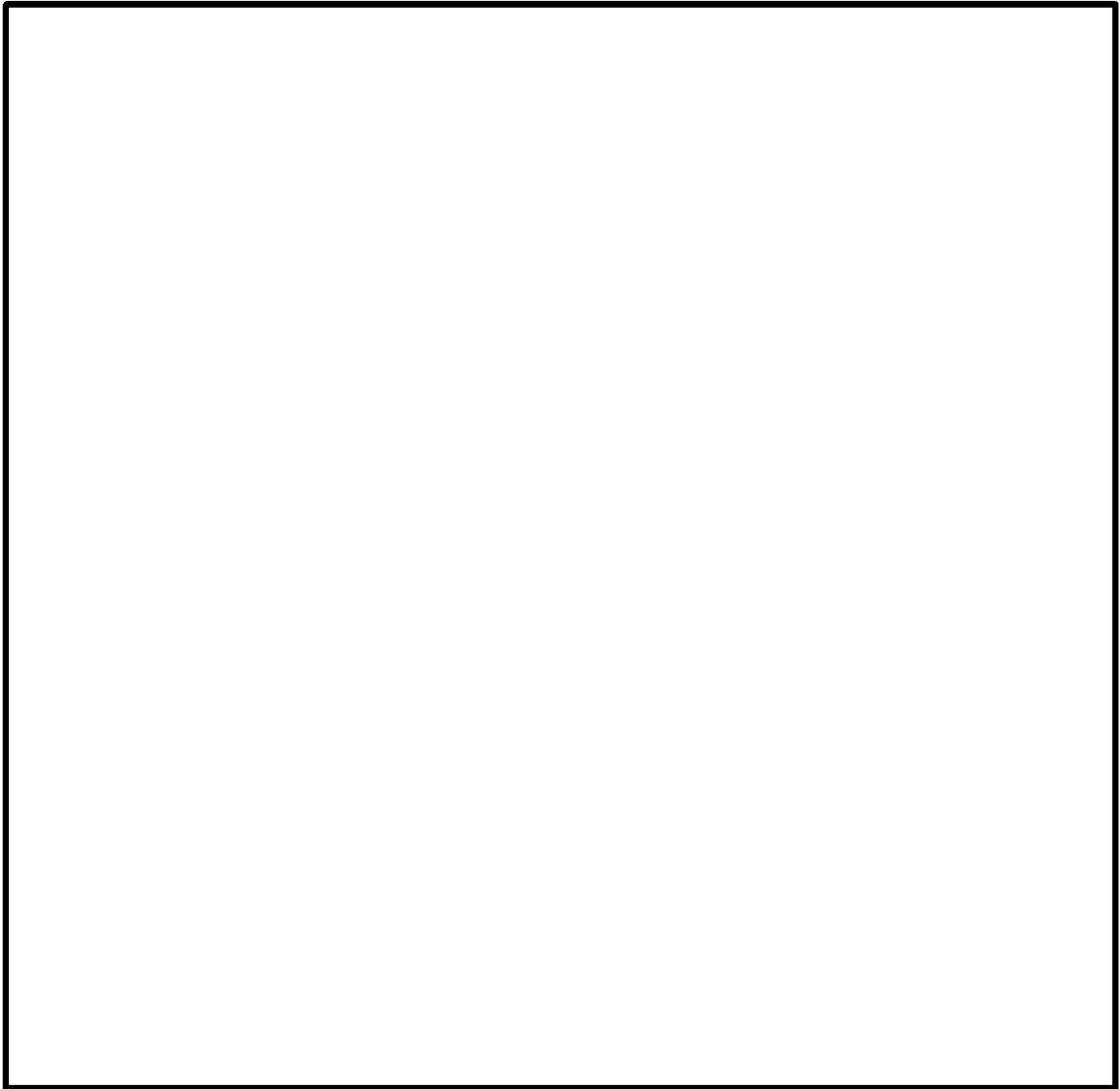
The Funding Company has created an extensive marketing program to attract Qualified Investors. All marketing activities will be conducted exclusively outside the United States and in compliance with Rule 502(c) of the Securities Act. USIF has previously executed successful marketing plans to foreign immigrant investors under the EB-5 Pilot Program.

The Program to attract the Investment from Qualified Investors is summarized as follows:

(b)(4)



(b)(4)



X. Economic Impact of Developing a Luxury Residential Tower as Part of the US Immigration Fund-NJ , LLC, an EB-5 Regional Center, in the New Jersey Metropolitan Area

Dr. Michael K. Evans, Ph. D. of Evans, Carroll & Associates, Inc. was engaged to calculate the economic impact of this Project. The purpose of the Economic Report is to determine the economic benefit of the Project within the community of Hudson County and the USIF's approved Territory. The Economic Report measures the economic impact of the 88 Morgan Street Project in terms of:

- Job Creation
- Household Income
- Demand for Business Services
- Demand for Utility Services
- Maintenance and Repair Construction
- New Supplier/Vendor Relationships Created with Manufacturers

(b)(4) As stated in the Economic Report, Dr. Evans uses the RIMS II input-output model to calculate job creation for each category of economic activity. This model has been successfully used by Dr. Evans in over 100 studies and has been approved in many earlier applications by USCIS. The Economic Report contains the relevant information and analysis to establish that the Project will create [redacted] new permanent jobs, which is greater than the minimum number of jobs required under the EB-5 Program.

XI. Summary and Conclusion

Based on the extensive data and research contained in this Business Plan, it is recommended that the Project, located in the USIF's approved Territory, be approved as a USCIS EB-5 Pilot Program Project. Recommendation for this approval is based on the following strengths:

- The 88 Morgan Street Project creates the required number of permanent jobs. The Economic Report uses construction spending to realize [redacted] new direct, indirect and induced jobs from construction and operations of the Project.
- The Project is located within a Targeted Employment Area so conditional and permanent residency can be pursued with an investment of \$500,000 rather than \$1,000,000. (b)(4)
- The Loan is intended to be repaid within [redacted] years, subject to USCIS restrictions that may delay repayment based upon the finalization of the I-829 petition process for the Qualified Investors. The investment by each Qualified Investor is fully at risk.
- The Funding Company will have a Secured Lien on all the 88 Morgan Street Property and improvements junior only to the senior bank financing.
- In closing, it is clear that the Project to be constructed in Jersey City, New Jersey, strongly promotes economic growth, improves regional productivity, creates a significant level of jobs and will attract increased domestic and foreign capital into the area it serves. For these reasons, the Project will make a quality USCIS EB-5 Pilot Program Project.

XII. Contact Information

Attention: Nicholas A. Mastroianni, II
U.S. Immigration Fund GP – 88 Morgan Street, LLC
U.S. Immigration Fund – NJ, LLC
1295 US Highway One, Suite 300
North Palm Beach, Florida 33408
Phone: (561) 799-1883
Fax: (561) 799-0061
Info@USIFund.com

EXHIBIT NAME

**TAB
NUMBER**

Economic Analysis of Job Creation of the 88 Morgan Street Project by
Evans, Carroll & Associates dated December 7, 2012 (RIMS II
methodology).

20.

**Economic Impact of Developing a Luxury Apartment Building
Located in Jersey City, NJ, for the US Immigration Fund, LLC
and its New EB-5 Regional Center in Northern New Jersey**

**Prepared for:
The U. S. Immigration Fund**

**Prepared by:
Michael K. Evans
Evans, Carroll & Associates, Inc.
2785 NW 26th St.
Boca Raton, FL 33434
561-470-9035
mevans@evanscarrollecon.com**

December 7, 2012

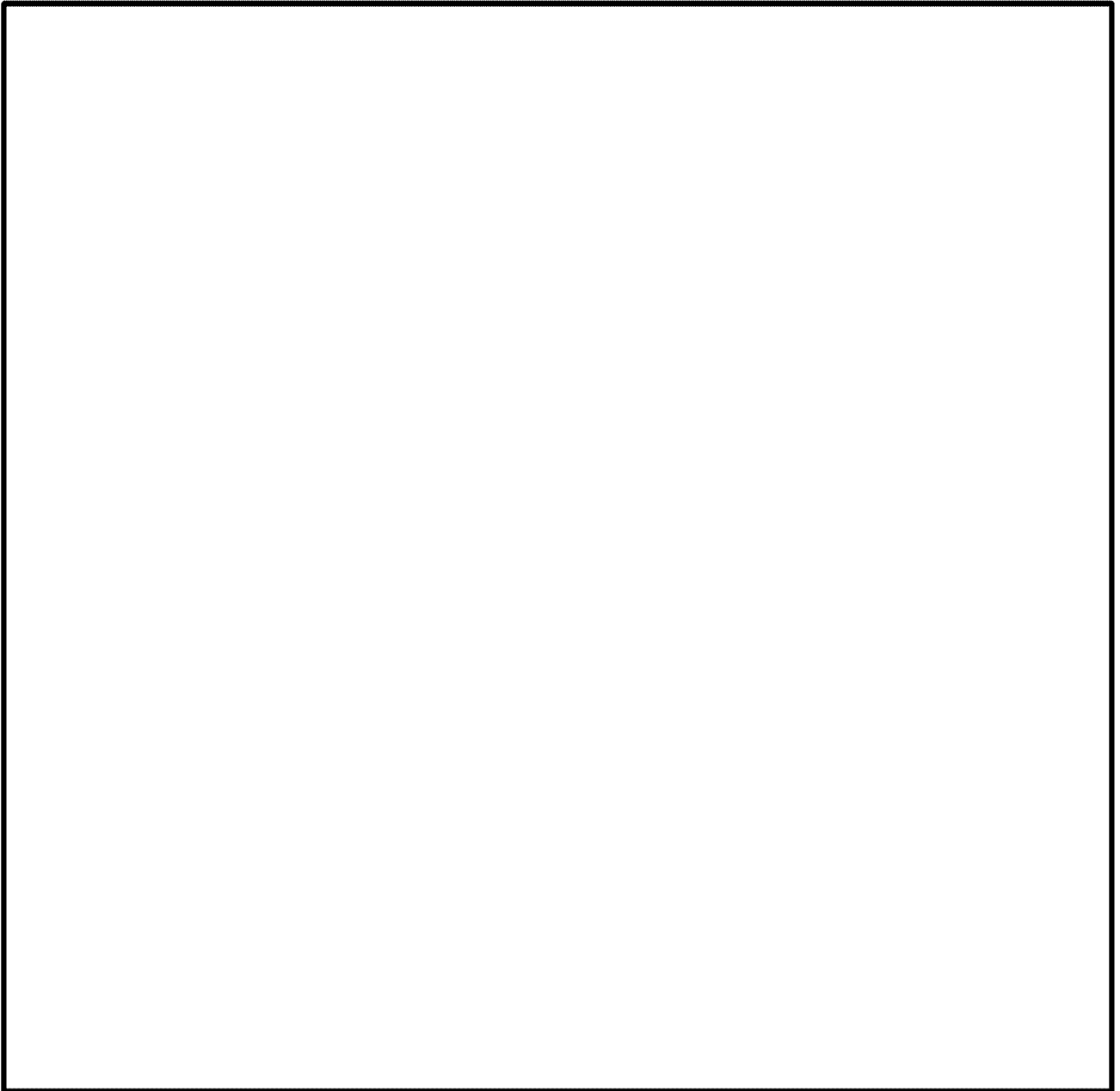
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1. Executive Summary

- The U.S. Immigration Fund, LLC plans to open a new EB-5 regional center in northern New Jersey. The first project will be a luxury apartment building located at 88 Morgan Street in Jersey City, NJ. The building will have 417 apartment units, 214 parking spaces, and about 4,000 square feet of retail space.
- The economic impact results are calculated using the RIMS II input/output model for the following 8 counties in New Jersey: Hudson, Essex, Union, Bergen, Passaic, Morris, Monmouth, and Middlesex. These counties are chosen based on commuting patterns, as explained later in this report.

(b)(4)



2. Tabulation of Principal Results

Table A shows the annual revenue, the final demand multiplier, and the total number of jobs created by the construction and operations of the apartment building. Since the construction will take more than two years, the economic impact figures for the hard construction costs and appropriate soft costs include direct as well as indirect and induced jobs. All figures are permanent jobs.

(b)(4)

Table A. Summary of Employment and Revenue Estimates

| |
|--|
| |
|--|

Table B1 shows the NAICS codes for each type of economic activity. The descriptions are taken from:

<http://www.census.gov/cgi-bin/sssd/naics/naicsrch?chart=2012>

Table B1. NAICS Codes for Each Type of Activity

| |
|---|
| <p>2362 _ Nonresidential Building Construction 2361 _ Residential Building Construction 53111 Lessors of Residential Buildings and Dwellings 5413 _ Architectural, Engineering, and Related Services</p> |
|---|

Table B-2 shows the print screen of all the RIMS II multipliers used in this study. Please note that for purchases of FF&E, the multiplier used is the construction multiplier excluding direct jobs, calculated as

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| Table B2. Print Screen of Multipliers | | | | | | |
|---|--------|--------|---------|--------|--------|--------|
| | (1) | (2) | (3) | (4) | (5) | (6) |
| 230000 Construction | 2.0346 | 0.5600 | 11.7739 | 1.1005 | 1.8051 | 1.9882 |
| 531000 Real estate | 1.4670 | 0.2244 | 13.2613 | 1.0810 | 1.9496 | 1.2985 |
| 541300 Architectural, engineering, and related services | 1.9921 | 0.5483 | 10.2148 | 1.2297 | 1.8728 | 2.5874 |
| 812900 Other personal services | 1.8509 | 0.3285 | 9.0272 | 1.0951 | 2.8866 | 2.7787 |

Region Definition: Bergen, NJ; Essex, NJ; Hudson, NJ; Middlesex, NJ; Monmouth, NJ; Morris, NJ; Passaic, NJ; Union, NJ
 *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 2008 data, the output delivered to final demand should be in 2008 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 2002 Benchmark Input-Output Table for the Nation and 2008 regional data. Industry List A identifies the industries corresponding to the entries.
 SOURCE.--Regional Input-Output Modeling System (RIMS II), Regional Product Division, Bureau of Economic Analysis.

Table C shows the annual level of household income, and the output for utilities, maintenance and repair construction, manufacturing output, and professional and business support services for the construction and operation of the 88 Morgan Street apartment building.

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| Table C. Summary Measures of Economic Impact for Construction and Rental income of 88 Morgan Street Apartment Building | |
|---|--|
| | |

Household Earnings (Labor Income)

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 88 Morgan Street apartment building is about [REDACTED] with another [REDACTED] from the purchases of FF&E and [REDACTED] from architectural and engineering services. Household income would also rise about [REDACTED] from the rental income of the apartments, for a total of about [REDACTED]

(b)(4)

The details used to calculate these figures are given throughout the report. Separate tables are provided for the total number of jobs created, the average earnings per new worker, and the total increase in earnings for construction and operation of the hotel. In each case, the RIMS II input/output model has been used to calculate the number of jobs in each major industrial classification, the average earnings per employee, and hence total earnings. The number of jobs by industrial classification is based on calculations imbedded in the RIMS II model for each of the activities as summarized in Table A and documented in detail throughout this report.

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

The total economic impact of the regional center from the supplier purchases and business relationships for the construction and operation of the hotel will create approximately [REDACTED] in additional economic activity across the region for the project. These supplier purchases are calculated from the indirect increase in output generated by the RIMS II model. It should be noted that some of these supplier industries might potentially locate within the regional center, and their economic output is included in this total.

(b)(4)

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

Utilities include services such as electricity, natural gas, and water and sewer facilities. The economic impact on utility services total about [REDACTED] respectively. Most of this represents the use of utilities by occupants of the apartments. (b)(4)

Maintenance and repair services include some building and construction activity on existing buildings. The regional center would create an economic impact of about [REDACTED]. These expenditures represent permanent, ongoing maintenance on the buildings after they are completed; they do not reflect the initial construction costs.

New supplier/vendor relationships with manufacturers would create an economic impact of about [REDACTED]. Most of this output represents purchases of locally produced materials and parts for the construction of the building; some of these expenditures are the purchase of locally produced supplies for the hotel.

- (b)(4) The regional center will also create demand for various types of business services, including professional and scientific services, management of companies, administrative services, and building support and waste management services. The impact of this activity totals about [REDACTED]. Most of this represents payments to architects and engineers for the construction activities; it also includes outsourcing of professional service activities for operating the hotel, such as lawyers and accountants.

The figures given in Table C represent only a brief summary of the detailed calculations that have been undertaken and are reported in tabular format throughout the report. The figure for utility output, for example, represents the sum of utility output for each of the categories of economic activity listed in Table A. For repair and maintenance construction office, this figure represents the amount spent times the input/output coefficient showing the total amount of output per [REDACTED] of construction expenditures. The same methodology applies to all the other figures given in Table C. Detailed figures may be found in the tables in Sections (8) and (9), which provide estimates of indirect jobs by industry category.

3. Introduction and Scope of Work

The U.S. Immigration Fund, LLC plans to open a new EB-5 regional center in northern New Jersey. The first project will be a luxury apartment building located at 88 Morgan Street in Jersey City, NJ. The building will have 417 apartment units, 214 parking spaces, and about 4,000 square feet of retail space. This report contains the economic impact results for the construction of the building and apartment rentals, based on the RIMS II input/output model for the following 8 counties in New Jersey: Hudson, Essex, Union, Bergen, Passaic, Morris, Monmouth, and Middlesex.

Section (4) contains a brief description of the RIMS II models and its various multipliers, and Section (5) contains additional information explaining how the indirect jobs are calculated. Section (6) contains and analyzes the key statistics for the six-county area used to calculate the RIMS II multipliers. Tables 6-1, 6-2, 6-3 and 6-4 show the data for employment by major occupation and industrial classification, income distribution by deciles, mean and median household and family income, and poverty rates for the eight counties used to calculate the multipliers for this study, and compares these figures to the U.S. totals or averages.

Table 6-5 shows key labor market statistics over the past decade for the State of New Jersey, each of these counties, and the 8-county total. Tables 6-6 and 6-7 show the level and growth rate of population and personal income for these same areas. Table 6-8 shows the commuting patterns for Hudson County, and explains how these figures are used to determine the counties included in the multiplier analysis. Section (7) contains a map of the location of the building and maps of the area.

Section (8) presents the economic impact tables for the hard construction costs, EB-5 eligible soft construction costs, and purchases of FF&E. Separate sets of tables are presented for each category of construction for the increase in employment, output, and earnings, and the average level of output and earnings per new worker, for the 20 major industrial classifications in the RIMS II input/output model. Section (9) discusses the number of jobs and revenue estimates for the rental income from the apartments, retail space, and parking, and presents similar tables for the detailed industry results. Section (10) summarizes the RIMS II model results.

4. Brief Guide to RIMS II Input/Output Model

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

Introduction and General Comments

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

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

RIMS II is based on an accounting framework called an I-O table. For each industry, an I-O table shows the industrial distribution of inputs purchased and outputs sold. A typical I-O table in RIMS II is derived mainly from two data sources: BEA's national I-O table, which shows the input and output structure of nearly 500 U.S. industries, and BEA's regional economic accounts, which are used to adjust the national I-O table to show a region's industrial structure and trading patterns.

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

BEA's RIMS multipliers can be a cost-effective way for analysts to estimate the economic impacts of changes in a regional economy. However, it is important to keep in mind that, like all economic impact models, RIMS provides approximate order-of-magnitude estimates of impacts. RIMS multipliers are best suited for estimating the impacts of small changes on a regional economy. For some applications, users may want to supplement RIMS estimates with information they gather from the region undergoing the potential change. To use the multipliers for impact analysis effectively,

users must provide geographically and industrially detailed information on the initial changes in output, earnings, or employment that are associated with the project or program under study. The multipliers can then be used to estimate the total impact of the project or program on regional output, earnings, and employment.

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

RIMS II Methodology

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

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

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

Advantages of RIMS II

There are numerous advantages to using RIMS II. First, the accessibility of the main data sources makes it possible to estimate regional multipliers without conducting relatively expensive surveys. Second, the level of industrial detail used in RIMS II helps avoid aggregation errors, which often occur when industries are combined. Third, RIMS II multipliers can be compared across areas because they are based on a consistent set

of estimating procedures nationwide. Fourth, RIMS II multipliers are updated to reflect the most recent local-area wage-and-salary and personal income data.

Overview of Different Multipliers

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

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

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

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

Employment Multipliers

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

(b)(4) The final demand multipliers for employment can be used if the data on final demand changes are available. In the final demand employment multiplier table, each column entry indicates the change in employment in each row industry that results from a change in final demand in the column industry. The impact on each row industry is calculated by multiplying the final demand change in the column industry by the multiplier for each row. The total impact on regional employment is calculated by multiplying the final demand change in the column industry by the sum of the multipliers for each row.

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

Choosing a Multiplier

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

5. Methodology for Calculating Indirect Job Gains

In spite of the explanation of the RIMS II model given directly above, some USCIS adjudicators have asked for further clarification about how that model is used to determine the increase in the number of indirect jobs. That is an important issue because, unlike the direct job count, which can be verified by USCIS from various payroll and withholding documents, the calculation of indirect jobs cannot be verified directly but depends on mathematical calculations.

The general concept is based on the coefficients in the input/output model itself (the same methodology applies to RIMS II, IMPLAN, or any other generally recognized and accepted input/output model). In any given year, the government calculates how much input is used for a given production of output. The detailed figures are taken from the Economic Censuses taken once every five years; the figures are then updated from various annual supplements.

Basically the process has two steps, each of which is described next in greater detail. The first is to determine the amount of output, and hence the number of jobs, required to produce a given amount (say \$1 million) of the final product or service. These are national coefficients. The second is to determine what proportion of those goods and services are purchased within the local region (the regional purchase coefficients, or RPCs).

In the case of a manufacturing process, the national coefficients are based on production functions: how much coke per ton of steel, how much steel per motor vehicle, how much flour for a loaf of bread, and so on. However, most of the jobs are

created in the service sector, where Commerce Department data are used to determine, for example, how much restaurants spend on laundry services, how much airlines spend for attorneys, and so on. These figures are based on information contained in the various Economic Censuses. The national coefficients would also determine, for example, how many architects and engineers would be hired for a construction project of a given scope and size, and how many new employees at financial institutions would be required to handle the additional cash flow generated by the new business. Both of these are discussed below in greater detail.

Even after these coefficients are determined, however, the regional purchase coefficients (RPC) must still be estimated. If, for example, a trucking firm spends 1% of its revenue on accountants, how much of that money is spent on local firms, and how much is spent outside the region?

That answer depends on various factors. The most important is the amount of the good or service produced within the region. If a trucking firm, for example, were located in a small county with no accountants, obviously it would not spend any of that money locally. That sets a lower limit but is not generally the case. Instead, a balancing algorithm is used.

Suppose, for example, that all the firms producing, distributing, or selling goods and services in a given county spent \$10 million on accounting services. Also, suppose that total billings of all accountants in the county were \$20 million. In that case, local accountants could handle all the local business, plus business from neighboring counties. If, on the other hand, total accountant billings in the county were only \$5 million, local firms could not spend more than half of the money on local accountants.

Of course it is possible that there are adequate resources in the county but local firms choose to use companies outside the county; perhaps prices or service is better. No input/output model can account for such anomalies. On the other hand, given transportation costs, it would be highly unusual for a firm to be located in a given location and not serve the nearby businesses, instead choosing only those clients who were farther away.

The RIMS II model – and other regional input/output models – assigns regional purchase coefficients (RPCs) in all cases where the local industry purchases goods and services from local firms. This matrix could have as many as $406 * 406 = 164,836$ elements, although in practice many of them are zero. Large counties with a wide variety of businesses have more non-zero elements than small counties with relatively few businesses.

In general, the RPCs tend to be close to zero for most manufactured goods, and close to unity for most services. While there are many exceptions to this rule, most firms will use financial, professional, business, and health care services that are located in that county or contiguous areas.

To take just one example of many, consider the number of new jobs created by architects and engineers for a new construction project of any given size. Most construction cost manuals, such as those published by R. S. Means, indicate that those costs are usually about 5% to 9% of the total job. According to the national input/output file, the figures are 9.2% for commercial construction and 4.5% for industrial construction.

These figures can be compared with the proportions of architects and engineers in the specific regional area, based on the RIMS II data that are used to determine the economic multipliers in the specific county group. For this 8-county group, the input/output model shows proportions of 8.4% for commercial and 4.3% for industrial construction, indicating that 91% of the architects and engineers for commercial jobs and 95% for industrial jobs are hired locally. These figures are fairly typical of other locations and regions; except for "signature" buildings designed by famous names, most architects and engineers live in the same region as the buildings that are being constructed.

To summarize to this point, the number of indirect jobs as a proportion of direct jobs depends on (a) the national relationships, and (b) the regional purchase coefficients. In our presentation for the businesses in this report, we provide further discussion of those industries with the largest number of indirect jobs. However, there are a few industries that produce relatively large numbers of jobs in almost all cases, and these can be generally discussed at this stage in order to avoid repeating this information several times. The industries discussed here include banking, real estate, legal and accounting, architects and engineers, other professional services, employment services, other business services, restaurants, and government. In all of these cases, the vast majority of workers are hired locally. Our comments for the rest of this section are based on the assumption of a \$10 million investment; the results are linear.

Banking and credit: On an aggregate basis, for every \$10 million in deposits, very broadly defined (M3), there is about 1 new banking employee. As a rough rule of thumb, the size of M3 is roughly equal to the size of GDP. Hence we would expect about 1 new banking employee for every \$10 million increase in output, as calculated from the RIMS II model.

Real estate: Additional real estate employees are based on two factors. One is the leasing activity of the new building, and the other is the increase in residential real estate activity as people get new jobs, either within the area or by moving into the area. On a lease basis, a \$10 million investment is likely to result in a building of 80,000 square feet. If it leases for \$40/square foot, that would be \$3.2 million in annual lease payments, and with a 6% commission would generate \$192,000 in revenues, which would account for about 2 new real estate employees (the figure would be less for industrial buildings). The increase in employment would also result in some real estate activity as workers moved into better housing in the same location, or moved in from other areas. In a normal year, there are about 7 million sales of new and existing homes for a labor force of about 140 million, or 5%. Hence if the total increase in employment were [redacted] that would imply [redacted] real estate transactions; if they average

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\$200,000 at a 6% commission, that would be \$12,000 per home or a total of \$120,000, which would support approximately 1 new real estate job.

Legal & Accounting: Each of these accounts for about 1% of total employment; so if there were a total increase of [] jobs, we would expect an average of [] new employees in this classification.

Architects & Engineers: almost all of these jobs stem from the new construction activity. This category has already been discussed above; for a \$10 million construction project, which would create about [] new construction jobs, we would expect about [] new jobs in architects and engineers for a commercial project and [] new jobs for an industrial project.

Other professional services: This category includes employees in consulting, scientific research and development, advertising, and management, as well as several other smaller, specialized categories. In general, consulting, management, and the all other category each account for about 1% of total employment, and R&D and advertising account for about ½% of total employment, for a total of about 4% of total employment. This figure will vary widely depending on the degree to which consultants and R&D are used by the new business.

Employment services: On a national average basis, 1 out of every 45 people is employed by this industry. Here again, the figures will vary widely depending on (a) the proportion of people who are hired through employment agencies, and (b) the proportion of the work that is outsourced to employment services.

Business support services include office management, travel arrangement, security, credit bureaus, telemarketing, and back-office jobs that are outsourced, such as direct mail, copying, and duplicating services. The back-office services would vary widely depending on the type of new business; retail stores, for example, would print and distribute more advertising brochures than a manufacturing operation. On a national average basis, these jobs account for about 2% of total employment.

Building support services, which includes janitorial services, lawn maintenance, and waste management. For an office building of 80,000 square feet, the cost would be approximately \$2/sq ft per year for maintenance, or \$160,000, which would support about 4 new jobs; here again, the figure would be lower for industrial buildings.

Restaurants: This category reflects business meals. Of course the number of business meals depends greatly on the type of business; lawyers, accountants, and consultants will have more business meals than manufacturing plants or water treatment facilities. On a national average basis, Commerce Department figures show that total restaurant sales in 2007 were \$580 billion, while consumer expenditures at restaurants were \$500 billion. However, that figure also includes tips, which are not included in restaurant sales. After subtracting 15% for tips, that indicates about \$425 billion in food and beverage purchases by consumers, indicating about \$155 billion for business expenses. With a labor force of approximately 140 million, that is equivalent to about \$1,100 per employee. Hence if 200 new jobs were created, business meal

expenses would rise an average of \$221,000, which would imply about 4.5 new indirect jobs in the restaurant industry. These figures are likely to be somewhat higher when direct jobs are created for office buildings and hotels.

Government: The increase in public sector employees represents the amount funded by increased real estate taxes. For a construction project with \$10 million in hard costs, the total value is likely to be between \$15 and \$20 million when one includes furniture, fixtures, equipment, and land values. Using a national average property tax rate of 1%, that would raise \$150,000 to \$200,000, which would create new jobs in the public sector. (b)(4)

6. Economic Parameters for Hudson, Essex, Union, Bergen, Passaic, Morris, Middlesex, and Monmouth Counties

This section is organized as follows. Tables 6-1, 6-2, 6-3 and 6-4 show the data for employment by major occupation and industrial classification, income distribution by deciles, mean and median household and family income, and poverty rates for the eight counties used to calculate the multipliers for this study, and compares these figures to the U.S. totals or averages. Table 6-5 shows key labor market statistics over the past decade for the State of New Jersey, each of these counties, and the 8-county total. Tables 6-6 and 6-7 show the level and growth rate of population and personal income for these same areas. Table 6-8 shows the commuting patterns for Hudson County, and explains how these figures are used to determine the counties included in the multiplier analysis.

Table 6-1. Key Economic Statistics for Hudson and Counties Compared to the U. S. Economy, 2010 Data

| Category | Essex | % | Hudson | % | U.S. | % |
|------------------------------------|---------|--------|---------|--------|-------------|--------|
| EMPLOYMENT STATUS | | | | | | |
| | | | | | 2010 | |
| Population 16 years and over | 612,565 | 100.0% | 520,559 | 100.0% | 243,832,923 | 100.0% |
| In labor force | 400,770 | 65.4% | 359,487 | 69.1% | 156,966,769 | 64.4% |
| Civilian labor force | 400,523 | 65.4% | 359,408 | 69.0% | 155,917,013 | 63.9% |
| Employed | 344,146 | 56.2% | 312,480 | 60.0% | 139,033,928 | 57.0% |
| Unemployed | 56,377 | 9.2% | 46,928 | 9.0% | 16,883,085 | 6.9% |
| Armed Forces | 247 | 0.0% | 79 | 0.0% | 1,049,756 | 0.4% |
| Not in labor force | 211,795 | 34.6% | 161,072 | 30.9% | 86,866,154 | 35.6% |
| OCCUPATION | | | | | | |
| Civilian employed population 16+ | 344,146 | 100.0% | 312,480 | 100.0% | 139,033,928 | 100.0% |
| Management & professional | 128,336 | 37.3% | 118,514 | 37.9% | 49,975,620 | 35.9% |
| Service occupations | 70,110 | 20.4% | 54,500 | 17.4% | 25,059,153 | 18.0% |
| Sales and office occupations | 83,284 | 24.2% | 75,993 | 24.3% | 34,711,455 | 25.0% |
| Construction, maintenance, repair | 24,850 | 7.2% | 22,231 | 7.1% | 12,697,304 | 9.1% |
| Production & transportation | 37,566 | 10.9% | 41,242 | 13.2% | 16,590,396 | 11.9% |
| INDUSTRY | | | | | | |
| Civilian employed population 16+ | 344,146 | 100.0% | 312,480 | 100.0% | 139,033,928 | 100.0% |
| Agriculture & mining | 839 | 0.2% | 88 | 0.0% | 2,646,975 | 1.9% |
| Construction | 19,412 | 5.6% | 17,452 | 5.6% | 8,686,813 | 6.2% |
| Manufacturing | 21,063 | 6.1% | 25,036 | 8.0% | 14,439,691 | 10.4% |
| Wholesale trade | 8,192 | 2.4% | 12,919 | 4.1% | 3,941,066 | 2.8% |
| Retail trade | 33,180 | 9.6% | 31,641 | 10.1% | 16,203,408 | 11.7% |
| Transportation & utilities | 24,477 | 7.1% | 24,887 | 8.0% | 6,843,579 | 4.9% |
| Information | 11,875 | 3.5% | 10,909 | 3.5% | 3,015,521 | 2.2% |
| Finance, insurance, & real estate | 31,756 | 9.2% | 34,463 | 11.0% | 9,275,465 | 6.7% |
| Professional & administrative | 44,064 | 12.8% | 42,737 | 13.7% | 14,710,089 | 10.6% |
| Educational services & health care | 89,318 | 26.0% | 60,295 | 19.3% | 32,311,107 | 23.2% |
| Arts, entertain, hotel, food svcs | 25,779 | 7.5% | 23,187 | 7.4% | 12,859,572 | 9.2% |

| | | | | | | |
|---------------------------------------|---------|--------|---------|--------|-------------|--------|
| Other private services | 17,380 | 5.1% | 16,461 | 5.3% | 6,913,449 | 5.0% |
| Public administration | 16,811 | 4.9% | 12,405 | 4.0% | 7,187,193 | 5.2% |
| | | | | | | |
| INCOME AND BENEFITS | | | | | | |
| Total households | 275,417 | 100.0% | 238,692 | 100.0% | 114,567,419 | 100.0% |
| Less than \$10,000 | 28,243 | 10.3% | 19,411 | 8.1% | 8,757,190 | 7.6% |
| \$10,000 to \$14,999 | 16,478 | 6.0% | 14,462 | 6.1% | 6,668,865 | 5.8% |
| \$15,000 to \$24,999 | 28,288 | 10.3% | 24,152 | 10.1% | 13,165,380 | 11.5% |
| \$25,000 to \$34,999 | 25,719 | 9.3% | 20,533 | 8.6% | 12,323,322 | 10.8% |
| \$35,000 to \$49,999 | 32,635 | 11.8% | 29,768 | 12.5% | 16,312,385 | 14.2% |
| \$50,000 to \$74,999 | 44,176 | 16.0% | 44,776 | 18.8% | 20,940,859 | 18.3% |
| \$75,000 to \$99,999 | 31,262 | 11.4% | 26,814 | 11.2% | 13,526,500 | 11.8% |
| \$100,000 to \$149,999 | 32,280 | 11.7% | 31,304 | 13.1% | 13,544,839 | 11.8% |
| \$150,000 to \$199,999 | 14,778 | 5.4% | 11,757 | 4.9% | 4,809,998 | 4.2% |
| \$200,000 or more | 21,558 | 7.8% | 15,715 | 6.6% | 4,518,081 | 3.9% |
| Median household income (dollars) | 52,394 | 104.7% | 54,817 | 109.5% | 50,046 | |
| Mean household income (dollars) | 80,167 | 117.4% | 76,339 | 111.8% | 68,259 | |
| | | | | | | |
| Families | 175,731 | 100.0% | 147,709 | 100.0% | 76,089,045 | 100.0% |
| Less than \$10,000 | 12,211 | 6.9% | 8,382 | 5.7% | 3,824,251 | 5.0% |
| \$10,000 to \$14,999 | 6,627 | 3.8% | 7,409 | 5.0% | 2,660,781 | 3.5% |
| \$15,000 to \$24,999 | 15,282 | 8.7% | 14,311 | 9.7% | 6,770,812 | 8.9% |
| \$25,000 to \$34,999 | 15,561 | 8.9% | 12,795 | 8.7% | 7,332,318 | 9.6% |
| \$35,000 to \$49,999 | 19,250 | 11.0% | 20,209 | 13.7% | 10,578,051 | 13.9% |
| \$50,000 to \$74,999 | 26,811 | 15.3% | 27,360 | 18.5% | 14,990,631 | 19.7% |
| \$75,000 to \$99,999 | 21,661 | 12.3% | 16,708 | 11.3% | 10,638,931 | 14.0% |
| \$100,000 to \$149,999 | 25,935 | 14.8% | 21,969 | 14.9% | 11,261,766 | 14.8% |
| \$150,000 to \$199,999 | 13,439 | 7.6% | 8,032 | 5.4% | 4,130,868 | 5.4% |
| \$200,000 or more | 18,954 | 10.8% | 10,534 | 7.1% | 3,900,636 | 5.1% |
| Median family income (dollars) | 66,439 | 109.6% | 57,978 | 95.7% | 60,609 | |
| Mean family income (dollars) | 97,237 | 122.6% | 81,559 | 102.8% | 79,338 | |
| Per capita income (dollars) | 29,674 | 113.9% | 29,798 | 114.3% | 26,059 | |
| | | | | | | |
| Median earnings for workers | 32,961 | 114.1% | 35,677 | 123.5% | 28,899 | |
| Median earnings for male full-time | 49,597 | 106.7% | 50,563 | 108.7% | 46,500 | |
| Median earnings for female full-time | 41,317 | 113.0% | 41,173 | 112.6% | 36,551 | |
| | | | | | | |
| PERCENTAGE BELOW POVERTY LEVEL | | | | | | |
| All families | 13.9% | 123.0% | 13.7% | 121.2% | 11.3% | |
| All people | 16.7% | 109.2% | 16.5% | 107.8% | 15.3% | |

Please note that in these tables, the percentage figures in regular type refer to the overall category in that column, while the figures in red are relative to the U.S. average figures

The income distributions in Essex and Hudson Counties can best be described as “fat-tailed”, with greater than average percentages in the highest and lowest income brackets. To elaborate, 11% of families in each of the two counties earn less than \$15,000 a year, compared to 8% nationally – while 11% of Essex families and 7% of Hudson families earn \$200,000 or more, compared to 5% for the U.S. This dichotomy can also be seen in the high mean household incomes (\$80K in Essex and \$76K in

Hudson, versus \$68K for the U.S.) and large share of families living in poverty (14% in each county, versus 11% for the nation).

Turning to the occupation data, both counties have lower than average shares in manufacturing as well as the arts, entertainment, hotel, and food service industries – and higher than average shares in transportation and finance. The counties differ in the mix of workers in the education and health care industries, as Essex (26%) has a higher proportion than average and Hudson has a lower proportion at 19% – the smallest of the five counties.

Table 6-2. Key Economic Statistics for Union and Bergen Counties Compared to the U. S. Economy

| Category | Union | % | Bergen | % | U.S. | % |
|-----------------------------------|---------|--------|---------|--------|-------------|--------|
| EMPLOYMENT STATUS | | | | | | |
| | | | | | 2010 | |
| Population 16 years and over | 420,828 | 100.0% | 727,196 | 100.0% | 243,832,923 | 100.0% |
| In labor force | 291,604 | 69.3% | 478,944 | 65.9% | 156,966,769 | 64.4% |
| Civilian labor force | 291,560 | 69.3% | 478,892 | 65.9% | 155,917,013 | 63.9% |
| Employed | 255,497 | 60.7% | 438,302 | 60.3% | 139,033,928 | 57.0% |
| Unemployed | 36,063 | 8.6% | 40,590 | 5.6% | 16,883,085 | 6.9% |
| Armed Forces | 44 | 0.0% | 52 | 0.0% | 1,049,756 | 0.4% |
| Not in labor force | 129,224 | 30.7% | 248,252 | 34.1% | 86,866,154 | 35.6% |
| OCCUPATION | | | | | | |
| Civilian employed population 16+ | 255,497 | 100.0% | 438,302 | 100.0% | 139,033,928 | 100.0% |
| Management & professional | 90,913 | 35.6% | 201,513 | 46.0% | 49,975,620 | 35.9% |
| Service occupations | 43,165 | 16.9% | 55,159 | 12.6% | 25,059,153 | 18.0% |
| Sales and office occupations | 62,273 | 24.4% | 114,453 | 26.1% | 34,711,455 | 25.0% |
| Construction, maintenance, repair | 22,283 | 8.7% | 28,908 | 6.6% | 12,697,304 | 9.1% |
| Production & transportation | 36,863 | 14.4% | 38,269 | 8.7% | 16,590,396 | 11.9% |
| INDUSTRY | | | | | | |
| Civilian employed population 16+ | 255,497 | 100.0% | 438,302 | 100.0% | 139,033,928 | 100.0% |
| Agriculture & mining | 177 | 0.1% | 919 | 0.2% | 2,646,975 | 1.9% |
| Construction | 17,557 | 6.9% | 24,897 | 5.7% | 8,686,813 | 6.2% |
| Manufacturing | 24,870 | 9.7% | 40,015 | 9.1% | 14,439,691 | 10.4% |
| Wholesale trade | 10,869 | 4.3% | 19,216 | 4.4% | 3,941,066 | 2.8% |
| Retail trade | 25,990 | 10.2% | 47,458 | 10.8% | 16,203,408 | 11.7% |
| Transportation & utilities | 18,211 | 7.1% | 22,703 | 5.2% | 6,843,579 | 4.9% |
| Information | 7,394 | 2.9% | 16,169 | 3.7% | 3,015,521 | 2.2% |

| | | | | | | |
|--------------------------------------|---------|--------|---------|--------|-------------|--------|
| Finance, insurance, & real estate | 21,793 | 8.5% | 45,159 | 10.3% | 9,275,465 | 6.7% |
| Professional & administrative | 29,021 | 11.4% | 58,730 | 13.4% | 14,710,089 | 10.6% |
| Educational services & health care | 53,596 | 21.0% | 99,084 | 22.6% | 32,311,107 | 23.2% |
| Arts, entertain, hotel, food svcs | 19,342 | 7.6% | 28,699 | 6.5% | 12,859,572 | 9.2% |
| Other private services | 13,531 | 5.3% | 20,540 | 4.7% | 6,913,449 | 5.0% |
| Public administration | 13,146 | 5.1% | 14,713 | 3.4% | 7,187,193 | 5.2% |
| | | | | | | |
| INCOME AND BENEFITS | | | | | | |
| Total households | 183,882 | 100.0% | 333,002 | 100.0% | 114,567,419 | 100.0% |
| Less than \$10,000 | 10,740 | 5.8% | 15,136 | 4.5% | 8,757,190 | 7.6% |
| \$10,000 to \$14,999 | 6,138 | 3.3% | 12,370 | 3.7% | 6,668,865 | 5.8% |
| \$15,000 to \$24,999 | 15,300 | 8.3% | 24,587 | 7.4% | 13,165,380 | 11.5% |
| \$25,000 to \$34,999 | 14,321 | 7.8% | 23,753 | 7.1% | 12,323,322 | 10.8% |
| \$35,000 to \$49,999 | 23,549 | 12.8% | 33,430 | 10.0% | 16,312,385 | 14.2% |
| \$50,000 to \$74,999 | 31,943 | 17.4% | 53,157 | 16.0% | 20,940,859 | 18.3% |
| \$75,000 to \$99,999 | 21,678 | 11.8% | 40,999 | 12.3% | 13,526,500 | 11.8% |
| \$100,000 to \$149,999 | 31,378 | 17.1% | 56,634 | 17.0% | 13,544,839 | 11.8% |
| \$150,000 to \$199,999 | 11,796 | 6.4% | 34,456 | 10.3% | 4,809,998 | 4.2% |
| \$200,000 or more | 17,039 | 9.3% | 38,480 | 11.6% | 4,518,081 | 3.9% |
| Median household income (dollars) | 66,665 | 133.2% | 77,389 | 154.6% | 50,046 | |
| Mean household income (dollars) | 94,659 | 138.7% | 105,488 | 154.5% | 68,259 | |
| | | | | | | |
| Families | 131,811 | 100.0% | 236,574 | 100.0% | 76,089,045 | 100.0% |
| Less than \$10,000 | 6,001 | 4.6% | 6,237 | 2.6% | 3,824,251 | 5.0% |
| \$10,000 to \$14,999 | 2,973 | 2.3% | 4,959 | 2.1% | 2,660,781 | 3.5% |
| \$15,000 to \$24,999 | 8,903 | 6.8% | 11,365 | 4.8% | 6,770,812 | 8.9% |
| \$25,000 to \$34,999 | 8,224 | 6.2% | 12,914 | 5.5% | 7,332,318 | 9.6% |
| \$35,000 to \$49,999 | 15,365 | 11.7% | 19,255 | 8.1% | 10,578,051 | 13.9% |
| \$50,000 to \$74,999 | 23,157 | 17.6% | 36,079 | 15.3% | 14,990,631 | 19.7% |
| \$75,000 to \$99,999 | 15,838 | 12.0% | 29,860 | 12.6% | 10,638,931 | 14.0% |
| \$100,000 to \$149,999 | 25,630 | 19.4% | 49,242 | 20.8% | 11,261,766 | 14.8% |
| \$150,000 to \$199,999 | 10,400 | 7.9% | 31,650 | 13.4% | 4,130,868 | 5.4% |
| \$200,000 or more | 15,320 | 11.6% | 35,013 | 14.8% | 3,900,636 | 5.1% |
| Median family income (dollars) | 77,361 | 127.6% | 97,394 | 160.7% | 60,609 | |
| Mean family income (dollars) | 107,812 | 135.9% | 123,384 | 155.5% | 79,338 | |
| Per capita income (dollars) | 33,267 | 127.7% | 39,409 | 151.2% | 26,059 | |
| | | | | | | |
| Median earnings for workers | 35,214 | 121.9% | 44,350 | 153.5% | 28,899 | |
| Median earnings for male full-time | 51,195 | 110.1% | 63,074 | 135.6% | 46,500 | |
| Median earnings for female full-time | 43,496 | 119.0% | 51,103 | 139.8% | 36,551 | |

| PERCENTAGE BELOW POVERTY LEVEL | | | | | | |
|--------------------------------|--------|-------|------|-------|--------|--|
| All families | 8.70% | 77.0% | 5.6% | 49.6% | 11.30% | |
| All people | 11.10% | 72.5% | 6.8% | 44.4% | 15.30% | |

Union County is mixed, with many high-income suburban areas but also low-income areas by the railroad tracks. As a result it has a high proportion of households and families at the upper end of the income scale, but almost a proportional amount at the lower end of the scale. As a result, while the median and mean income levels are above average and the poverty levels are below average, these figures are smaller than would be expected from a typical suburban county, and well below Bergen County. By comparison, Bergen County has about three times the national average in the top income bracket, and only about half in the bottom bracket. As a result, median family income for Union County is 128% of the national average, while the figure for Bergen County is 161% of the average. Similarly, the poverty rate for all families is 77% of the national average for Union County, but only 50% for Bergen County.

In terms of employment distribution by occupation, both counties have a fairly robust manufacturing base, only slightly below the national average. Most of the other sectors are also close to those averages, with slightly higher proportions for financial and professional services.

Table 6-3. Key Economic Statistics for Morris and Passaic Counties Compared to the U. S. Economy

| Category | Morris | % | Passaic | % | U.S. | % |
|-----------------------------------|---------|--------|---------|--------|-------------|--------|
| EMPLOYMENT STATUS | | | | | 2010 | |
| Population 16 years and over | 389,318 | 100.0% | 392,154 | 100.0% | 243,832,923 | 100.0% |
| In labor force | 265,835 | 68.3% | 251,834 | 64.2% | 156,966,769 | 64.4% |
| Civilian labor force | 265,835 | 68.3% | 251,834 | 64.2% | 155,917,013 | 63.9% |
| Employed | 242,762 | 62.4% | 223,928 | 57.1% | 139,033,928 | 57.0% |
| Unemployed | 23,073 | 5.9% | 27,906 | 7.1% | 16,883,085 | 6.9% |
| Armed Forces | 0 | 0.0% | 0 | 0.0% | 1,049,756 | 0.4% |
| Not in labor force | 123,483 | 31.7% | 140,320 | 35.8% | 86,866,154 | 35.6% |
| OCCUPATION | | | | | | |
| Civilian employed population 16+ | 242,762 | 100.0% | 223,928 | 100.0% | 139,033,928 | 100.0% |
| Management & professional | 117,011 | 48.2% | 72,732 | 32.5% | 49,975,620 | 35.9% |
| Service occupations | 31,488 | 13.0% | 41,066 | 18.3% | 25,059,153 | 18.0% |
| Sales and office occupations | 61,530 | 25.3% | 55,173 | 24.6% | 34,711,455 | 25.0% |
| Construction, maintenance, repair | 13,971 | 5.8% | 15,773 | 7.0% | 12,697,304 | 9.1% |
| Production & transportation | 18,762 | 7.7% | 39,184 | 17.5% | 16,590,396 | 11.9% |

| | | | | | | |
|------------------------------------|---------|--------|---------|--------|-------------|--------|
| INDUSTRY | | | | | | |
| Civilian employed population 16+ | 242,762 | 100.0% | 223,928 | 100.0% | 139,033,928 | 100.0% |
| Agriculture & mining | 605 | 0.2% | 106 | 0.0% | 2,646,975 | 1.9% |
| Construction | 13,025 | 5.4% | 12,406 | 5.5% | 8,686,813 | 6.2% |
| Manufacturing | 29,462 | 12.1% | 30,737 | 13.7% | 14,439,691 | 10.4% |
| Wholesale trade | 8,531 | 3.5% | 9,361 | 4.2% | 3,941,066 | 2.8% |
| Retail trade | 24,489 | 10.1% | 27,233 | 12.2% | 16,203,408 | 11.7% |
| Transportation & utilities | 11,615 | 4.8% | 10,168 | 4.5% | 6,843,579 | 4.9% |
| Information | 10,352 | 4.3% | 5,816 | 2.6% | 3,015,521 | 2.2% |
| Finance, insurance, & real estate | 26,164 | 10.8% | 17,055 | 7.6% | 9,275,465 | 6.7% |
| Professional & administrative | 33,295 | 13.7% | 25,463 | 11.4% | 14,710,089 | 10.6% |
| Educational services & health care | 55,177 | 22.7% | 50,431 | 22.5% | 32,311,107 | 23.2% |
| Arts, entertain, hotel, food svcs | 12,728 | 5.2% | 16,915 | 7.6% | 12,859,572 | 9.2% |
| Other private services | 8,589 | 3.5% | 11,461 | 5.1% | 6,913,449 | 5.0% |
| Public administration | 8,730 | 3.6% | 6,776 | 3.0% | 7,187,193 | 5.2% |
| | | | | | | |
| INCOME AND BENEFITS | | | | | | |
| Total households | 177,786 | 100.0% | 161,527 | 100.0% | 114,567,419 | 100.0% |
| Less than \$10,000 | 5,141 | 2.9% | 14,538 | 9.0% | 8,757,190 | 7.6% |
| \$10,000 to \$14,999 | 3,562 | 2.0% | 7,604 | 4.7% | 6,668,865 | 5.8% |
| \$15,000 to \$24,999 | 10,598 | 6.0% | 17,286 | 10.7% | 13,165,380 | 11.5% |
| \$25,000 to \$34,999 | 10,446 | 5.9% | 17,003 | 10.5% | 12,323,322 | 10.8% |
| \$35,000 to \$49,999 | 15,265 | 8.6% | 19,142 | 11.9% | 16,312,385 | 14.2% |
| \$50,000 to \$74,999 | 27,277 | 15.3% | 26,057 | 16.1% | 20,940,859 | 18.3% |
| \$75,000 to \$99,999 | 25,266 | 14.2% | 17,637 | 10.9% | 13,526,500 | 11.8% |
| \$100,000 to \$149,999 | 33,587 | 18.9% | 24,127 | 14.9% | 13,544,839 | 11.8% |
| \$150,000 to \$199,999 | 20,542 | 11.6% | 10,658 | 6.6% | 4,809,998 | 4.2% |
| \$200,000 or more | 26,102 | 14.7% | 7,475 | 4.6% | 4,518,081 | 3.9% |
| Median household income (dollars) | 91,469 | 182.8% | 53,993 | 107.9% | 50,046 | |
| Mean household income (dollars) | 121,784 | 178.4% | 73,618 | 107.9% | 68,259 | |
| | | | | | | |
| Families | 128,754 | 100.0% | 113,041 | 100.0% | 76,089,045 | 100.0% |
| Less than \$10,000 | 1,983 | 1.5% | 7,061 | 6.2% | 3,824,251 | 5.0% |
| \$10,000 to \$14,999 | 1,149 | 0.9% | 2,987 | 2.6% | 2,660,781 | 3.5% |
| \$15,000 to \$24,999 | 4,287 | 3.3% | 10,418 | 9.2% | 6,770,812 | 8.9% |
| \$25,000 to \$34,999 | 5,257 | 4.1% | 10,897 | 9.6% | 7,332,318 | 9.6% |
| \$35,000 to \$49,999 | 9,063 | 7.0% | 11,966 | 10.6% | 10,578,051 | 13.9% |
| \$50,000 to \$74,999 | 18,910 | 14.7% | 19,967 | 17.7% | 14,990,631 | 19.7% |
| \$75,000 to \$99,999 | 18,470 | 14.3% | 13,043 | 11.5% | 10,638,931 | 14.0% |

| | | | | | | |
|--------------------------------------|---------|--------|--------|--------|------------|-------|
| \$100,000 to \$149,999 | 27,700 | 21.5% | 20,577 | 18.2% | 11,261,766 | 14.8% |
| \$150,000 to \$199,999 | 18,007 | 14.0% | 9,254 | 8.2% | 4,130,868 | 5.4% |
| \$200,000 or more | 23,928 | 18.6% | 6,871 | 6.1% | 3,900,636 | 5.1% |
| Median family income (dollars) | 107,639 | 177.6% | 65,248 | 107.7% | 60,609 | |
| Mean family income (dollars) | 141,174 | 177.9% | 84,767 | 106.8% | 79,338 | |
| Per capita income (dollars) | 44,393 | 170.4% | 25,244 | 96.9% | 26,059 | |
| | | | | | | |
| Median earnings for workers | 48,157 | 166.6% | 30,444 | 105.3% | 28,899 | |
| Median earnings for male full-time | 77,163 | 165.9% | 46,945 | 101.0% | 46,500 | |
| Median earnings for female full-time | 55,422 | 151.6% | 37,130 | 101.6% | 36,551 | |
| | | | | | | |
| PERCENTAGE BELOW POVERTY LEVEL | | | | | | |
| All families | 3.7% | 32.7% | 12.5% | 110.6% | 11.30% | |
| All people | 6.0% | 39.2% | 15.7% | 102.6% | 15.30% | |

Morris County is a typical upscale suburban county; Passaic County is mixed, somewhat like Union County, with pockets of poverty as well as islands of affluence. In Morris County, median family income is 178% of the national average, similar to but even higher than Bergen County, while Passaic is only 108% of the average, similar to but lower than Union County. The poverty levels reflect this difference in income; for all families, the rate is only 1/3 of the national average for Morris County, but 110% of that average for Passaic County.

Both counties have a higher than average proportion of the workforce in manufacturing, at 12.1% for Morris County and 13.7% for Passaic County, compared to 10.4% nationally. Both counties also have a higher than average proportion of workers in financial and professional services, although the increment is much smaller for Passaic County. Offsetting these bulges, both counties have a much smaller than average proportion of workers in arts, entertainment, leisure, hotels, and restaurants.

Table 6-4. Economic Profile of Middlesex and Monmouth Counties and Comparison with the U.S., 2010 Data

| Category | Middlesex | % | Monmouth | % | U.S. | % |
|------------------------------|-----------|--------|----------|--------|-------------|--------|
| EMPLOYMENT STATUS | | | | | | |
| Population 16 years and over | 647,766 | 100.0% | 499,682 | 100.0% | 243,832,923 | 100.0% |
| In labor force | 436,439 | 67.4% | 334,514 | 66.9% | 156,966,769 | 64.4% |
| Civilian labor force | 436,344 | 67.4% | 334,163 | 66.9% | 155,917,013 | 63.9% |
| Employed | 392,654 | 60.6% | 305,172 | 61.1% | 139,033,928 | 57.0% |
| Unemployed | 43,690 | 6.7% | 28,991 | 5.8% | 16,883,085 | 6.9% |
| Armed Forces | 95 | 0.0% | 351 | 0.1% | 1,049,756 | 0.4% |
| Not in labor force | 211,327 | 32.6% | 165,168 | 33.1% | 86,866,154 | 35.6% |
| | | | | | | |
| OCCUPATION | | | | | | |

| | | | | | | |
|------------------------------------|---------|--------|---------|--------|-------------|--------|
| Civilian employed population 16+ | 392,654 | 100.0% | 305,172 | 100.0% | 139,033,928 | 100.0% |
| Management & professional | 170,323 | 43.4% | 131,997 | 43.3% | 49,975,620 | 35.9% |
| Service occupations | 55,446 | 14.1% | 46,342 | 15.2% | 25,059,153 | 18.0% |
| Sales and office occupations | 99,238 | 25.3% | 81,326 | 26.6% | 34,711,455 | 25.0% |
| Construction, maintenance, repair | 25,049 | 6.4% | 21,803 | 7.1% | 12,697,304 | 9.1% |
| Production & transportation | 42,598 | 10.8% | 23,704 | 7.8% | 16,590,396 | 11.9% |
| | | | | | | |
| INDUSTRY | | | | | | |
| Civilian employed population 16+ | 392,654 | 100.0% | 305,172 | 100.0% | 139,033,928 | 100.0% |
| Agriculture & mining | 628 | 0.2% | 1,043 | 0.3% | 2,646,975 | 1.9% |
| Construction | 18,052 | 4.6% | 16,060 | 5.3% | 8,686,813 | 6.2% |
| Manufacturing | 39,615 | 10.1% | 20,781 | 6.8% | 14,439,691 | 10.4% |
| Wholesale trade | 17,826 | 4.5% | 10,399 | 3.4% | 3,941,066 | 2.8% |
| Retail trade | 43,951 | 11.2% | 33,644 | 11.0% | 16,203,408 | 11.7% |
| Transportation & utilities | 26,800 | 6.8% | 14,981 | 4.9% | 6,843,579 | 4.9% |
| Information | 12,486 | 3.2% | 13,058 | 4.3% | 3,015,521 | 2.2% |
| Finance, insurance, & real estate | 36,177 | 9.2% | 33,142 | 10.9% | 9,275,465 | 6.7% |
| Professional & administrative | 52,832 | 13.5% | 39,280 | 12.9% | 14,710,089 | 10.6% |
| Educational services & health care | 83,080 | 21.2% | 70,468 | 23.1% | 32,311,107 | 23.2% |
| Arts, entertain, hotel, food svcs | 29,705 | 7.6% | 24,158 | 7.9% | 12,859,572 | 9.2% |
| Other private services | 15,450 | 3.9% | 11,999 | 3.9% | 6,913,449 | 5.0% |
| Public administration | 16,052 | 4.1% | 16,159 | 5.3% | 7,187,193 | 5.2% |
| | | | | | | |
| INCOME AND BENEFITS | | | | | | |
| Total households | 278,877 | 100.0% | 234,582 | 100.0% | 114,567,419 | 100.0% |
| Less than \$10,000 | 9,344 | 3.4% | 8,749 | 3.7% | 8,757,190 | 7.6% |
| \$10,000 to \$14,999 | 8,634 | 3.1% | 7,916 | 3.4% | 6,668,865 | 5.8% |
| \$15,000 to \$24,999 | 20,963 | 7.5% | 20,280 | 8.6% | 13,165,380 | 11.5% |
| \$25,000 to \$34,999 | 17,484 | 6.3% | 16,779 | 7.2% | 12,323,322 | 10.8% |
| \$35,000 to \$49,999 | 28,013 | 10.0% | 21,105 | 9.0% | 16,312,385 | 14.2% |
| \$50,000 to \$74,999 | 52,023 | 18.7% | 34,504 | 14.7% | 20,940,859 | 18.3% |
| \$75,000 to \$99,999 | 41,574 | 14.9% | 30,287 | 12.9% | 13,526,500 | 11.8% |
| \$100,000 to \$149,999 | 59,641 | 21.4% | 43,322 | 18.5% | 13,544,839 | 11.8% |
| \$150,000 to \$199,999 | 23,338 | 8.4% | 23,299 | 9.9% | 4,809,998 | 4.2% |
| \$200,000 or more | 17,863 | 6.4% | 28,341 | 12.1% | 4,518,081 | 3.9% |
| Median household income (dollars) | 76,443 | 152.7% | 80,816 | 161.5% | 50,046 | |
| Mean household income (dollars) | 91,077 | 133.4% | 109,907 | 161.0% | 68,259 | |
| | | | | | | |
| Families | 203,542 | 100.0% | 159,264 | 100.0% | 76,089,045 | 100.0% |
| Less than \$10,000 | 3,425 | 1.7% | 3,542 | 2.2% | 3,824,251 | 5.0% |
| \$10,000 to \$14,999 | 3,594 | 1.8% | 2,250 | 1.4% | 2,660,781 | 3.5% |
| \$15,000 to \$24,999 | 10,298 | 5.1% | 7,999 | 5.0% | 6,770,812 | 8.9% |
| \$25,000 to \$34,999 | 10,039 | 4.9% | 8,157 | 5.1% | 7,332,318 | 9.6% |
| \$35,000 to \$49,999 | 18,530 | 9.1% | 11,826 | 7.4% | 10,578,051 | 13.9% |
| \$50,000 to \$74,999 | 36,692 | 18.0% | 20,099 | 12.6% | 14,990,631 | 19.7% |
| \$75,000 to \$99,999 | 32,490 | 16.0% | 23,504 | 14.8% | 10,638,931 | 14.0% |
| \$100,000 to \$149,999 | 51,013 | 25.1% | 36,806 | 23.1% | 11,261,766 | 14.8% |
| \$150,000 to \$199,999 | 21,178 | 10.4% | 19,441 | 12.2% | 4,130,868 | 5.4% |
| \$200,000 or more | 16,283 | 8.0% | 25,640 | 16.1% | 3,900,636 | 5.1% |
| Median family income (dollars) | 88,678 | 146.3% | 101,714 | 167.8% | 60,609 | |

| | | | | | |
|--------------------------------------|---------|--------|---------|--------|--------|
| Mean family income (dollars) | 102,733 | 129.5% | 132,616 | 167.2% | 79,338 |
| Per capita income (dollars) | 32,017 | 122.9% | 41,434 | 159.0% | 26,059 |
| Median earnings for workers | 40,270 | 139.3% | 42,266 | 146.3% | 28,899 |
| Median earnings for male full-time | 61,557 | 132.4% | 71,576 | 153.9% | 46,500 |
| Median earnings for female full-time | 47,101 | 128.9% | 52,072 | 142.5% | 36,551 |
| PERCENTAGE BELOW POVERTY LEVEL | | | | | |
| All families | 5.1% | 45.1% | 5.0% | 44.2% | 11.3% |
| All people | 7.7% | 50.3% | 6.6% | 43.1% | 15.3% |

Middlesex and Monmouth Counties are prototypical wealthy suburbs, with median household incomes more than 50% higher than the U.S. figures and poverty rates half of the national averages or less. Monmouth County has an especially high share of the wealthy, with 12% of households earning \$200,000 or more – compared to 4% for the U.S.

Consistent with their high-income profiles, both counties have high percentages of white-collar workers – 43% in each county, compared to 36% nationally. Similar to the other counties in the region, Middlesex (9%) and Monmouth (11%) have high shares of workers in the finance and insurance industries – compared to 7% for the U.S. Unlike Middlesex County, Monmouth County has a lower than average proportion of its workforce in manufacturing, at 7%.

Table 6-5. Labor Market Statistics for 8 Counties in Northern New Jersey, 2002-2011 Data

| | Labor Force | Employed | Unemployed | Un Rate, % |
|------------|-------------|-----------|------------|------------|
| New Jersey | | | | |
| 2002 | 4,370,809 | 4,117,265 | 253,544 | 5.8 |
| 2003 | 4,363,896 | 4,108,397 | 255,499 | 5.9 |
| 2004 | 4,358,908 | 4,144,223 | 214,685 | 4.9 |
| 2005 | 4,404,451 | 4,207,738 | 196,713 | 4.5 |
| 2006 | 4,465,067 | 4,257,899 | 207,168 | 4.6 |
| 2007 | 4,456,306 | 4,264,617 | 191,689 | 4.3 |
| 2008 | 4,509,110 | 4,262,281 | 246,829 | 5.5 |
| 2009 | 4,546,443 | 4,138,364 | 408,079 | 9.0 |
| 2010 | 4,554,076 | 4,116,640 | 437,436 | 9.6 |
| 2011 | 4,556,186 | 4,131,832 | 424,354 | 9.3 |
| Bergen | | | | |
| 2002 | 466,326 | 442,760 | 23,566 | 5.1 |
| 2003 | 465,115 | 441,480 | 23,635 | 5.1 |
| 2004 | 462,702 | 443,247 | 19,455 | 4.2 |

| | | | | |
|------|---------|---------|--------|-----|
| 2005 | 467,206 | 449,791 | 17,415 | 3.7 |
| 2006 | 473,275 | 455,022 | 18,253 | 3.9 |
| 2007 | 472,991 | 456,594 | 16,397 | 3.5 |
| 2008 | 478,584 | 457,046 | 21,538 | 4.5 |
| 2009 | 480,720 | 443,620 | 37,100 | 7.7 |
| 2010 | 476,243 | 436,522 | 39,721 | 8.3 |
| 2011 | 479,131 | 441,277 | 37,854 | 7.9 |

Essex

| | | | | |
|------|---------|---------|--------|------|
| 2002 | 371,383 | 344,532 | 26,851 | 7.2 |
| 2003 | 369,164 | 342,304 | 26,860 | 7.3 |
| 2004 | 363,454 | 340,905 | 22,549 | 6.2 |
| 2005 | 361,843 | 341,544 | 20,299 | 5.6 |
| 2006 | 364,175 | 343,012 | 21,163 | 5.8 |
| 2007 | 362,785 | 343,281 | 19,504 | 5.4 |
| 2008 | 366,007 | 341,853 | 24,154 | 6.6 |
| 2009 | 367,125 | 329,526 | 37,599 | 10.2 |
| 2010 | 370,372 | 329,355 | 41,017 | 11.1 |
| 2011 | 370,417 | 330,337 | 40,080 | 10.8 |

Hudson

| | | | | |
|------|---------|---------|--------|------|
| 2002 | 296,200 | 273,503 | 22,697 | 7.7 |
| 2003 | 292,204 | 270,633 | 21,571 | 7.4 |
| 2004 | 287,381 | 269,725 | 17,656 | 6.1 |
| 2005 | 288,312 | 272,630 | 15,682 | 5.4 |
| 2006 | 290,204 | 274,266 | 15,938 | 5.5 |
| 2007 | 290,990 | 276,383 | 14,607 | 5.0 |
| 2008 | 294,408 | 275,666 | 18,742 | 6.4 |
| 2009 | 299,839 | 268,570 | 31,269 | 10.4 |
| 2010 | 310,845 | 277,281 | 33,564 | 10.8 |
| 2011 | 312,467 | 280,302 | 32,165 | 10.3 |

Middlesex

| | | | | |
|------|---------|---------|--------|-----|
| 2002 | 413,685 | 390,439 | 23,246 | 5.6 |
| 2003 | 411,128 | 388,372 | 22,756 | 5.5 |
| 2004 | 410,464 | 391,663 | 18,801 | 4.6 |
| 2005 | 415,943 | 398,420 | 17,523 | 4.2 |
| 2006 | 421,868 | 403,617 | 18,251 | 4.3 |
| 2007 | 421,754 | 405,387 | 16,367 | 3.9 |
| 2008 | 425,916 | 404,463 | 21,453 | 5.0 |
| 2009 | 427,408 | 391,354 | 36,054 | 8.4 |
| 2010 | 436,381 | 398,449 | 37,932 | 8.7 |
| 2011 | 436,228 | 399,546 | 36,682 | 8.4 |

| Monmouth | | | | |
|----------|---------|---------|--------|------|
| 2002 | 325,726 | 308,550 | 17,176 | 5.3 |
| 2003 | 323,789 | 306,191 | 17,598 | 5.4 |
| 2004 | 322,012 | 307,448 | 14,564 | 4.5 |
| 2005 | 324,105 | 310,869 | 13,236 | 4.1 |
| 2006 | 329,093 | 315,612 | 13,481 | 4.1 |
| 2007 | 332,191 | 319,687 | 12,504 | 3.8 |
| 2008 | 335,353 | 318,975 | 16,378 | 4.9 |
| 2009 | 336,577 | 308,793 | 27,784 | 8.3 |
| 2010 | 329,433 | 300,427 | 29,006 | 8.8 |
| 2011 | 329,571 | 301,254 | 28,317 | 8.6 |
| Morris | | | | |
| 2002 | 265,499 | 253,291 | 12,208 | 4.6 |
| 2003 | 266,068 | 253,862 | 12,206 | 4.6 |
| 2004 | 265,376 | 255,660 | 9,716 | 3.7 |
| 2005 | 267,813 | 259,088 | 8,725 | 3.3 |
| 2006 | 272,237 | 263,196 | 9,041 | 3.3 |
| 2007 | 272,580 | 264,282 | 8,298 | 3.0 |
| 2008 | 275,584 | 264,528 | 11,056 | 4.0 |
| 2009 | 275,118 | 255,839 | 19,279 | 7.0 |
| 2010 | 272,994 | 252,965 | 20,029 | 7.3 |
| 2011 | 272,849 | 253,719 | 19,130 | 7.0 |
| Passaic | | | | |
| 2002 | 236,848 | 220,154 | 16,694 | 7.0 |
| 2003 | 236,729 | 219,363 | 17,366 | 7.3 |
| 2004 | 233,946 | 219,516 | 14,430 | 6.2 |
| 2005 | 235,518 | 222,610 | 12,908 | 5.5 |
| 2006 | 237,194 | 223,944 | 13,250 | 5.6 |
| 2007 | 237,294 | 224,527 | 12,767 | 5.4 |
| 2008 | 240,836 | 224,443 | 16,393 | 6.8 |
| 2009 | 244,838 | 218,118 | 26,720 | 10.9 |
| 2010 | 244,764 | 216,367 | 28,397 | 11.6 |
| 2011 | 246,012 | 218,724 | 27,288 | 11.1 |
| Union | | | | |
| 2002 | 269,672 | 252,547 | 17,125 | 6.4 |
| 2003 | 268,107 | 251,137 | 16,970 | 6.3 |
| 2004 | 265,034 | 250,970 | 14,064 | 5.3 |
| 2005 | 265,654 | 252,991 | 12,663 | 4.8 |
| 2006 | 268,521 | 255,487 | 13,034 | 4.9 |

| | | | | |
|------------|-----------|-----------|---------|-----|
| 2007 | 267,960 | 255,865 | 12,095 | 4.5 |
| 2008 | 271,553 | 255,902 | 15,651 | 5.8 |
| 2009 | 273,728 | 248,504 | 25,224 | 9.2 |
| 2010 | 275,137 | 248,502 | 26,635 | 9.7 |
| 2011 | 275,886 | 249,244 | 26,642 | 9.7 |
| 8 counties | | | | |
| 2002 | 2,645,339 | 2,485,776 | 159,563 | 6.0 |
| 2003 | 2,632,304 | 2,473,342 | 158,962 | 6.0 |
| 2004 | 2,610,369 | 2,479,134 | 131,235 | 5.0 |
| 2005 | 2,626,394 | 2,507,943 | 118,451 | 4.5 |
| 2006 | 2,656,567 | 2,534,156 | 122,411 | 4.6 |
| 2007 | 2,658,545 | 2,546,006 | 112,539 | 4.2 |
| 2008 | 2,688,241 | 2,542,876 | 145,365 | 5.4 |
| 2009 | 2,705,353 | 2,464,324 | 241,029 | 8.9 |
| 2010 | 2,716,169 | 2,459,868 | 256,301 | 9.4 |
| 2011 | 2,722,561 | 2,474,403 | 248,158 | 9.1 |

The unemployment rate for this part of New Jersey is very similar to the profile for the overall U. S., although the figures in 2010 and 2011 are marginally lower. By individual county, Hudson, Essex, Union, and Passaic counties have rates that are above the 8.9% level for 2011, while Bergen, Middlesex, Morris, and Monmouth are below average. According to BLS statistics as of December 1, 2012, there were almost 250,000 unemployed people in this 8-county region in 2011.

Table 6-6. Level and Growth Rate of Population, State of New Jersey, 8 Counties in the Northern New Jersey, and the Total of these Counties
(Table is divided into Sections A and B for easier viewing)

| | New Jersey | Bergen | Essex | Hudson | Union | Middlesex |
|---------|------------|---------|---------|---------|---------|-----------|
| 2011 | 8,821,155 | 911,004 | 785,137 | 641,224 | 539,494 | 814,217 |
| 2010 | 8,799,593 | 906,184 | 784,099 | 634,979 | 537,475 | 810,747 |
| 2009 | 8,755,602 | 900,319 | 781,943 | 628,572 | 532,434 | 805,204 |
| 2008 | 8,711,090 | 895,328 | 778,165 | 619,533 | 527,528 | 799,191 |
| 2007 | 8,677,885 | 890,817 | 778,996 | 613,637 | 524,960 | 792,137 |
| 2006 | 8,661,679 | 889,406 | 781,027 | 613,577 | 525,153 | 786,890 |
| 2005 | 8,651,974 | 891,446 | 786,341 | 614,664 | 526,161 | 787,329 |
| 2004 | 8,634,561 | 893,378 | 791,305 | 614,607 | 526,916 | 781,582 |
| 2003 | 8,601,402 | 892,214 | 795,167 | 614,813 | 527,611 | 775,973 |
| 2002 | 8,552,643 | 890,647 | 795,625 | 615,554 | 527,625 | 769,280 |
| 2011/10 | 0.25% | 0.53% | 0.13% | 0.98% | 0.38% | 0.43% |
| 2010/09 | 0.50% | 0.65% | 0.28% | 1.02% | 0.95% | 0.69% |
| 2009/08 | 0.51% | 0.56% | 0.49% | 1.46% | 0.93% | 0.75% |

| | | | | | | |
|---------|-------|--------|--------|--------|--------|--------|
| 2008/07 | 0.38% | 0.51% | -0.11% | 0.96% | 0.49% | 0.89% |
| 2007/06 | 0.19% | 0.16% | -0.26% | 0.01% | -0.04% | 0.67% |
| 2006/05 | 0.11% | -0.23% | -0.68% | -0.18% | -0.19% | -0.06% |
| 2005/04 | 0.20% | -0.22% | -0.63% | 0.01% | -0.14% | 0.74% |
| 2004/03 | 0.39% | 0.13% | -0.49% | -0.03% | -0.13% | 0.72% |
| 2003/02 | 0.57% | 0.18% | -0.06% | -0.12% | 0.00% | 0.87% |
| 2011/02 | 0.34% | 0.25% | -0.15% | 0.45% | 0.25% | 0.63% |

| | Middlesex | Monmouth | Morris | Passaic | 8 counties |
|------|-----------|----------|---------|---------|------------|
| 2011 | 814,217 | 631,020 | 494,976 | 502,007 | 5,319,079 |
| 2010 | 810,747 | 630,920 | 492,681 | 501,606 | 5,298,691 |
| 2009 | 805,204 | 628,669 | 490,779 | 498,641 | 5,266,561 |
| 2008 | 799,191 | 627,348 | 489,743 | 494,904 | 5,231,740 |
| 2007 | 792,137 | 626,644 | 488,355 | 492,886 | 5,208,432 |
| 2006 | 786,890 | 626,934 | 487,486 | 492,730 | 5,203,203 |
| 2005 | 787,329 | 627,838 | 485,472 | 493,600 | 5,212,851 |
| 2004 | 781,582 | 628,605 | 483,997 | 493,981 | 5,214,371 |
| 2003 | 775,973 | 627,413 | 481,000 | 494,915 | 5,209,106 |
| 2002 | 769,280 | 624,532 | 477,234 | 494,571 | 5,195,068 |

| | | | | | |
|---------|--------|--------|-------|--------|--------|
| 2011/10 | 0.43% | 0.02% | 0.47% | 0.08% | 0.38% |
| 2010/09 | 0.69% | 0.36% | 0.39% | 0.59% | 0.61% |
| 2009/08 | 0.75% | 0.21% | 0.21% | 0.76% | 0.67% |
| 2008/07 | 0.89% | 0.11% | 0.28% | 0.41% | 0.45% |
| 2007/06 | 0.67% | -0.05% | 0.18% | 0.03% | 0.10% |
| 2006/05 | -0.06% | -0.14% | 0.41% | -0.18% | -0.19% |
| 2005/04 | 0.74% | -0.12% | 0.30% | -0.08% | -0.03% |
| 2004/03 | 0.72% | 0.19% | 0.62% | -0.19% | 0.10% |
| 2003/02 | 0.87% | 0.46% | 0.79% | 0.07% | 0.27% |
| 2011/02 | 0.63% | 0.11% | 0.41% | 0.17% | 0.26% |

Population growth in this 8-county area was not only well below the 1% rate for the U.S, but was less than half the rate in New Jersey; since that is the figure for the entire state, the growth rate was only about 1/5 of that for the other 9 counties in New Jersey. The pattern reversed course at mid-decade, with an actual decline from 2004 through 2007 being followed by an average growth rate of 0.5% from 2008 to 2011.

Table 6-7. Level and Growth Rate of Personal Income, Billions of Dollars, State of New Jersey, 8 Counties in Northern New Jersey, and the Total of these Counties

| | New Jersey | Bergen | Essex | Hudson | Union |
|------|------------|--------|-------|--------|-------|
| 2011 | 462.49 | 60.21 | 41.58 | 30.38 | 27.98 |

| | | | | | |
|---------|-----------|----------|--------|---------|------------|
| 2010 | 443.74 | 57.44 | 40.01 | 28.75 | 26.63 |
| 2009 | 430.96 | 56.36 | 37.98 | 26.82 | 25.76 |
| 2008 | 454.21 | 61.09 | 40.20 | 26.57 | 27.59 |
| 2007 | 436.12 | 60.04 | 38.83 | 24.21 | 26.64 |
| 2006 | 411.43 | 55.78 | 36.93 | 22.69 | 25.54 |
| 2005 | 379.65 | 50.55 | 33.99 | 21.15 | 23.28 |
| 2004 | 365.26 | 48.66 | 32.77 | 19.99 | 22.54 |
| 2003 | 347.69 | 45.62 | 30.81 | 19.24 | 21.87 |
| 2002 | 341.56 | 46.24 | 30.14 | 19.00 | 21.51 |
| | | | | | |
| 2011/10 | 4.23% | 4.83% | 3.91% | 5.66% | 5.08% |
| 2010/09 | 2.97% | 1.91% | 5.34% | 7.20% | 3.35% |
| 2009/08 | -5.12% | -7.73% | -5.53% | 0.96% | -6.63% |
| 2008/07 | 4.15% | 1.75% | 3.53% | 9.76% | 3.57% |
| 2007/06 | 6.00% | 7.63% | 5.14% | 6.69% | 4.31% |
| 2006/05 | 8.37% | 10.34% | 8.65% | 7.26% | 9.72% |
| 2005/04 | 3.94% | 3.90% | 3.73% | 5.81% | 3.29% |
| 2004/03 | 5.05% | 6.65% | 6.37% | 3.88% | 3.06% |
| 2003/02 | 1.80% | -1.33% | 2.21% | 1.30% | 1.70% |
| | | | | | |
| 2011/02 | 3.42% | 2.98% | 3.63% | 5.35% | 2.96% |
| | | | | | |
| | Middlesex | Monmouth | Morris | Passaic | 8 counties |
| 2011 | 40.06 | 36.82 | 35.50 | 21.69 | 294.23 |
| 2010 | 38.34 | 35.59 | 34.18 | 20.64 | 281.58 |
| 2009 | 37.58 | 34.79 | 32.98 | 20.03 | 272.31 |
| 2008 | 39.53 | 37.22 | 36.25 | 20.57 | 289.02 |
| 2007 | 37.22 | 36.15 | 34.77 | 19.83 | 277.68 |
| 2006 | 34.78 | 33.68 | 33.11 | 18.66 | 261.17 |
| 2005 | 32.14 | 30.87 | 30.55 | 17.41 | 239.95 |
| 2004 | 31.00 | 29.78 | 29.42 | 16.48 | 230.64 |
| 2003 | 30.07 | 27.75 | 27.32 | 16.13 | 218.81 |
| 2002 | 29.55 | 27.36 | 26.93 | 15.92 | 216.63 |
| | | | | | |
| 2011/10 | 4.50% | 3.45% | 3.87% | 5.09% | 4.49% |
| 2010/09 | 2.02% | 2.31% | 3.65% | 3.04% | 3.41% |
| 2009/08 | -4.95% | -6.53% | -9.04% | -2.60% | -5.78% |
| 2008/07 | 6.20% | 2.97% | 4.28% | 3.74% | 4.08% |
| 2007/06 | 7.01% | 7.35% | 5.01% | 6.26% | 6.32% |
| 2006/05 | 8.22% | 9.09% | 8.37% | 7.17% | 8.84% |
| 2005/04 | 3.70% | 3.66% | 3.85% | 5.61% | 4.04% |
| 2004/03 | 3.10% | 7.32% | 7.67% | 2.22% | 5.41% |
| 2003/02 | 1.76% | 1.43% | 1.47% | 1.28% | 1.00% |

2011/02 3.44% 3.35% 3.12% 3.49% 3.46%

The growth in personal income over the decade for this 8-county region was the same as the rest of New Jersey, and about 0.3% per year lower than the U.S. economy. The decline in 2009 was obviously tied to the financial markets, but was not nearly as severe as the swings in Manhattan and the suburban counties in New York State. Of particular interest is that income actually continued to rise in Hudson County in 2009 in spite of the increasing concentration of financial institutions who have moved across the river from New York City; it was the only county in this group where income did not decline in 2009. The rebound in 2010 and 2011 for the entire region continued to be close to the national average; for Hudson County, the increase was well above average.

Finally, we turn to the commuting patterns. In determining the economic impact of new job creation, it is necessary to choose the counties that form the relevant area for analysis. The economic multipliers will be higher as the number of counties included in the area increases. If the proportion of the workforce covered rises above 95%, that would include too many jobs that are not directly related to the new project. If that proportion falls below 90%, the multipliers would probably be understated. Hence the commuting patterns of the workforce data from the 2000 Census are used to determine the optimal mix of counties to be included in the multiplier calculations. These commuters spend most of their paychecks in the counties where they live, so the economic impact of the new project creates some new induced jobs in bordering counties. Also, some of the goods and services purchased by the new businesses are produced or purchased from establishments in neighboring counties.

Table 6-8 can be interpreted as follows. In 2000, there were 223,225 people in the Hudson County workforce. Of these, 121,352 lived in Hudson County, 25,444 lived in Bergen County, and so on. We have included counties that accounted for 84.1% of the total Hudson County workforce, which is below the usual level because many of the commuters live in far-flung counties that have few links with Hudson County.

| Table 6-8. Commuting Patterns for Hudson County, NJ | |
|--|---------|
| Total Hudson County Workforce | 223,225 |
| Living in these counties: | |
| Hudson Co. NJ | 121,352 |
| Bergen Co. NJ | 25,444 |
| Essex Co. NJ | 16,193 |
| Middlesex Co. NJ | 8,706 |
| Union Co. NJ | 8,251 |
| Passaic Co. NJ | 6,468 |
| Monmouth Co. NJ | 6,165 |
| Morris Co. NJ | 4,806 |
| Total these 8 counties | 197,835 |
| % in these 8 counties | 84.1% |

7. Location of Building, Maps of Area, and TEA Analysis

Figure 7-1. Location of 88 Morgan Street, Jersey City



Figure 7-2. Location of Building in the 8-County Area



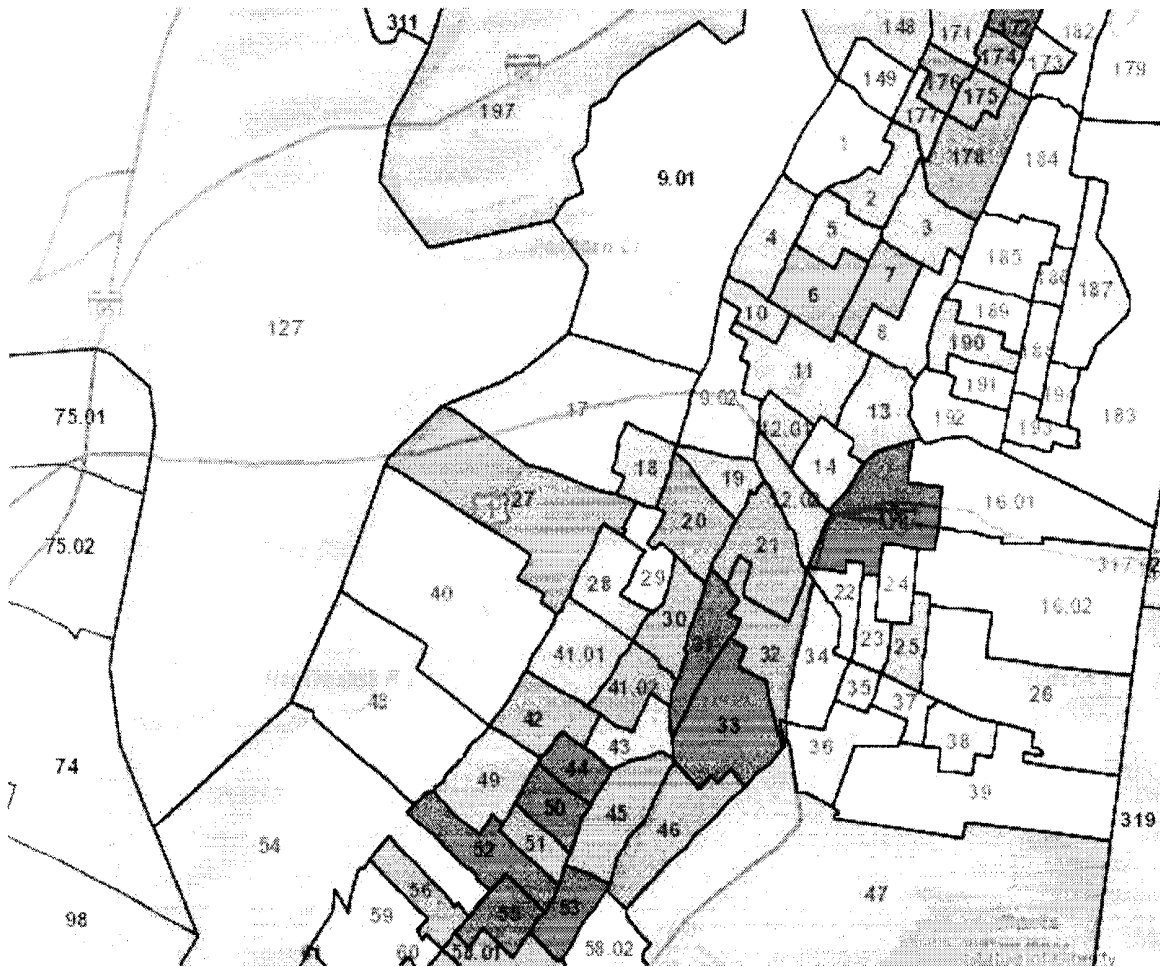
Figure 7-3. County Map of New Jersey



TEA Analysis

A TEA can be formed from CTs 3,4,5,6,7,8,11, 12,01,12.02, 15, 22,23, 25, 26, 30, 31, 32 33, 44, 45,46,50, 51, 52, 53, and 55; the locations of these CTs are shown in Figure 7-4. The Property is located in CT 26. A letter of certification is expected from the New Jersey Department of Labor.

Figure 7-4. Census Tract Map of Jersey City



(b)(4)

8. Economic Impact of Construction Expenditures

Table 8-1 shows the total development budget of [redacted]. Of this amount, about [redacted] is EB-5 eligible hard construction costs, [redacted] is architectural, engineering, and related fees, and [redacted] is purchases of furniture, fixtures, and equipment (FF&E). The remaining [redacted] consists primarily of land costs, interest costs, contingencies, and fees.

Table 8-1. Sources and Uses of Funds

(b)(4)

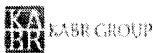


The details of the budget are given in Table 8-2. We have subtracted certain items from the Hard Cost figure given in Table 8-1 that are not EB-5 eligible; the remaining amount includes building, parking, and site preparation. EB-5 eligible soft costs are architectural, engineering, and surveying fees.

Table 8-2. Detailed Construction Budget

(b)(4)

Development Budget



In general, USCIS has indicated that current-dollar numbers should be deflated to the year in which the input/output coefficients were calculated, which in this case is 2008. For construction expenditures, however, prices have actually dropped since then, as shown in the Turner construction index.

The estimated values used in the impact analysis are as follows: 2012, 829; 2013, 845, and 2014, 862 (a 2% annual growth rate). For projects being constructed in 2013 and 2014, the average level would be 854, which is well below the 908 level reached in 2008.

| Quarter | Index | Δ% |
|------------------|-------|------|
| 3rd Quarter 2012 | 832 | 0.73 |
| 2nd Quarter 2012 | 826 | 0.61 |
| 1st Quarter 2012 | 821 | 0.37 |
| 4th Quarter 2011 | 818 | 0.49 |

| Year | Average Index | Δ% |
|------|---------------|------|
| 2011 | 812 | 1.6 |
| 2010 | 799 | -4.0 |
| 2009 | 832 | -8.4 |
| 2008 | 908 | 6.3 |
| 2007 | 854 | 7.7 |
| 2006 | 793 | 10.6 |
| 2005 | 717 | 9.5 |
| 2004 | 655 | 5.4 |
| 2003 | 621 | 0.3 |
| 2002 | 619 | 1.0 |
| 2001 | 613 | 3.0 |
| 2000 | 595 | 4.4 |
| 1999 | 570 | 3.8 |

Turner has prepared the construction cost forecast for more than 80 years. Used widely by the construction industry and Federal and State governments, the building costs and price trends tracked by The Turner Building Cost Index may or may not reflect regional conditions in any given quarter. The Cost Index is determined by several factors considered on a nationwide basis, including labor rates and productivity, material prices and the competitive condition of the marketplace. This index does not necessarily conform to other published indices because others do not generally take all of these factors into account. Further information about this index is available at: <http://www.turnerconstruction.com/cost-index>

The next six tables show the economic impact of (a) hard construction costs, (b) EB-5 eligible soft costs, and (c) purchases of FF&E. In all cases, the tables show the impact for the 20 major industrial classifications in the RIMS II input/output model; in all cases, only indirect and induced impacts are included. Please note that in these and succeeding tables, output and earnings are given in thousands of dollars.

(b)(4)

Table 8-3. Increase in Employment, Output, and Earnings for Hard Construction Costs of 88 Morgan Street

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Table 8-3 shows there will be a total of [] jobs created from the hard construction costs of the 88 Morgan Street building. Output would rise about [] million, while household earnings would increase by about [] Table 8-4 shows the average output per new worker is about [] while average earnings are about []

(b)(4)

Table 8-4. Output and Earnings Per New Worker, Hard Construction Costs for 88 Morgan Street

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For equipment purchases, USCIS has agreed to count jobs indirectly created outside the geographical boundaries of a Regional Center (RC) in determining whether the RC's business plan complies with EB-5 regulations. The policy change was expressed in a December 3, 2010, letter from USCIS Director Alejandro Mayorkas in response to a letter from Senator Patrick Leahy, Chairman of the Senate Judiciary Committee.

Mayorkas wrote: "USCIS interprets the law to require that a regional center focus its EB-5 capital investment activities on a single, contiguous area within the defined geographic jurisdiction requested by the regional center. Nevertheless, we agree that the law does not further mandate that all indirect job creation attributable to a regional center take place within that jurisdiction. I will, therefore, ensure that USCIS policy reflects this understanding of the law."

The regulations include the following language: "The regulation at 8 CFR 204.6.(m) provides [that] ... Each regional center ... shall submit a proposal, which ... 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" (emphasis added).

It is highly unlikely that the FF&E is manufactured in the NYC area, and we are not making that claim. One possibility is to use the indirect and induced jobs created by the production of the FF&E outside the regional center. The justification for this approach is as follows:

The regulations include the following language: “The regulation at 8 CFR 204.6.(m) provides [that] ... Each regional center ... shall submit a proposal, which ... 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” (emphasis added).

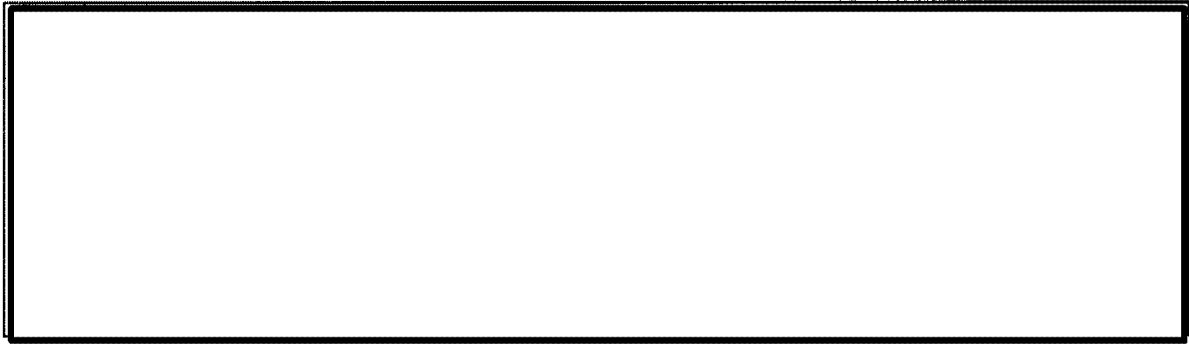
The drawback to that approach, however, is that in general no information is available indicating the jurisdiction where the FF&E was produced, so we do not know which set of multipliers to use. Hence we have used an alternative approach, which is to claim that the indirect and induced jobs created by the installation of the FF&E in the NYC area can be legitimately included in the EB-5 job count.

These jobs would include all of the activities that occur within the region: transportation and distribution of the FF&E to the hotel site, purchasing margins at the wholesale and possibly retail level, and most importantly, the construction jobs that are used in the installation of the FF&E. This generally involves substantial construction activity in terms of installing bathroom fixtures, electronic equipment, telecommunications systems, and other construction jobs associated with preparing the hotel rooms for clients. For this reason, then, the **FF&E calculations are based on the indirect and induced final demand and employment multipliers for the construction sector.**

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(b)(4)



(b)(4)

Table 8-5 shows there will be a total of [] indirect and induced jobs created from the purchases of FF&E for the 88 Morgan Street building. Output would rise about [] while household earnings would increase by about [] Table 8-6 shows the average output per new worker is about [] while average earnings are about []

Table 8-6. Output and Earnings Per New Worker, Purchases of FF&E for 88 Morgan Street , Indirect and Induced Effects Only

(b)(4)

In terms of what soft costs are EB-5 eligible, we rely on the information given in the NAICS coding manual, which is summarize as follows:

541310 Architectural Services

This industry comprises establishments primarily engaged in planning and designing residential, institutional, leisure, commercial, and industrial buildings and structures by applying knowledge of design, construction procedures, zoning regulations, building codes, and building materials.

541330 Engineering Services

This industry comprises establishments primarily engaged in applying physical laws and principles of engineering in the design, development, and utilization of machines, materials, instruments, structures, processes, and systems. The assignments undertaken by these establishments may involve any of the following activities: provision of advice, preparation of feasibility studies, preparation of preliminary and final plans and designs, provision of technical services during the construction or installation phase, inspection and evaluation of engineering projects, and related services.

236220 Nonresidential Building Construction

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

(b)(4)

Table 8-7. Increase in Employment, Output, and Earnings for EB-5 Eligible Soft Construction Costs of 88 Morgan Street Project

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(b)(4)



Table 8-7 shows there will be a total of [redacted] jobs created from the EB-5 eligible soft construction costs of the 88 Morgan Street building. Output would rise about [redacted] [redacted] while household earnings would increase by about [redacted] Table 8-8 shows the average output per new worker is about [redacted] while average earnings are about [redacted]

(b)(4)

Table 8-8. Output and Earnings Per New Worker for EB-5 Eligible Soft Construction Costs of 88 Morgan Street Project

(b)(4)

9. Economic Impact of Rental Income for Apartments, Retail Space, and Parking Space

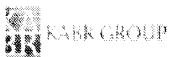
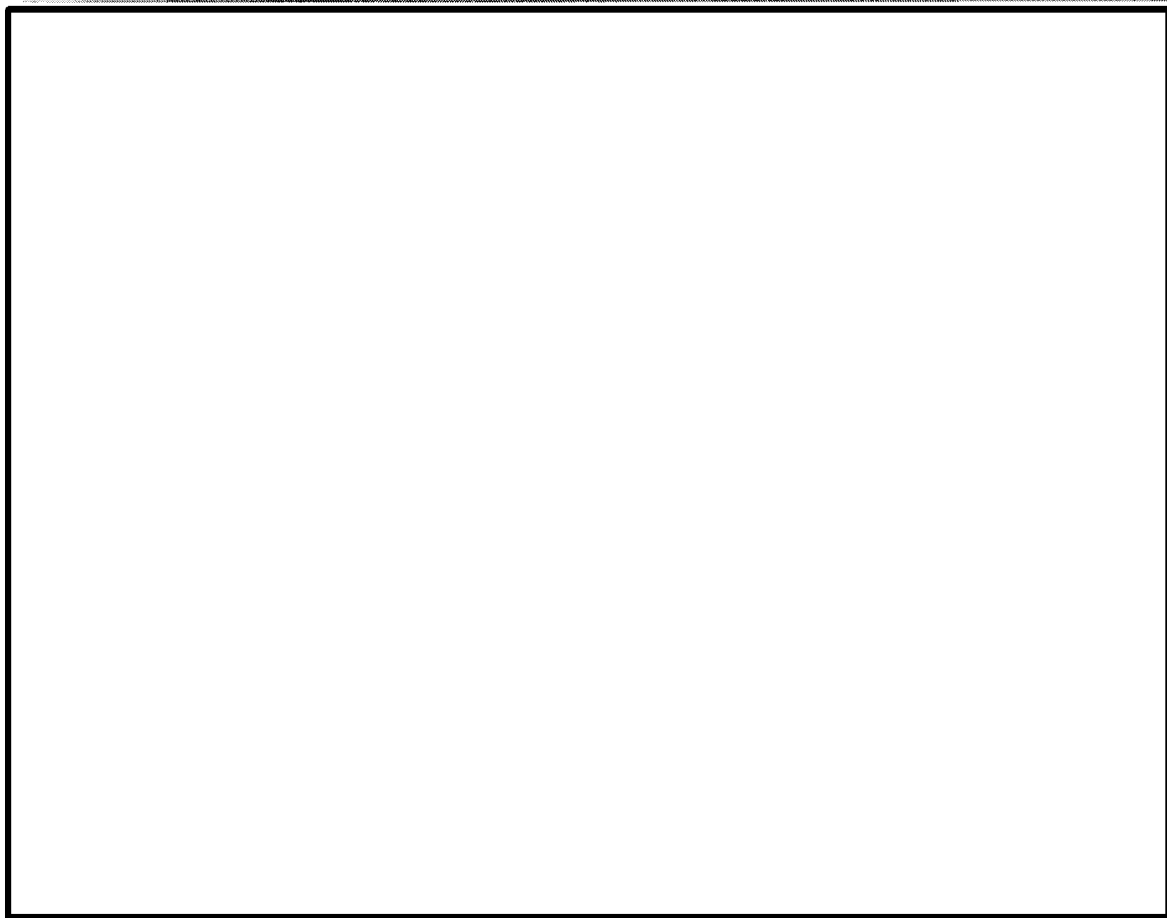
The building at 88 Morgan Street will be primarily residential, containing 417 apartments, 214 parking spaces, and about 4,000 square feet of retail space. According to the developer, the Jersey City market place is one of the strongest rental markets in New Jersey. Rents at comparable developments are well over \$ [redacted] sq ft and occupancies hover in the high 90s. The operating assumptions are shown in Table 9-1.

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Table 9-1. Operating Assumptions for 88 Morgan Street, Jersey City, NJ

Operating Assumptions

(b)(4)



The monthly rentals for comparable apartment buildings in Jersey City are shown in Table 9-2.

Table 9-2. Comparable Monthly Rents in Jersey City

(b)(4)

Rent Growth

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The total annual rental income entered into the RIMS II model is hence calculated as follows, based on the operating projections provided by the developer. The figures for "Year 4", which is the first full year of occupancy, are used for these calculations.

Table 9-3. Operating Projections, first 4 Years, for 88 Morgan Street Building

Detailed Operating Projections

(b)(4)

[Redacted Table Content]



(b)(4)

In the first full year of operation, gross potential rent would be [redacted] however that figure must be reduced by an expected 3% vacancy rate, 0.5% loss for bad debts, and first-year rent concessions (essentially one free month) that amount to another [redacted]. Hence total apartment rentals after subtracting these items equals [redacted]. This figure is then boosted by the expected revenue for parking spaces, retail income, and other fees. There are 214 parking spaces and an average monthly fee of [redacted] month, adjusted for the 3% vacancy rate and 0.5% loss for bad debts. Retail space of 4,000 square feet is expected to rent for [redacted] per square foot, which is well below the average for comparable locations. Finally, fees from other income are expected to be [redacted] per month per occupied unit, with the first-year

(b)(4) adjustment for one month of free rent. Summing all these factors indicates total annual rental income of [redacted] million for the first full year of operation.

This figure is in 2016 dollars, while the input/output coefficients are based on 2008 dollars, so it must be deflated. The CPI for rental; income medium-sized cities rose 1.6% per year from 2008 to 2012, as shown in Table 9-4, so continuing that rate forward to 2016, the deflator would be 1.134, indicating rental income of [redacted] in 2008 dollars.

(b)(4)

Table 9-4. CPI for Primary Rental Income, Medium-Sized Cities

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

The detailed industry results for [redacted] million in rental income are shown in the next two tables.

(b)(4)

Table 9-5. Increase in Employment, Output, and Earnings, Rental Income for 88 Morgan Street Building, 2008 Dollars

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

(b)(4)



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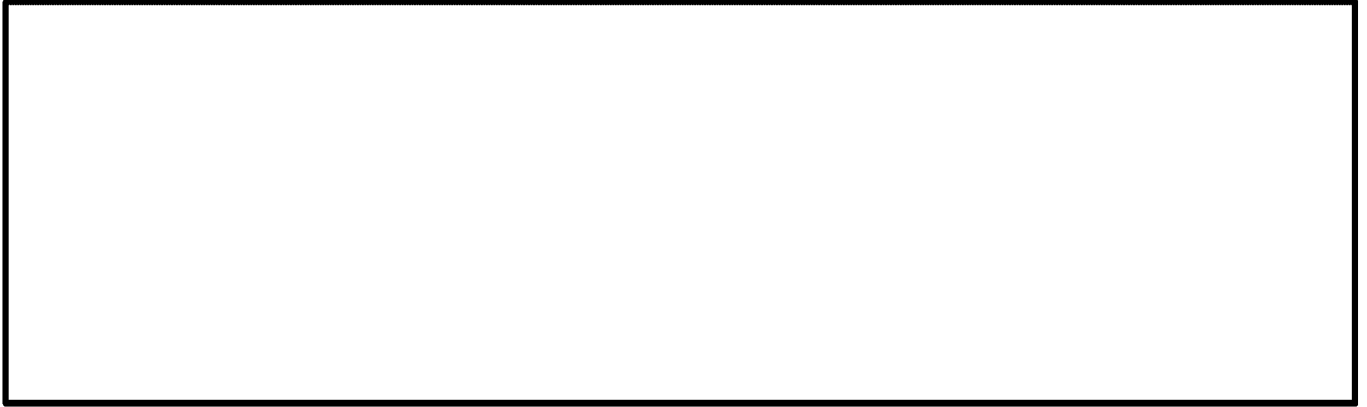
Table 9-5 shows there would be an increase of [redacted] permanent new jobs from the rental income of the 88 Morgan Street building. Total output would rise about [redacted] [redacted] and household earnings would increase by about [redacted] Table 9-6 shows output per new worker would be about [redacted] with average annual earnings of about [redacted]

Table 9-6. Output and Earnings Per New Worker, Rental Income for 88 Morgan Street Building, 2008 Dollars

(b)(4)

The content of Table 9-6 is completely redacted, appearing as a large empty rectangular area within a black border.

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10. Summary Statistics for the Construction and Rental Income for the 88 Morgan Street Building

Tables 10-1 and 10-2 show the combined economic impact of constructing and rental income for the 88 Morgan Street Building. These results are the summation of the data given in Sections (8) and (9), so the individual cells simply represent the sum (or average) of these figures in the previous two sections.

Table 10-1. Increase in Employment, Output, and Earnings for Construction and Operation of the 88 Morgan Street Building

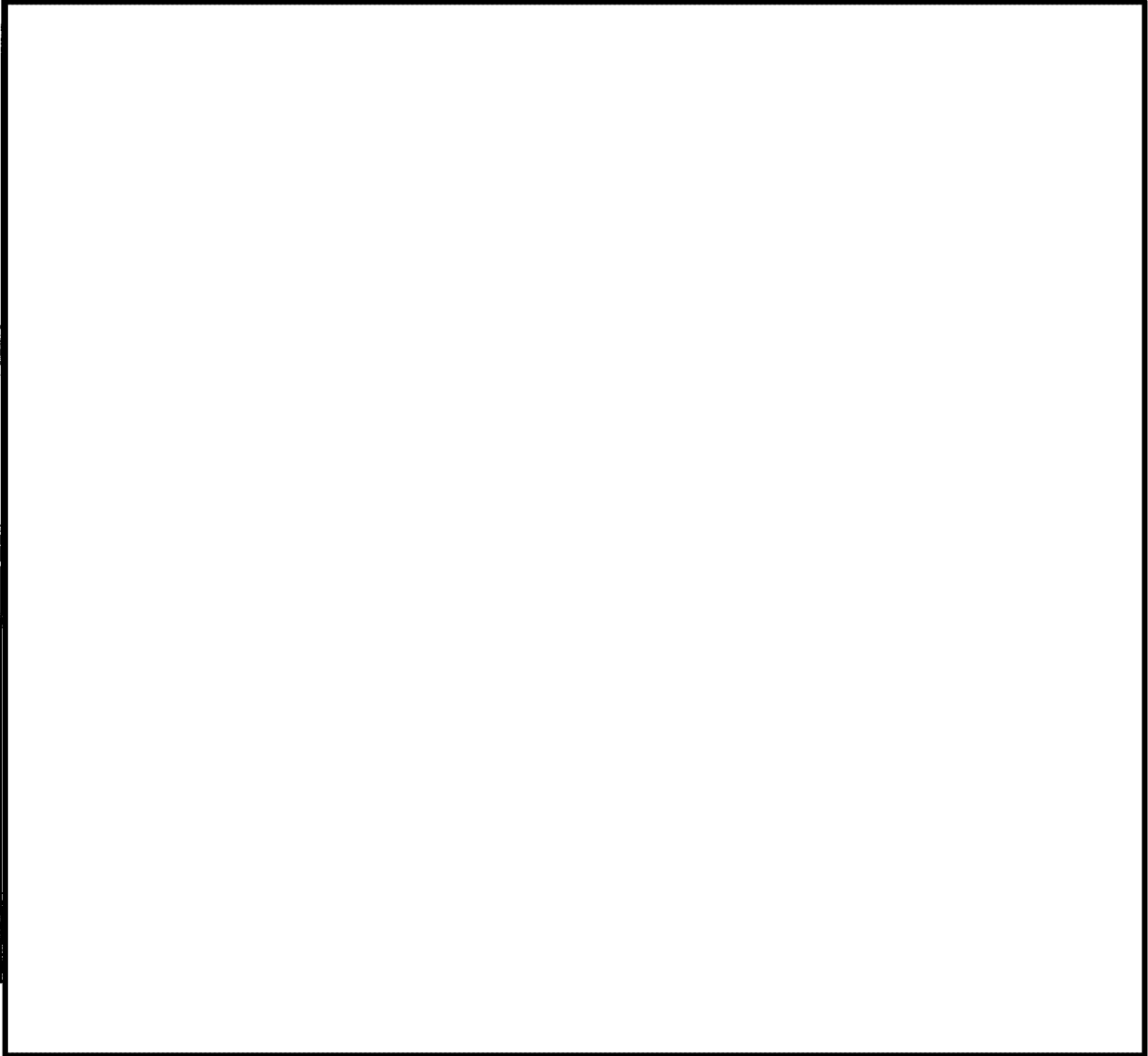
(b)(4)

Table 10-1 shows that [redacted] permanent new jobs would be created by the construction and rental income for the 88 Morgan Street building. Output would rise by about [redacted] and household earnings would increase by about [redacted]. Table 10-2 shows that the average output per new worker would be about [redacted] while average annual earnings would be about [redacted].

(b)(4)

(b)(4)

Table 10-2. Output and Earnings Per New Worker for Construction and Operation of 88 Morgan Street Building

A large empty rectangular box with a black border, representing a redacted table. The table content is completely obscured by a white fill.

Appendix: Resume of Dr. Michael K. Evans

mevans@evanscarrollecon.com

CURRENT AND PREVIOUS POSITIONS

- Chairman, *Evans, Carroll & Associates, Inc.*, 1980-present (previously Evans Economics)

Economic consulting firm specializing in EB-5 immigration analysis, economic impact studies of development projects and new construction, models of state and local tax receipts, impact of current and proposed government legislation, and construction of econometric models for individual industries and companies.

- Chief Economist, *American Economics Group*, 2000-2008.

Built a comprehensive state modeling system that provides economic analysis for a variety of consulting projects (see below).

- Clinical Professor of Economics, Department of Managerial Economics and Decision Sciences (MEDS), Kellogg Graduate School of Management, Northwestern University, 1996-99.

Taught courses in macroeconomics and business forecasting. Wrote textbooks for both courses.

- Winner of Blue Chip Economic Indicator Award for most accurate macroeconomic forecasts during the past four years, November 1999

- Founder and President, *Chase Econometric Associates*, 1970-1980

- Assistant and Associate Professor of Economics, Wharton School, University of Pennsylvania, 1964-69. Co-developer of the original Wharton Model.

- Visiting Professor, Radford University, (Radford, VA), 1987

Chairman of Institute for International Economic Competitiveness

- Visiting Lecturer, Hebrew University (Jerusalem), 1966-67

Built econometric model of the Israeli economy

- Ph. D. in Economics, Brown University. Dissertation, "A Postwar Quarterly Model of the United States Economy, 1948-1962". A. B. in Mathematical Economics, Brown University

PREVIOUS ACTIVITIES AND EDUCATION

- Contributing Editor, *Industry Week*

Wrote a column in each issue on economic and financial trends as they impact the manufacturing sector.

- Editor, *The Evans Report*

Weekly newsletter discussing economic trends and financial markets. Pioneered the concept of the Monthly Tracking Model to incorporate recent economic releases into the overall economic forecast, including methods to predict these economic data.

- Consultant, *National Printing Equipment and Supply Association*

Prepared quarterly forecasts of shipments of printing equipment and graphic arts supplies by product line, based on an econometric model constructed for NPES. Also prepares analysis and forecasts of exports and imports by principal product line.

- Consultant, *APICS -- The Educational Society for Resource Management*,

Designed and developed the *APICS Business Outlook Index*, which used survey data collected by the Evans Group to measure current production, production plans, shipments, employment, new orders, unfilled orders, inventory stocks, and the comparison of the actual to desired inventory/sales ratio to predict short-term changes in manufacturing sector activity. The results of this survey appeared every month in *APICS: The Performance Advantage*

- Consultant, *American Hardware Manufacturing Association*

Wrote a separate weekly edition of the Evans Report analyzing recent trends in the hardware and housing industries, including forecasts of the hardware industry based on an econometric model developed for AHMA.

- Board of Economists, *Los Angeles Times*

Wrote column every 6 weeks (5 other economists on the Board)

- Columnist, *United Press International*

Wrote twice-weekly column, "Dollars and Trends"

- Consultant, Senate Finance Committee,

Built the first large-scale supply-side model of the U. S. economy

- Consultant, Environmental Protection Agency and Council on Environmental Quality

Estimated inflationary impact of government regulations

- Consultant, National Aeronautics and Space Administration

Estimate impact of R&D spending on productivity growth

- Consultant, U. S. Treasury

Estimated impact of investment tax credit and accelerated depreciation on capital spending by industry

- Consultant, U. S. Department of Agriculture

Built large-scale econometric model of agricultural sector of U. S. economy

- Consultant, Organization of Economic Cooperation and Development

Built econometric model of the French economy

SAMPLE OF RECENT CONSULTING PROJECTS

A. Economic Impact of EB-5 Immigrant Investor Programs and New Markets Tax Credits

For more information on these projects, see www.evanseb5.com

Key to symbols: N, new regional center, E, extension of existing center

List is current as of November 5, 2010. Totals to date are 136 new regional centers, 72 extensions, and 7 new markets tax credits, for a total of 215 projects

N● Calculated the economic impact of the construction and operation of an assisted living center in Santa Ana, CA

N● Calculated the economic impact of the construction and operation of several BBQ restaurants in South Florida.

N● Calculated the economic impact of the drilling oil wells in 8 counties in Texas and Louisiana.

- N● Calculated the economic impact of operating coal mines for metallurgical coal in West Virginia.
- N● Calculated the economic impact of operating gold mines in Alaska.
- N● Calculated the economic impact of constructing and operating a mixed-use commercial center in Flushing, NY
- N● Calculated the economic impact of constructing and operating two hotels, one in downtown San Diego, and one in Escondido, CA
- N● Calculated the economic impact of expanding and operating an auto racing track in Palm Beach, FL
- N● Calculated the economic impact of building and operating mobile housing villages for disaster relief.
- N● Calculated the economic impact of operating an “incubator” for research on medical devices, preparations, and services in Houston, TX.
- N● Calculated the economic impact of constructing and operating a mixed-use commercial center in Denver, CO.
- N● Calculated the economic impact of constructing and operating a charter school in Miami/Dade County, FL
- E● Calculated the economic impact of constructing and operating a hotel in Manhattan, NY
- N● Calculated the economic impact of constructing and operating hotels, assisted living centers, and mixed-use commercial buildings in 8 counties in Southern California
- N● Calculated the economic impact of constructing and operating a charter school in Broward County, FL
- N● Calculated the economic impact of renovating a former public housing project in Chicago, IL
- N● Calculated the economic impact of starting a high-tech company for optical displays in Orlando and Gainesville, FL
- N● Calculated the economic impact of constructing and operating luxury hotels in four Southern California counties
- E● Calculated the economic impact of expanding a manufacturing company in Ann Arbor, MI

- N● Calculated the economic impact of reconvertng an old mill building into offices and other commercial uses in Bristol County, MA
- N● Calculated the economic impact of a film and TV production studio in Los Angeles, CA
- N● Calculated the economic impact of constructing and operating various residential and commercial buildings in 35 Texas counties.
- N● Calculated the economic impact of constructing and operating the world's tallest residential structure in Chicago, IL
- N● Calculated the economic impact of constructing and operating a mixed-use commercial and residential building in Seattle, WA
- N● Calculated the economic impact of constructing and operating a hotel in Cleveland, OH
- N● Calculated the economic impact of a research facility in Jupiter, FL
- N● Calculated the economic impact of constructing and operating an assisted living center in Horry County, SC
- N● Calculated the economic impact of constructing and operating a chain pharmacy in Chicago, IL
- E● Calculated the economic impact of constructing and operating a high-end hotel and resort in Aspen, CO
- N● Calculated the economic impact of constructing and operating an assisted living center in Dallas, TX
- E● Calculated the economic impact of constructing and operating an medical assistance company in Bronx, NY
- E● Calculated the economic impact of constructing and operating a mixed-use commercial building in Queens, NY
- E● Calculated the economic impact of operating a livery service in Queens, NY
- N● Calculated the economic impact of constructing and operating residential properties in Southern California
- N● Calculated the economic impact of operating a film and TV production studio in Los Angeles, CA
- N● Calculated the economic impact of drilling oil wells in Montana

- N● Calculated the economic impact of constructing and operating various residential and commercial buildings for 43 counties in Texas
- E● Calculated the economic impact of constructing and operating a restaurant and dinner theater in Guam
- N● Constructed an input/output model for the Commonwealth of the Northern Mariana Islands, and used it to calculate the economic impact of constructing and operating a restaurant in Saipan.
- E● Calculated the economic impact of constructing and operating a new hotel in Miami, FL
- E● Calculated the economic impact of constructing and operating a resort and wellness center in South Florida
- N● Calculated the economic impact of expanding and operating a ski resort in Vermont.
- N● Calculated the economic impact of constructing and operating residential and commercial buildings in 20 counties in South Central Texas
- N● Calculated the economic impact of constructing and operating a hotel near the Newark, NJ airport
- E● Calculated the economic impact of constructing and operating a company to process health insurance benefits in South Florida
- E● Calculated the economic impact of constructing and operating a veterinary hospital in Palm Beach County, FL
- N● Calculated the economic impact of constructing and operating various residential and commercial buildings for all counties in MA, CT, RI, and NH
- N● Calculated the economic impact of constructing and operating a residential construction company in Maryland
- N● Calculated the economic impact of constructing and operating various residential and commercial buildings for the entire state of Oklahoma
- N● Calculated the economic impact of constructing and operating a company for manufacturing dental implants in Cuyahoga County, OH
- N● Calculated the economic impact of constructing and operating a mixed-use commercial facility in Brooklyn, NY

- N● Calculated the economic impact of constructing and operating an office building for financial services in downtown Manhattan, NY
- N● Calculated the economic impact of constructing and operating a mixed-use facility in Southern California
- N● Calculated the economic impact of constructing and operating a retail shopping center in Tampa, FL
- N● Calculated the economic impact of constructing and operating a retail shopping center in Tampa, FL
- N● Calculated the economic impact of constructing and operating a mixed-use commercial building in Seattle, WA
- N● Calculated the economic impact of constructing and operating a charter school in Arizona
- N● Calculated the economic impact of constructing and operating a resort in northeastern Utah
- N● Calculated the economic impact of operating an online video game company
- N● Calculated the economic impact of constructing and operating a hotel in New York City
- N● Calculated the economic impact of constructing and operating a fashion mall in South Florida
- E● Calculated the economic impact of construction and operation of a new automobile assembly plant in Petersburg, VA
- N● Calculated the economic impact of operating a call center for the U.S. government in Muskogee, OK
- N● Calculated the economic impact of developing a mixed-use commercial and residential center in Scottsdale, AZ
- N● Calculated the economic impact of constructing and operating a “Green Box” facility in New Jersey to process waste material on a pollution-free basis.
- N● Calculated the economic impact of constructing and operating a “Green Box” facility in Washington State to process waste material on a pollution-free basis.
- E● Calculated the economic impact of constructing and operating a new hotel in Coral Gables, FL

- E● Calculated the economic impact of developing a new residential community in Brevard County, and retail stores and restaurants in St. Lucie County, FL
- N● Calculated the economic impact of a new business to store and process field crops in Madison, MS
- N● Calculated the economic impact of operating food service establishments and assisted living centers in 40 counties in Texas.
- E● Calculated the economic impact of developing a mixed-use commercial center in Miami, FL
- N● Calculated the economic impact of renovating a theater in New York City to show film highlights of previous Broadway hits.
- N● Calculated the economic impact of renovating and operating distressed buildings in the San Francisco Bay area.
- E● Calculated the economic impact of a mixed-use commercial center in Montgomery County, TX
- E● Calculated the economic impact of expanding a manufacturing facility to produce more energy-efficient lighting in Sarasota, FL
- N● Calculated the economic impact of developing facilities for amateur sporting events in northern GA
- N● Calculated the economic impact of developing a mixed-use commercial center in Missoula, MT
- N● Calculated the economic impact of operating call centers in Las Vegas, NV, and other western Nevada counties
- E● Calculated the economic impact of constructing and operating a proton cancer treatment center in Boca Raton, FL
- E● Calculated the economic impact of constructing and operating a “Green Box” facility in Detroit to process waste material on a pollution-free basis.
- E● Calculated the economic impact of renovating and expanding commercial property in Lower Manhattan
- N● Calculated the economic impact of constructing student housing and retail stores in Davie, FL

- E● Calculated the economic impact of constructing residential housing near Harvard University
- E● Calculated the economic impact of developing mixed-use commercial centers in Broward County, FL
- E● Calculated the economic impact of renovating a Dallas apartment building
- E● Calculated the economic impact of renovating and operating a nursing home in Las Vegas, NV
- E● Calculated the economic impact of constructing a hotel and shopping center in Miami, FL
- E● Calculated the economic impact of developing a design center in Miami/Dade county, FL
- E● Calculated the economic impact of developing and operating a chain of children's playrooms and party facilities in South Florida
- E● Calculated the economic impact of developing a new stadium for the Nets basketball team, to be located in Brooklyn, NY
- E● Calculated the economic impact of developing a Marriott hotel in Washington, D.C.
- E● Calculated the economic impact of developing and operating a casino for foreign patrons in Las Vegas, NV
- E● Calculated the economic impact of operating a series of yogurt fast-food restaurants in South Florida
- E● Calculated the economic impact of constructing steel homes and commercial buildings in South Florida
- N● Calculated the economic impact of construction and operation of a farm distillery in Vermont
- N● Calculated the economic impact of purchase and renovation of deeply discounted residential properties in South Florida
- N● Calculated the economic impact of a hotel to be built near LaGuardia Airport in Queens, NY
- N● Calculated the economic impact for several mixed-use commercial and residential properties for a regional center covering southern Wisconsin and northern Illinois.

- N● Calculated the economic impact for mixed-use commercial project in Flushing, NY
- E● Calculated the economic impact for major new hotel near the Washington, D. C. conference center
- N● Calculated the economic impact of an assisted living center in suburban Atlanta, GA
- N● Calculated the economic impact of an office tower in mid-town Manhattan for the diamond trade
- N● Calculated the economic impact of three mixed-use commercial and residential projects in Santa Clara County, CA
- N● Calculated the economic impact of six mixed-use commercial and residential projects in Los Angeles, Orange, Riverside, and San Bernardino counties
- N● Calculated the economic impact of operating a chain of pizza restaurants in southern Florida.
- N● Calculated the economic impact of constructing and operating an assisted living facility in Atlanta, GA
- E● Calculated the economic impact of constructing and operating an expansion of University Hospital in Cleveland, OH
- E● Calculated the economic impact of a wastewater treatment plant in Victorville, CA
- N● Calculated the economic impact of drilling for geothermal energy and constructing and operating power plants in several counties in Nevada
- E● Calculated the economic impact of a vacation club operation in Orlando, FL
- E● Calculated the economic impact of constructing and operating an extended-stay hotel in Boston, MA
- E● Calculated the economic impact of constructing and operating an assisted living facility in Walton County, FL
- N● Calculated the economic impact of manufacturing and constructing residential and commercial steel modular buildings in Lee County, FL
- E● Calculated the economic impact of a chain of yogurt and juice stores and restaurants in southern Florida

- E● Calculated the economic impact of two mixed-use commercial developments in Orange County, CA.
- E● Calculated a Targeted Employment Area by census tracts for six counties in the Houston, TX metropolitan area
- E● Calculated the expansion of new hybrid car manufacturing facility from Mississippi to Tennessee and Virginia.
- E● Calculated the economic impact of construction and operation of a skilled nursing facility in Las Vegas, NV.
- N● Calculated the economic impact of construction and operation of a proton cancer treatment center and medical offices buildings in Los Angeles County, CA.
- E● Determined the economic impact of improving facilities at the Port of Baltimore in order to attract more shipping from the Panama Canal when the locks are widened.
- N● Calculated the economic impact of a major hotel and resort area in Ft. Lauderdale, FL.
- N● Calculated the economic impact of building steel homes in South Florida, including the local manufacture of steel fabricated parts.
- E● Calculated the economic impact of constructing and operating a hotel at Times Square in New York City.
- N● Calculated the economic impact of a mixed-used residential and commercial project in Atlanta, GA.
- E● Calculated the economic impact of expanding and opening new restaurants in Dallas, TX. In a separate project, calculated the economic impact of renovating, refurbishing, and operating a boutique hotel in Dallas, TX.
- E● Calculated the economic impact of building and operating low-income housing in Boston, MA.
- N● Calculated the economic impact of constructing and operating assisted living facilities in eight rural Texas counties.
- N● Calculated the economic impact of a mixed-use commercial project in Riverside County, CA.
- E● Calculated the economic impact of opening a manufacturing plant for “green” motor vehicles in the Detroit, MI area.

- E● Calculated the economic impact of constructing and operating hotels and restaurants in Columbus, MS.

- E● Calculated the economic impact of operating restaurants in the Hotel W in Hollywood, CA.

- N● Calculated the economic impact of a mixed-use commercial project in McCook, IL (suburban Chicago).

- N● Calculated the economic impact of constructing and operating a water-based amusement facility in San Diego, CA.

- N● Calculated the economic impact of a mixed-use commercial facility in suburban Cincinnati, OH (project is in KY).

- E● Calculated the economic impact of constructing and operating a casino, hotel, and restaurant in Las Vegas, NV.

- N● Calculated the economic impact of a new academic institution for alternative energy in Santa Clarita, CA.

- N● Calculated the economic impact of several mixed-used projects in San Francisco, Alameda County, Santa Clara County, and Fresno County.

- N● Calculated the economic impact of a super energy store and solar farm in Riverside County, CA.

- N● Calculated the economic impact of a prostate cancer treatment center in South Carolina.
- E● Calculated the economic impact of refurbishing and expanding retail space at the George Washington Bridge in New York City.

- E● Calculated the economic impact of building Atlantic Yards, new stadium for the New York Nets, in Brooklyn, NY

- N● Calculated the economic impact of an assisted living center and several mixed-use commercial facilities in the Reno, NV area.

- E● Calculated the economic impact of buying residential properties at deep discount prices, refurbishing and selling them, in South Florida.

- N● Calculated the economic impact for a fractional-ownership marina in Port Charlotte, FL, plus office space, retail stores, restaurants, and a home brokerage office.

- N● Calculated the economic impact of construction and operation of four retirement homes in Vermont.

E• Calculated the economic impact of an upscale retail shopping center in Vail, CO, and a medical office building in Edwards, CO (both in Eagle County).

E• Calculated economic impact of a wind turbine manufacturing plant in Larimer County, CO

N• Calculated economic impact of a hotel, retail stores, restaurants, office buildings, and bank facilities in Pasadena, CA

N• Calculated economic impact of a luxury hotel and condominiums in Destin, FL

N• Calculated economic impact of constructing and operating a mixed-use commercial project in Jupiter, FL

E• Determined whether 17 possible restaurant locations in Miami/Dade and Broward Counties qualified as Targeted Employment Areas.

E• Determined the economic impact of opening and operating a slot-machine casino in Hanover, MD, as part of a proposed EB-5 regional center for the Baltimore metropolitan area.

N• Calculated the economic impact of renovating and expanding a restaurant on Martha's Vineyard, MA, as part of an EB-5 regional center in that state.

N• Determined the economic impact of assembling and installing solar panels for residences in the state of LA.

E• Determined a Targeted Employment Area for Dallas, TX as part of a proposed EB-5 regional center for the Dallas area.

N• Calculated the economic impact for various mixed used projects for a proposed regional center for the entire State of Texas, including shopping centers, office buildings, restaurants, assisted living centers, medical technology facilities, and other personal and business services.

N• Calculated the economic impact for the construction and operation of several fast-food restaurants in 10 counties in central California.

N• Calculated the economic impact for the renovation and expansion of a shopping mall in Greenville, SC.

E• Calculated the economic impact of buying existing apartment buildings at deep discount prices, renovating and operating them, in 21 counties in FL.

N• Calculated the economic impact of building and operating an institute for proton cancer therapy for a proposed EB-5 regional center in Brooklyn, NY.

- N• Calculated the economic impact of building and operating a mixed-use facility with medical offices, hotels, and apartments for a proposed EB-5 regional center in Queens, NY.
- E• Determined a Targeted Employment Area for Philadelphia, PA as part of a proposed EB-5 regional center for the Philadelphia area.
- N• Calculated the economic impact of a proposed office building and mixed-use facility for an EB-5 regional center in Dallas, Texas
- N• Calculated the economic impact for various mixed-use projects for a proposed EB-5 regional center in the greater New York City area, including an extended stay hotel, urgent care center, financial lending firm for alternative assets, retail stores, apartments, office space, warehouses, industrial “flex” space, entertainment centers, restaurants, conference and convention centers, nursing home and assisted living facilities, medical offices, medical technology facilities, and high-tech manufacturing.
- N• Calculated the economic impact of “green” hotels in 10 counties in Central California.
- N• Calculated the economic impact of generic projects in manufacturing, financial services, health services, hotels, and restaurants for a proposed regional center for the state of Florida.
- E• Calculated the economic impact of 12 different types of economic activity for an expansion of the Palm Beach Regional Center to five contiguous counties.
- N• Calculated the economic impact of a new auto parts plant in Alabama to supply parts to Kia automobiles.
- N• Calculated the economic impact of opening fast-food restaurants in Miami/Dade and Broward counties in FL.
- N• Calculated the economic impact of a mixed-use commercial center in Flushing, Queens County, NY.
- E• Calculated the economic impact of revitalizing and renovating part of the Brooklyn Navy Yard for “green” manufacturing facilities.
- E• Calculated the economic impact of 12 different types of economic activity for various counties in Charlotte and Sarasota counties, FL
- E• Calculated the economic impact of four new manufacturing and distribution companies in Palm Beach County, FL.
- N• Calculated the economic impact of developing a resort area and building residences in rural Tennessee.

- N• Calculated the economic impact of developing and operating a resort area in Southern Arizona.
- N• Calculated the economic impact of revitalizing the depressed East Side of Cleveland, Ohio, with new commercial and industrial buildings.
- N• Determined the nationwide economic impact of a \$1 billion investment in Mississippi for a new hybrid motor vehicle plant.
- N• Determined the economic impact of expanding a shipyard in Southeastern Louisiana.
- N• Calculated the economic impact of a new shopping center in Buena Vista, California, and two other generic shopping centers in Los Angeles and San Bernardino counties.
- E• Calculated the economic impact of enhancing resort areas in eight rural counties in Colorado.
- N• Calculated the economic impact of the rehabilitation of Fitzsimons Village in Aurora, Colorado, by adding an office building with medical labs, hotel, shopping center, and residences.
- E• Determined the economic impact of a mixed-use commercial center for the Kansas City metropolitan area.
- N• Calculated the number of jobs created for a film production company in New York City.
- N• Calculated economic impact of small-scale rooftop solar panels in various counties in California.
- N• Calculated economic impact of 7 different types of proposed businesses for a proposed regional center in the Bay Area of California.
- N• Determined the economic impact of a new biological research park, office building, and logistics center in Wooster, Ohio.
- E• Calculated the economic effect of a mixed-use urban renewal project in Cleveland, Ohio.
- N• Calculated economic impact of dairy farm and cheese processing plant in Northern California.

- N• Determined economic impact of a shipyard, food processing plant, and semiconductor plant for a proposed regional center in Louisiana and Mississippi.
- N• Calculated the economic impact of a new gaming casino in Natchez, Mississippi.
- N• Developed an Input/output Model for Guam, which was then used to calculate the economic impact of several generic projects.
- N• Calculated the economic impact of a retail shopping center in suburban Los Angeles County.
- N• Prepared an economic impact analysis for the “timber to homes” project for a proposed regional center in Colorado.
- N• Calculated the economic impact for a proposed regional center in Baltimore, Maryland that would include the rebuilding of depressed areas in East Baltimore and along the riverfront.
- N• Prepared the economic analysis for a proposed EB-5 regional center for the entire state of Florida that included impact calculations for 14 different types of industries.
- N• Prepared the economic analysis for a proposed EB-5 regional center in the San Francisco Bay area that included calculations for 10 different types of industries.
- N• Prepared economic impact calculations for proposed EB-5 regional centers in New York City and Northeastern New Jersey.
- Calculated the economic impact of a rehabilitated office building in Albuquerque, New Mexico, including the increase in high quality jobs. NEW MARKETS
- Calculated the economic impact of a rehabilitated skilled nursing center in East Los Angeles, California, including the impact on nearby census tracts. NEW MARKETS
- N• Calculated the economic impact of development of warehouse and light industrial manufacturing space in Las Vegas, Nevada.
- N• Calculated the economic impact of rehabilitation and expansion of a vacation and health spa in Sharon Springs, New York
- N• Calculated economic impact of revitalizing an old resort hotel and adding new facilities for Lake Geneva, WI.
- Calculated the employment and tax effects for a portfolio of projects undertaken under the New Market capital program. NEW MARKETS

- E• Calculated generic employment changes for proposed EB-5 project for an Inland Port in Palm Beach County, FL
- N• Calculated the economic impact of construction of El Monte Village in El Monte, CA.
 - Calculated the economic impact of moving the Social Security Administration building in Birmingham, AL, and revitalizing the surrounding neighborhood. NEW MARKETS
 - Calculated the economic impact of rehabbing and expanding the Everett Mall in Everett, WA. NEW MARKETS
 - Determined the economic impact of building a new medical center in Charleston, SC
NEW MARKETS
- N• Calculated economic impact of expanding Sugarbush resort in VT. Study included expansion of existing facilities and addition of new facilities.
 - Calculated economic impact for new market tax credit program in Portsmouth, N.H. Study included both overall economic impact, and the increase in employment and income and the decrease in the unemployment rate and incidence of poverty in individual census tracts. NEW MARKETS
- N• Calculated the economic benefits of EB-5 programs for foreign investors for a mixed-use construction project, including a hotel, retail stores, apartments, and a sports stadium in the Washington, D. C. metropolitan area
- N• Calculated the economic benefits of EB-5 programs for a mixed-used retail shopping center in the New York City metropolitan area.
- N• Calculated the economic benefits of EB-5 programs for foreign investors for proposed shopping centers in five separate counties in Southern California, including differential impacts of building the shopping centers in different counties.

B. Projects for State and Local Governments

- Constructed an econometric model for the State of New York and determined the change in employment, labor income, and tax revenues for 43 different tax changes proposed by the Governor's office.
- Constructed a detailed econometric model for the State of Pennsylvania to determine the economic impact of the complete panoply of state taxes levied; the model contains over 1,000 equations. In cooperation with American Economics Group, the model was

developed to simulate the effect of changes in any state tax rate on households and businesses by income deciles, household status, age of individuals, size of households, and many other demographic variables. The change in business taxes can also be simulated for detailed industry classifications.

- Determined whether the Washington, D.C. water and sewer authority should accept a high bid for a new waste disposal system. Decision to reject has saved the authority over \$200 million, as construction prices turned down sharply as predicted.
- Built an econometric model to determine the “tax gap” caused by Internet sales for the state of Minnesota.
- Determined appropriate levels of shelter grants individual counties in New York State, and for utility allowances in New York City. Reviewed and prepared testimony in ongoing court cases in these areas.
- Calculated the economic impact of the revitalization of downtown Milwaukee, Wisconsin.

C. Economic Impact of Casino Gaming

- Built an econometric model to predict the growth of the gaming industry over the next decade, and the economic impact of that industry on employment and tax revenues at the Federal and state levels.
- Estimated the economic impact of Indian casino gaming nationally and for the State of Wisconsin.
- Determined the economic impact of the Oneida Indian gaming casino on the Green Bay metropolitan area.
- Estimated the negative economic impact on the Milwaukee area if a new Indian gaming casino were to be built in Kenosha, Wisconsin.

D. Economic Impact of Smoking Bans and Higher Taxes

- Testified on economic impact of smoking bans in Canada; certified as an expert witness by the Court.
- Examined the impact of smoking bans on restaurant sales in several different locations in the U.S. to determine how much sales changed when these bans were imposed, and the differential effects depending on whether these bans were partial or total.

- Determined the cross-border effects on retail sales from differential rates in cigarette, gasoline, and alcohol excise taxes
- Determined the economic impact of higher cigarette taxes on minority group employment.
- Estimated the economic impact and loss of Federal and state tax revenues when higher cigarette prices lead to increased smuggling.

E. Consulting Projects for Travel and Tourism

- Built an econometric model to predict tourism trips and revenues for the major regions of the U.S. economy.
- Constructed econometric models to predict tourism in Las Vegas and Orlando.
- Using the IMPLAN model, predicted economic impact of tourism and travel expenditures for all counties in Pennsylvania.

F. Other Private Sector Consulting Projects

- Calculated the revenue gain at the Federal, state and local level generated by domestic manufacturing of Airbus parts and equipment.
- Calculated the economic impact of proposed EPA bans on fluoropolymer production.
- Estimated the size and economic importance of the fluoropolymer industry, and calculated economic impact of shutting down domestic production.
- Built an econometric model to examine how U.S. tax and regulatory policies help determine whether the gold mining industry would invest in the U.S. or other countries. Testified before Congress to help defeat legislation inimical to the mining industry.
- Built an econometric model to predict consumer bankruptcies, based on recent growth in consumer credit outstanding, the overall economic environment, and recent changes in credit regulations
- Estimated the economic impact of the ethanol subsidy on the U.S. economy and Farm Belt States, including the impact on the balance of payments, employment, and tax receipts. Testified before Congress to help pass legislation to extend subsidies to the ethanol industry.

- Built an econometric model to determine the impact of updating and improving the system of locks on the Upper Mississippi River on corn prices and exports, farm income, and the overall economy.

BOOKS PUBLISHED

Macroeconomics for Managers, Blackwell, 2003

Practical Business Forecasting, Blackwell, 2002

Economic Impact of the Demand for Ethanol, Diane Publishing Company, 1998

How to Make Your Shrinking Salary Support You in Style for the Rest of Your Life, Random House, 1991

The Truth About Supply-Side Economics. Basic Books, 1983.

A Supply-Side Model of the U. S. Economy, mimeo (prepared for Senate Finance Committee), 1980.

An Econometric Model of the French Economy: A Short-Term Forecasting Model. O.E.C.D, March 1969.

Econometric Gaming (with L. R. Klein and M. J. Hartley). Random House, 1969.

Macroeconomic Activity: Theory, Forecasting and Control. Harper & Row, 1969.

The Wharton Econometric Forecasting Model (with L.R. Klein), Economics Research Unit, Wharton School: University of Pennsylvania Press, 1967. Enlarged edition, 1968.

Over 30 articles in major academic journals and publications (list on request)

EXHIBIT NAME

**TAB
NUMBER**

Sample Loan Terms.

22.

FORM OF LOAN COMMITMENT

88 Morgan Street Funding, LLC

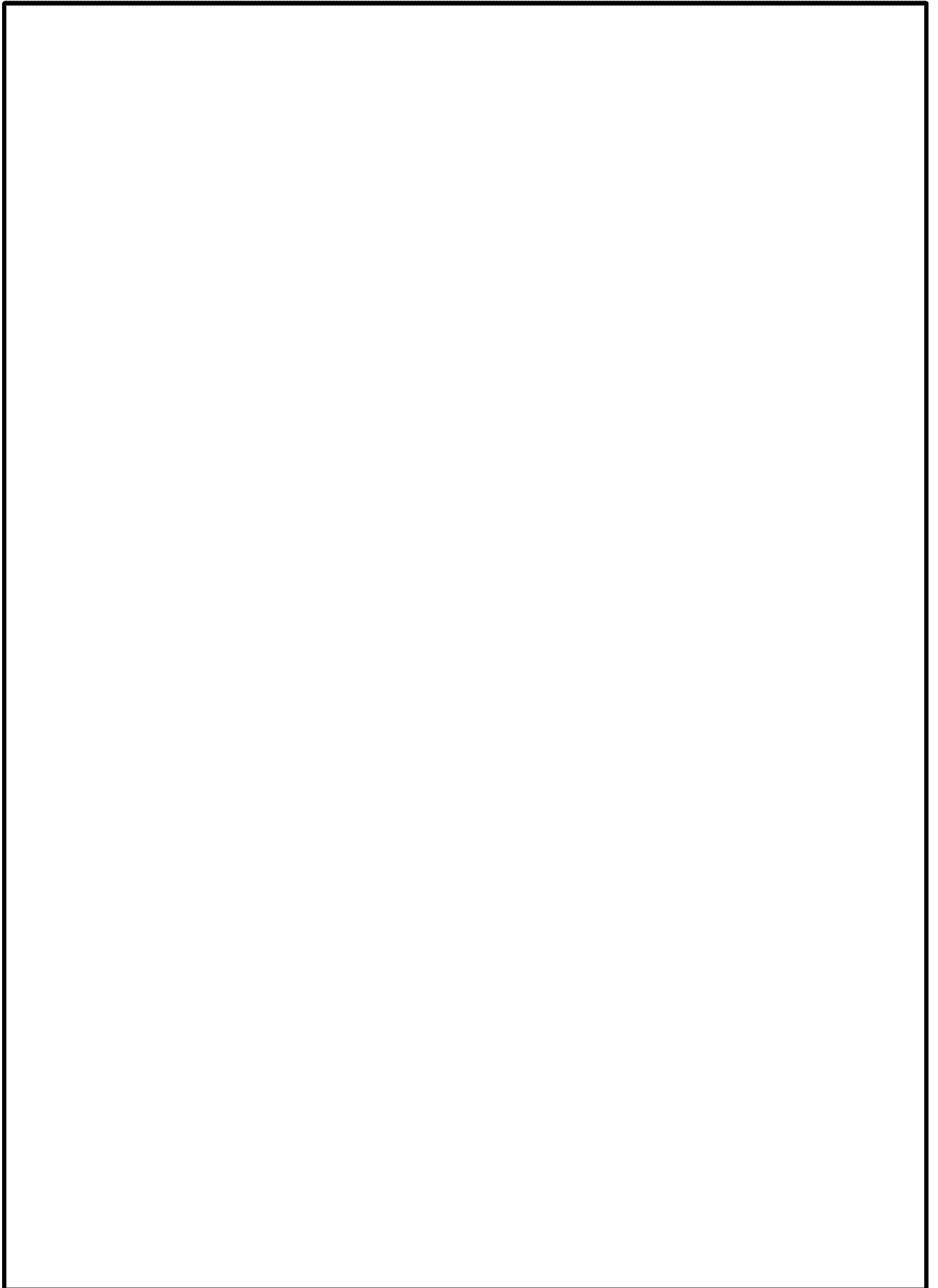
1295 U.S. Highway One, Suite 300

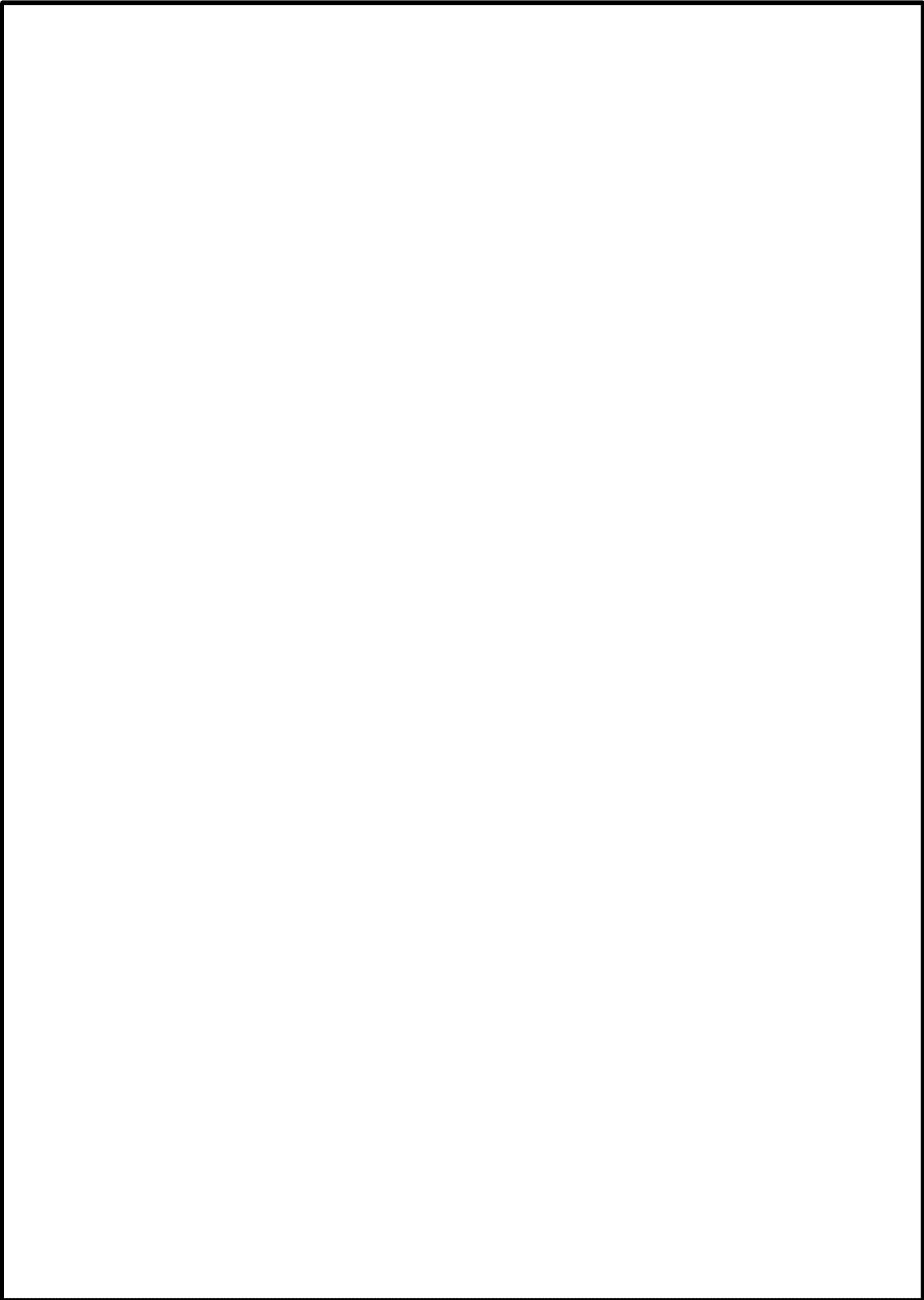
North Palm Beach, FL 33048

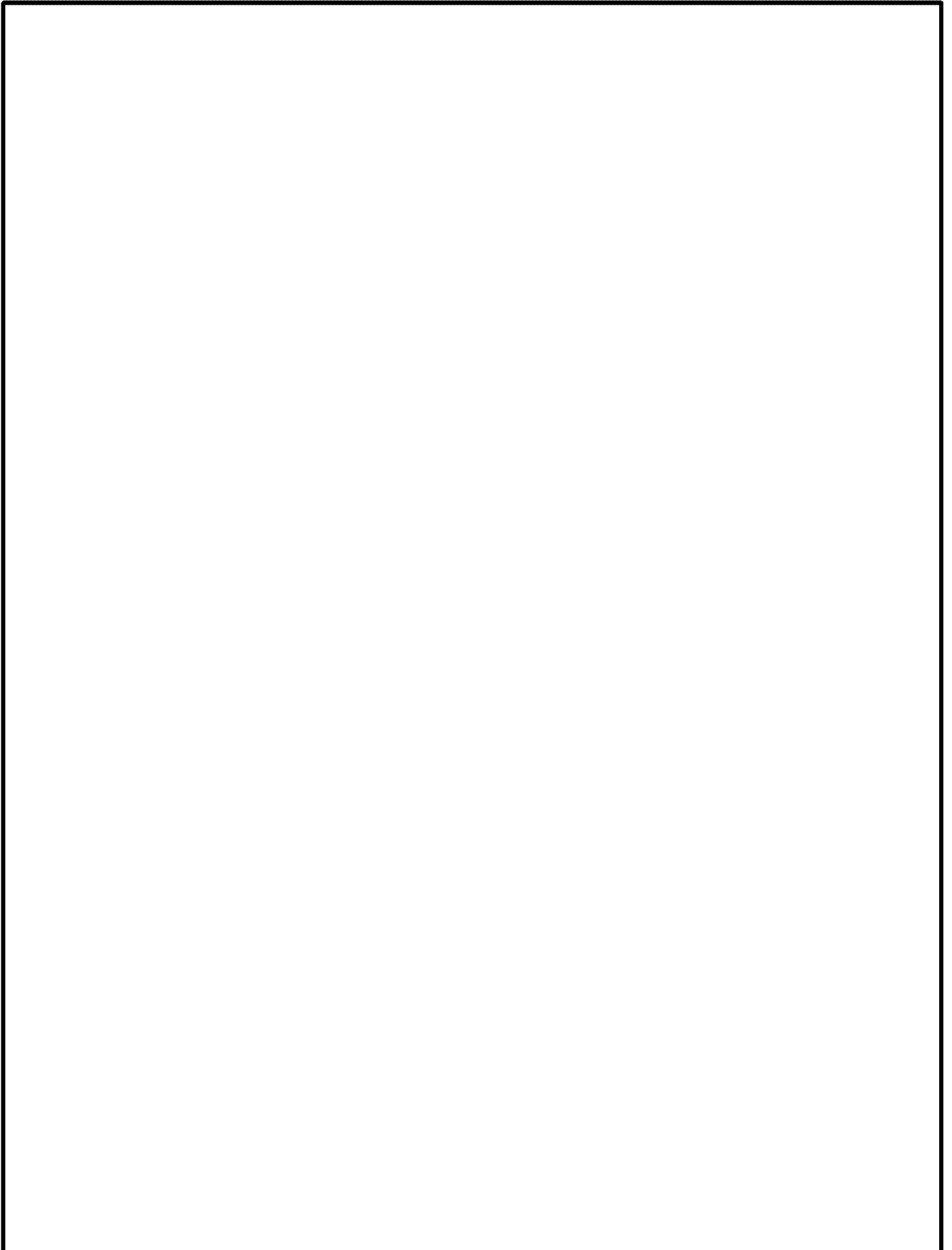
[date], 2013

(b)(4)

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Accepted and Agreed as of the date set forth above:
88 Morgan Street, LLC
A limited liability company

By: _____

Name:

Title:

EXHIBIT 1

[INSERT FUNDING SCHEDULE]

EXHIBIT NAME

**TAB
NUMBER**

Evidence for Request for Expedited Processing

Memorandum Supporting Expedited Processing Request

23.



Memorandum

To: U.S. Citizenship & Immigration Services, EB-5 Visa Unit

From: U.S. Immigration Fund-NJ, LLC

Re: Request for Expedited Processing of I-924 Application for Regional Center

Date: December 12, 2012

The U.S. Immigration Fund –NJ, LLC (“USIF-NJ”) is requesting Expedited Processing of this I-924 Application for Regional Center because of the urgent need to attract investment to the areas of New Jersey devastated by Hurricane Sandy following its landfall on October 29, 2012.

The USCIS Expedite Processing Request criteria are satisfied in this case due to the **Extreme Emergent and Humanitarian Situation** of the destruction caused by Hurricane Sandy.

Hurricane Sandy

According to the White House, Hurricane Sandy’s landfall on October 29, 2012 caused “major flooding, extensive structural damage, and significant loss of life. A dangerous nor’easter followed 9 days later causing additional damage and undermining the recovery effort. As a result of these events, thousands of individuals were displaced and millions lost power, some for an extended period of time. Over 1,600 stores were closed, and fuel distribution was severely disrupted, further complicating the recovery effort. New York and New Jersey -- two of the Nation’s most populous States -- were especially hard hit by these storms”. See Executive Order of December 7, 2012, appointing Hurricane Sandy Rebuilding Task Force at **Exhibit 23**.

According to the U.S. Department of Labor, Hurricane Sandy brought “[h]igh winds and flooding [that] caused dozens of deaths and massive damage to homes, businesses, power systems, transportation systems, and other property in many states, especially New Jersey and



the New York metropolitan area. Sandy's reach placed it among the largest Atlantic tropical cyclones on record." See **Exhibit 23**.

Hurricane Sandy is the 2nd largest Atlantic storm by size, covering an area twice the size of the State of Texas at it made landfall on the Jersey Shore on October 29, 2012. It had the lowest barometric pressure of any hurricane or storm on record (meaning that it packed the most force of any recorded storm) and made landfall with winds over 100 miles per hour. It brought a storm surge measured at 13 feet in New York, and the highest ever recorded wave was measured in New York Harbor, at over 32 feet. See news reports enclosed at **Exhibit 24**.

After its passing over New Jersey and New York, over 7.1 million persons were without electricity, flooding was reported throughout the area, entire communities on the Jersey Shore had been wiped off the map, Jersey City was flooded by several feet of water, and lower Manhattan had experienced its worst flooding in a nearly a century. See news reports enclosed at **Exhibit 24**.

The area struck by Hurricane Sandy includes some of the most populous counties in the United States, such as Hudson County. As observed by the Department of Labor: "Hurricane Sandy struck at the most densely populated region of the United States. Four of the five counties with the highest number of labor force participants per square mile in 2011 were among those hardest hit by Sandy. All 26 of the counties designated as major disaster areas are among the top 10 percent of U.S. counties in terms of labor force density" (See Department of Labor report at **Exhibit 23**).

The severity of the devastation of these areas made news around the world. We enclose at **Exhibit 25** news photographs of the severe devastation in areas from important flooding in Jersey City, in Hudson County, to total destruction of boardwalks and homes in Union County, Monmouth County and Middlesex County.

On October 30, 2012, President Barak Obama ordered the U.S. federal government to declare federal disaster areas in New Jersey. In response, the Federal Emergency Management Agency (FEMA) issued a Major Disaster Declaration (DR-4086). The New Jersey action by President Obama and FEMA declares Disaster Areas in the following New Jersey counties: Atlantic, Cape May, Essex, Hudson, Middlesex, Monmouth, Ocean and Union. The Counties of Hudson, Middlesex, Monmouth, Ocean and Union are precisely within the Territory of the USIF-NJ. We enclose a copy of the FEMA Disaster Declaration in **Exhibit 23**.



On December 7, 2012, President Obama created a special task force to address the urgent need to assist in rebuilding and recovery efforts of New Jersey and New York. According to the White House, “A disaster of Hurricane Sandy's magnitude merits a comprehensive and collaborative approach to the long-term rebuilding plans for this critical region and its infrastructure. Rebuilding efforts must address economic conditions and the region's aged infrastructure -- including its public housing, transportation systems, and utilities -- and identify the requirements and resources necessary to bring these systems to a more resilient condition given both current and future risks.”

Territory of the USIF-NJ Covers the Devastated Areas of New Jersey

The operating Territory the USIF-NJ includes the northern Jersey Shore area in Hudson County, Union County, Ocean County, Essex County, Monmouth County and Middlesex County.

Attracting Investment to Devastated Region

Initial news reports projected that the total dollar amount of the damage caused by Hurricane Sandy would range from \$20 Billion to \$30 Billion. Sadly, even these high estimates were below the actual need for the devastated areas in New Jersey and New York. On December 7, 2012, President Obama wrote to the Hon. John Boehner, Speaker of the House of Representatives, to request a financial aid package for New Jersey and New York of \$60 Billion dollars. See **Exhibit 24**. The devastation from Hurricane Sandy in New Jersey is still being calculated, and is projected to be in excess of \$60 Billion.

Foreign investment attracted by the USIF-NJ will contribute to alleviating the burden on federal and State government assistance by spurring construction in the devastated areas.

Reducing Unemployment

Hurricane Sandy caused a significant spike in unemployment in New Jersey. Data from weekly unemployment claims in New Jersey for November show a 300% increase in unemployment claims compared to the previous year's claims in November of 2011. See **Exhibit 25**. The long-term effects of unemployment add to the heavy human toll, as well as the projected recovery costs of Hurricane Sandy.



Investments to the devastated areas in New Jersey will contribute significantly to alleviating the spike in unemployment caused by Hurricane Sandy.

(b)(4)

The initial project of the USIF-NJ is named 88 Morgan Street and is planned for the federally designated disaster area of Hudson County. The 88 Morgan Street project is projected to initiate excavation in March of 2013, and will create new jobs in its construction and operations over the course of its build. These are critically important jobs that will alleviate the emergent unemployment situation in the devastated areas of New Jersey.

Conclusion

Based on the foregoing, we firmly believe that there is ample evidence to support the request by USIF-NJ for Expedited Processing of its I-924 Application for Regional Center. The operations of the USIF-NJ would not only attract needed investment to the devastated areas in New Jersey, it would be an excellent example of the ability of the EB-5 Regional Center Pilot Program to react with speed and flexibility to contribute capital to the needy areas of the United States.

We thank you in advance for your consideration of this Expedited Processing Request.

EXHIBIT NAME**TAB
NUMBER**

U.S. Government Evidence of the Devastation from Hurricane Sandy

24.

- President Obama's Executive Order Declaring Disaster Area for New Jersey Counties that form part of the Regional Center's Territory, dated October 30, 2012.
- President Obama's Executive Order Creating the Hurricane Sandy Rebuilding Task Force dated December 7, 2012.
- President Obama's Appropriations Request to the House of Representatives for Hurricane Sandy Relief, dated December 7, 2012.
- U.S. Department of Labor, Bureau of Labor Statistics, "Hurricane Sandy: A Pre-Storm Look at Affected Areas," dated November, 2012.
- U.S. Department of Labor, "Employment Losses After Hurricane", dated December 5, 2012. Analysis on the impact of Hurricanes confirming the negative impact of the storm on employment and household earnings.

THE WHITE HOUSE PRESIDENT BARACK OBAMA

THE WHITE HOUSE WASHINGTON

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For Immediate Release

December 07, 2012

Executive Order -- Establishing the Hurricane Sandy Rebuilding Task Force

EXECUTIVE ORDER

ESTABLISHING THE HURRICANE SANDY REBUILDING TASK FORCE

By the authority vested in me as President by the Constitution and the laws of the United States of America, it is hereby ordered as follows:

Section 1. Purpose. Hurricane Sandy made landfall on October 29, 2012, resulting in major flooding, extensive structural damage, and significant loss of life. A dangerous nor'easter followed 9 days later causing additional damage and undermining the recovery effort. As a result of these events, thousands of individuals were displaced and millions lost power, some for an extended period of time. Over 1,600 stores were closed, and fuel distribution was severely disrupted, further complicating the recovery effort. New York and New Jersey -- two of the Nation's most populous States -- were especially hard hit by these storms.

The Federal Emergency Management Agency (FEMA) in the Department of Homeland Security is leading the recovery efforts to assist the affected region. A disaster of Hurricane Sandy's magnitude merits a comprehensive and collaborative approach to the long-term rebuilding plans for this critical region and its infrastructure. Rebuilding efforts must address economic conditions and the region's aged infrastructure -- including its public housing, transportation systems, and utilities -- and identify the requirements and resources necessary to bring these systems to a more resilient condition given both current and future risks.

This order establishes the Hurricane Sandy Rebuilding Task Force (Task Force) to provide the coordination that is necessary to support these rebuilding objectives. In collaboration with the leadership provided through the National Disaster Recovery Framework (NDRF), the Task Force will identify opportunities for achieving rebuilding success, consistent with the NDRF's commitment to support economic vitality, enhance public health and safety, protect and enhance natural and manmade infrastructure, and ensure appropriate accountability. The Task Force will work to ensure that the Federal Government continues to provide appropriate resources to support affected State, local, and tribal communities to improve the region's resilience, health, and prosperity by building for the future

Sec. 2. Establishment of the Hurricane Sandy Rebuilding Task Force. There is established the Hurricane Sandy Rebuilding Task Force, which shall be chaired by the Secretary of Housing and Urban Development (Chair).

(a) In addition to the Chair, the Task Force shall consist of the head of each of the following executive departments, agencies, and offices, or their designated representatives

(i) the Department of the Treasury;

(ii) the Department of the Interior;

(iii) the Department of Agriculture;

(iv) the Department of Commerce;

(v) the Department of Labor;

EXTENDING MIDDLE-CLASS TAX CUTS IT'S THE RIGHT THING TO DO



VIEW THE INFOGRAPHIC

BLOG POSTS ON THIS ISSUE

December 14, 2012 9:52 AM EST

Hanukkah at the White House: A Menorah that Survived Sandy



President Obama and First Lady Michelle Obama welcomed friends and leaders from the Jewish community to celebrate

the sixth night of Hanukkah.

December 14, 2012 12:00 AM EST

West Wing Week: 12/14/12 or "True to Ourselves and Our History"

December 13, 2012 4:00 PM EST

US Leadership to Advance Equality for LGBT People Abroad
In honor of Human Rights Week, Samantha Power explains how advancing the human rights of lesbian, gay, bisexual and transgender (LGBT) people around the world is central to, not separate from, our comprehensive human rights agenda.

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- (vi) the Department of Health and Human Services;
- (vii) the Department of Transportation;
- (viii) the Department of Energy;
- (ix) the Department of Education;
- (x) the Department of Veterans Affairs;
- (xi) the Department of Homeland Security;
- (xii) the Environmental Protection Agency;
- (xiii) the Small Business Administration;
- (xiv) the Army Corps of Engineers;
- (xv) the Office of Management and Budget;
- (xvi) the National Security Staff;
- (xvii) the Domestic Policy Council;
- (xviii) the National Economic Council;
- (xix) the Council on Environmental Quality;
- (xx) the Office of Science and Technology Policy;
- (xxi) the Council of Economic Advisers;
- (xxii) the White House Office of Public Engagement and Intergovernmental Affairs;
- (xxiii) the White House Office of Cabinet Affairs; and
- (xxiv) such other agencies and offices as the President may designate.

(b) The Chair shall regularly convene and preside at meetings of the Task Force and determine its agenda as the Task Force exercises the functions set forth in section 3 of this order. The Chair's duties shall also include:

- (i) communicating and engaging with States, tribes, local governments, Members of Congress, other stakeholders and interested parties, and the public on matters pertaining to rebuilding in the affected region;
- (ii) coordinating the efforts of executive departments, agencies, and offices related to the functions of the Task Force; and
- (iii) specifying the form and subject matter of regular reports to be submitted concurrently to the Domestic Policy Council, the National Security Staff, and the Chair.

Sec. 3. Functions of the Task Force. Consistent with the principles of the NDRF, including individual and family empowerment, leadership and local primacy, partnership and inclusiveness, public information, unity of effort, timeliness and flexibility, resilience and sustainability, and psychological and emotional recovery, the Task Force shall:

- (a) work closely with FEMA in the coordination of rebuilding efforts with the various intergovernmental activities taken in conjunction with the NDRF;
- (b) describe the potentially relevant authorities and resources of each member of the Task Force;

- (c) identify and work to remove obstacles to resilient rebuilding in a manner that addresses existing and future risks and vulnerabilities and promotes the long-term sustainability of communities and ecosystems;
- (d) coordinate with entities in the affected region in efforts to:
 - (i) ensure the prompt and orderly transition of affected individuals and families into safe and sanitary long-term housing;
 - (ii) plan for the rebuilding of critical infrastructure damaged by Hurricane Sandy in a manner that accounts for current vulnerabilities to extreme weather events and increases community and regional resilience in responding to future impacts;
 - (iii) support the strengthening of the economy; and
 - (iv) understand current vulnerabilities and future risks from extreme weather events, and identify resources and authorities that can contribute to strengthening community and regional resilience as critical infrastructure is rebuilt and ecosystem functions are restored;
- (e) prior to the termination of the Task Force, present to the President a Hurricane Sandy Rebuilding Strategy (Strategy) as provided in section 5 of this order;
- (f) engage local stakeholders, communities, the public, Members of Congress, and other officials throughout the areas affected by Hurricane Sandy to ensure that all parties have an opportunity to share their needs and viewpoints to inform the work of the Task Force, including the development of the Strategy; and
- (g) communicate with affected tribes in a manner consistent with Executive Order 13175 of November 6, 2000, regarding the consultation and coordination with Indian tribal governments.

Sec. 4. Task Force Advisory Group. The Chair shall, at his discretion, establish an Advisory Group to advise the Task Force and invite individuals to participate in it. Participants shall be elected State, local, and tribal officials and may include Governors, Mayors, County Executives, tribal elected officials, and other elected officials from the affected region as the Chair deems appropriate. Members of the Advisory Group, acting in their official capacity, may designate employees with authority to act on their behalf. The Advisory Group shall generally advise the Task Force as requested by the Chair, and shall provide input on each element of the Strategy described in section 5 of this order.

Sec. 5. Hurricane Sandy Rebuilding Strategy. (a) Within 180 days of the first convening of its members, the Task Force shall prepare a Strategy that includes:

- (i) a summary of Task Force activities;
 - (ii) a long-term rebuilding plan that includes input from State, local, and tribal officials and is supported by Federal agencies, which is informed by an assessment of current vulnerabilities to extreme weather events and seeks to mitigate future risks;
 - (iii) specific outcomes, goals, and actions by Federal, State, local, and tribal governments and the private sector, such as the establishment of permanent entities, as well as any proposed legislative, regulatory, or other actions that could support the affected region's rebuilding; and
 - (iv) a plan for monitoring progress.
- (b) The executive departments, agencies, and offices listed in section 2(a) of this order shall, as appropriate and to the extent permitted by law, align their relevant programs and authorities with the Strategy.

Sec. 6. Administration. (a) The Task Force shall have a staff, headed by an Executive Director, which shall provide support for the functions of the Task Force.

- (b) The Executive Director shall be selected by the Chair and shall supervise, direct, and be accountable for the administration and support of the Task Force.
- (c) At the request of the Chair, other executive departments and agencies shall serve in an advisory role to the Task

Force on issues within their expertise.

(d) The Task Force may establish technical working groups of Task Force members, their representatives, and invited Advisory Group members and elected officials, or their designated employees, as necessary to provide advice in support of their function.

(e) The Task Force shall terminate 60 days after the completion of the Strategy described in section 5 of this order, after which FEMA and the lead agencies for the Recovery Support Functions, as described in the NDRF, shall continue the Federal rebuilding coordinating roles described in section 3 of this order to the extent consistent with the NDRF.

Sec. 7. General Provisions. (a) For purposes of this order, "affected tribe" means any Indian tribe, band, nation, pueblo, village, or community that the Secretary of the Interior acknowledges to exist as an Indian tribe pursuant to the Federally Recognized Indian Tribe List Act of 1994 (25 U.S.C. 479a), located or with interests in the affected area.

(b) To the extent permitted by law, and subject to the availability of appropriations, the Department of Housing and Urban Development shall provide the Task Force with such administrative services, facilities, staff, equipment, mobile communications, and other support services as may be necessary for the Task Force to carry out its functions, using funds provided from the Disaster Relief Fund by agreement with FEMA and any other available and appropriate funding.

(c) Members of the Task Force, Advisory Group, and any technical working groups shall serve without any additional compensation for their work on the Task Force, Advisory Group, or technical working group.

(d) Nothing in this order shall be construed to impair or otherwise affect:

(i) the authority granted by law to an executive department, agency, or the head thereof, or the status of that department or agency within the Federal Government; or

(ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(e) This order shall be implemented consistent with applicable law, and subject to the availability of appropriations.

(f) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

BARACK OBAMA

THE WHITE HOUSE,
December 7, 2012.

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EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

December 7, 2012

The Honorable John Boehner
Speaker of the House of Representatives
Washington, D.C. 20515

Dear Mr. Speaker:

In late October, Hurricane Sandy made landfall and struck the East Coast from North Carolina to Maine, particularly impacting coastal areas. High winds and storm surge caused widespread flooding, loss of life, displacement of persons, and significant damage to private property, public infrastructure, and Federal Government facilities. A dangerous nor'easter followed nine days later causing additional damage and undermining the recovery effort. As a result of these events, thousands of individuals were displaced, and millions lost power. Thousands of stores and businesses were damaged or closed, and fuel distribution was severely disrupted, further complicating the recovery effort. New York and New Jersey—two of the Nation's most populous States—were especially hard hit by these storms. Recovery efforts continue today throughout the region. All told, although estimates of the total damage of Hurricane Sandy remain in flux, current projections are that Sandy is on track to be the second or third most costly natural disaster in U.S. history, behind Hurricane Katrina (2005) and close to Hurricane Andrew (1992). While much of this damage is covered by insurance, current estimates suggest that a significant amount of damage is not covered.

At the direction of the President, and under the auspices of the National Response and Disaster Recovery Frameworks, numerous Federal agencies contributed resources and personnel to respond to the devastating impacts of the storm. As the impacted region addresses the damage caused by the hurricane, the Administration believes additional Federal resources are necessary to fund response, recovery, and mitigation efforts. This letter and the enclosed materials request the funds necessary to finance a needed recovery effort and to help the region prepare for future challenges, including future severe storms and coastal flooding, as well as impacts associated with a changing climate.

In total, the Administration requests \$60.4 billion in Federal resources for response, recovery and mitigation related to Hurricane Sandy damage in all affected States. This includes efforts to repair damage to homes and public infrastructure and to help affected communities prepare for future storms. Attached is a detailed appendix outlining the specific needs, funding accounts, provisions, and principles that comprise the Administration's request for assistance. Our Nation has an obligation to assist those who suffered losses and who lack adequate resources to rebuild their lives. At the same time, we are committed to ensuring Federal resources are used responsibly and that the recovery effort is a shared undertaking: private insurers must fulfill their commitment to the region; public assistance must be targeted for public benefit; resources must be directed to those in greatest need; and impacted States and localities must contribute, as appropriate, to the costs of rebuilding. Accordingly, consistent with the increased emphasis it has placed on the integrity of all Federal spending activities, the Administration proposes that

controls be put in place to ensure that funds are used appropriately to protect against waste, fraud, and abuse.

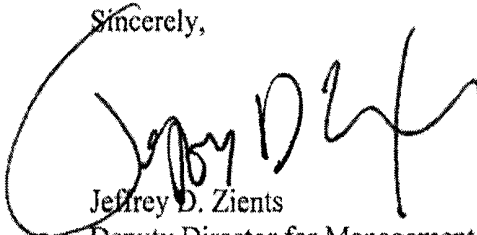
As you know, the Balanced Budget and Emergency Deficit Control Act of 1985 (BBEDCA), as amended by the Budget Control Act of 2011, allows the Congress to designate certain spending for disaster relief, which is not subject to the discretionary caps specified in the statute. Annually, the Office of Management and Budget (OMB) calculates the allowable limit on funding that can be designated for disaster relief and, for fiscal year (FY) 2013, OMB calculated a disaster relief adjustment limit of \$11.8 billion.

Under the Continuing Appropriations Resolution, 2013 (Public Law 112-175), \$6.4 billion in funding enacted in FY 2012 for the Federal Emergency Management Administration Disaster Relief Fund (DRF) counts toward the FY 2013 disaster relief adjustment's allowable limit. No other agencies received funding through the Continuing Resolution that would count toward that limit. The Administration therefore recommends that the Congress provide and designate \$5.4 billion in additional DRF funding for disaster relief, appropriating the remaining funds permitted for the disaster relief adjustment in FY 2013 pursuant to the BBEDCA. If the enacted FY 2013 appropriation for the DRF provides a different level of funding designated for disaster relief than that available pursuant to the Continuing Resolution, the amount remaining under the disaster relief adjustment's allowable limit would be different and the Administration's recommendation would need to be adjusted accordingly.

BBEDCA provides that funding may be designated as an emergency requirement if it is sudden, urgent, unforeseen, and temporary and is for the prevention or mitigation of, or response to, loss of life or property, as defined in sections 250(c)(20) and 250(c)(21). The extraordinary destruction wrought by Hurricane Sandy has created funding needs that meet this definition. In addition to the amounts recommended to be designated for disaster relief, the Administration estimates a remaining \$55.0 billion in budget authority (including additional borrowing authority) in FY 2013 is necessary to respond to, and recover from, the impacts of Hurricane Sandy, and mitigate against future such disasters. The Administration requests that this amount be provided and designated as an emergency requirement pursuant to BBEDCA. An emergency designation pursuant to BBEDCA is not subject to the discretionary caps specified in the statute. Accordingly, this emergency funding can and should be provided without offset.

Thank you for your consideration of these recommendations, additional details for which are included in the enclosure to this letter. The Administration looks forward to working with the Congress to help communities recover and rebuild.

Sincerely,



Jeffrey D. Zients
Deputy Director for Management

Enclosure

Identical letter sent to The Honorable Harry Reid

Appendix: Detailed Estimates of Necessary Federal Resources

This appendix provides details of the Administration's estimate of Federal funds needed to address damage from Hurricane Sandy, divided among the respective budget accounts. While precise losses are still being determined, there is a great need for timely assistance. The Administration's request ensures urgent and essential needs are being met, while recognizing the need to prevent losses of this magnitude from future disasters as well as ensuring that funds are used most effectively and on appropriate activities with proper spending controls. In particular, the Administration recommends the principles outlined below to guide Hurricane Sandy funding assistance:

Helping those in greatest need – As a Nation, we have always worked together to assist those who have suffered losses from disasters, and lack adequate resources to rebuild their lives and communities. Assistance should be targeted primarily to low- and moderate- income individuals and families, and limited to repairing and rebuilding primary residences only.

Sharing the responsibility for rebuilding – States and localities should contribute to the costs of rebuilding. The level of damage caused by Hurricane Sandy is expected to meet the regulatory threshold necessary to increase the Federal share of most disaster programs to 90 percent. In accordance with the whole community approach outlined in the Federal Emergency Management Agency's National Disaster Recovery Framework, impacted States and localities will share, as appropriate, the remaining 10 percent of costs.

Ensuring private insurers fulfill their commitments – Federal funds should not supplant private insurance payments for damage covered by insurance policies in place at the time of the disaster. While Federal support should be available to those who have suffered losses through no fault of their own, private insurers must fulfill their commitments to policyholders.

Targeting public assistance for public benefit – Through the Small Business Administration, the Federal Government has loan programs appropriate to assist many businesses in covering unmet physical and economic losses from disasters. With limited exceptions related to small businesses that face long-term business disruption, public resources should not be used to restore lost revenue or pay for repairs to privately-owned business assets.

Building for the future – To build a more resilient Nation prepared to face both current and future challenges, including a changing climate, Federal agencies in partnership with State, local, and tribal officials, and the science community, should inform all plans for recovery and rebuilding to address the increased risk and vulnerabilities of extreme weather, sea level rise, and coastal flooding. These investments in planning and rebuilding for the future will help guarantee the most effective use of public resources invested in the recovery effort and help revitalize the health, social, economic, and environmental fabric of communities impacted by Hurricane Sandy.

Coordinating mitigation projects – Projects to mitigate against future such disasters should be guided by regional response plans crafted through Federal agencies in partnership with State, local, and tribal entities. These plans will present options ranked by estimated cost-effectiveness, and will be developed in coordination with the work of the interagency Hurricane Sandy Task Force led by Housing and Urban Development Secretary Shaun Donovan. Relevant Federal programs receiving mitigation funds should have flexible transfer authority, to enable funding to be channeled through the most appropriate Federal programs to accomplish priority activities. For example, funding provided for transportation mitigation could be utilized for projects involving multiple modes other than just public transportation.

Planning at the local level – Federal agencies must work in partnership with State, local, and tribal officials to develop mutually agreed upon assessments of future risks and vulnerabilities facing the region, including extreme weather, sea level rise, and coastal flooding and incorporate these into their recovery planning and implementation. This will enable regionally-consistent policies and planning to guide decisions on wisely investing recovery funds for long-term resilience. Involving public officials from all levels of government in the planning process will ensure the strongest recovery for the Nation's communities and citizens.

Ensuring the integrity of Federal spending – Consistent with the increased emphasis on the integrity of all Federal spending activities, agencies should be required to implement a comprehensive program of internal controls for all programs supporting Sandy recovery efforts. Using existing Office of Management and Budget (OMB) guidelines, agencies should submit internal control plans to ensure that funding decisions are aligned with award purposes and have been properly reviewed, and to make certain that awards receive proper oversight. These plans should include enhanced grant management protocols that include quarterly program and financial monitoring, timely submission of single audit reports and grants closeout, and improper payments testing and reporting for all Federal programs supporting Sandy recovery activities. In addition, any spending plans submitted to agencies by recipients of Sandy-related funds should be reviewed by OMB for consistency with these principles and applicable law. Furthermore, the Administration recommends that a trigger be established to withdraw awards for certain grants that are not expended within 24 months of award

 UNITED STATES DEPARTMENT OF LABOR






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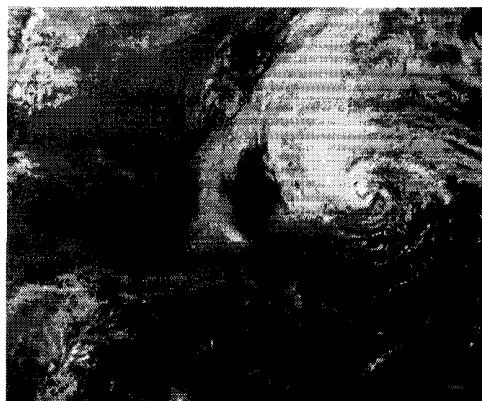
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November 2012

Hurricane Sandy: A Pre-storm Look at Affected Areas

Hurricane Sandy swept up the East Coast of the United States in late October 2012. The storm began in the southern Caribbean Sea and quickly developed first into a tropical storm, then into a hurricane. Hurricane Sandy made landfall in the United States the evening of October 29 near Atlantic City, New Jersey.



High winds and flooding caused dozens of deaths and massive damage to homes, businesses, power systems, transportation systems, and other property in many states, especially New Jersey and the New York metropolitan area. Sandy's reach placed it among the largest Atlantic tropical cyclones on record.

It will be months before the economic impact of Sandy can be fully assessed using data from the U.S. Bureau of Labor Statistics and other

organizations. This Spotlight on Statistics provides a brief look at the pre-Sandy labor market in some of the areas of the United States hit hardest by the storm.

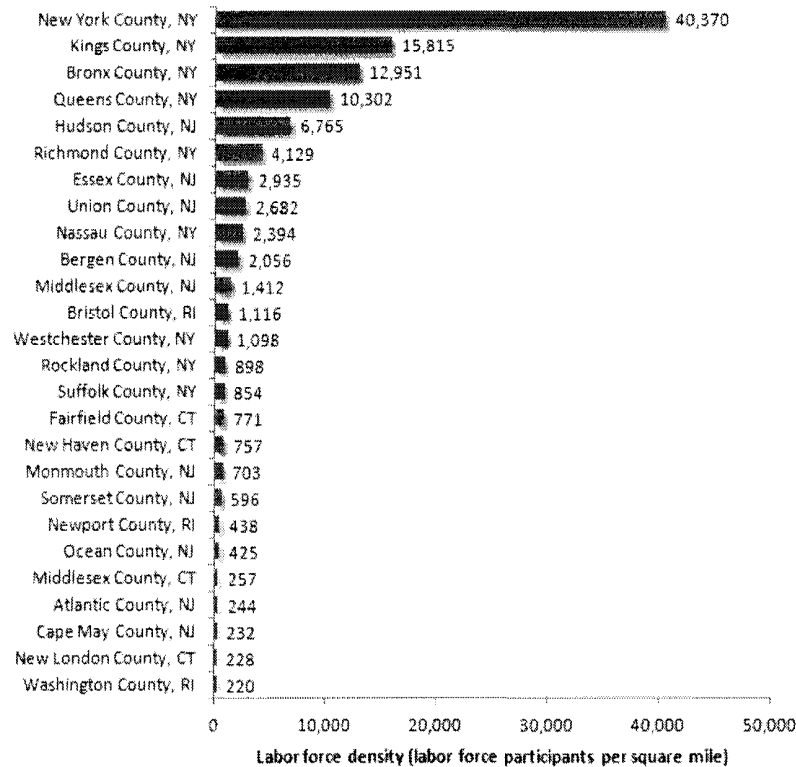
Labor force density

Hurricane Sandy struck at the most densely populated region of the United States. Four of the five counties with the highest number of labor force participants per square mile in 2011 were among those hardest hit by Sandy. All 26 of the counties designated as major disaster areas are among the top 10 percent of U.S. counties in terms of labor force density. The average density for these 26 counties, 1,301 labor force participants per square mile, was approximately 30 times the average density of the United States in 2011. The number of labor force participants in these 26 counties ranged from just under 27,000 in Bristol County, Rhode Island, to over 1.1 million in both Kings County (Brooklyn) and Queens County in New York. Their unemployment rates ranged from 6.5 percent in Rockland County, New York, to 12.9 percent in Atlantic County, New Jersey.

Feedback

Please send us your feedback and comments about this article.

Labor force participants per square mile, counties declared major disaster areas after Hurricane Sandy, 2011 annual average



Source: U.S. Bureau of Labor Statistics

Source: [Local Area Unemployment Statistics](#) | [Chart Data](#)

Employment in New Jersey and New York flood zones

The maps below show selected areas of New York and New Jersey that were hit particularly hard by flood damage from Hurricane Sandy. Low-lying areas in New York City are identified as being in evacuation zones A, B, or C. Zone A is the lowest and most vulnerable level, with B and C being progressively higher. A major portion of Staten Island employment—29 percent in October 2011, a year before Hurricane Sandy—was located in the most exposed zone A. In Manhattan, 7 percent of employment was located in the zone A areas. In Queens, 2 percent of employment was in zone A areas. (County employment data for October 2012 will not be published until June 27, 2013. October 2011 employment data are shown here as the best approximation of the seasonal employment levels when Hurricane Sandy struck.)

New Jersey counties are classified into four hurricane zones, reflecting their vulnerability to hurricane force storms of category 1-4. Hurricanes are categorized as 1-5 based on increasing rates of sustained wind speed. Maps are presented for Hudson County (which includes Hoboken, Jersey City, and other municipalities) and Atlantic County (which includes Atlantic City). The New Jersey Department of Labor and Industry has permitted BLS to publish these maps with dots showing the location of employers.

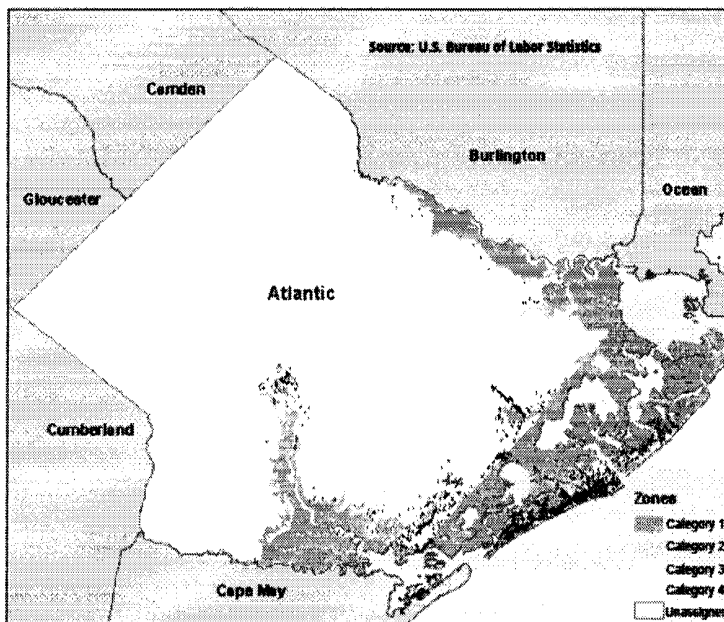
No information is currently available on how many of these employers suffered damage as a result of Hurricane Sandy.

In Hudson County, 40 percent of employment as of October 2011 was within the category 1 zone; in Atlantic County, 20 percent of employment was in the category 1 zone.

Evacuation zones were provided by the New York City Office of Emergency Management. New Jersey hurricane zones were provided by the United States Army Corps of Engineers.

Flood evacuation and hurricane zones, selected areas in New York and New Jersey, October 2011

Select a map:



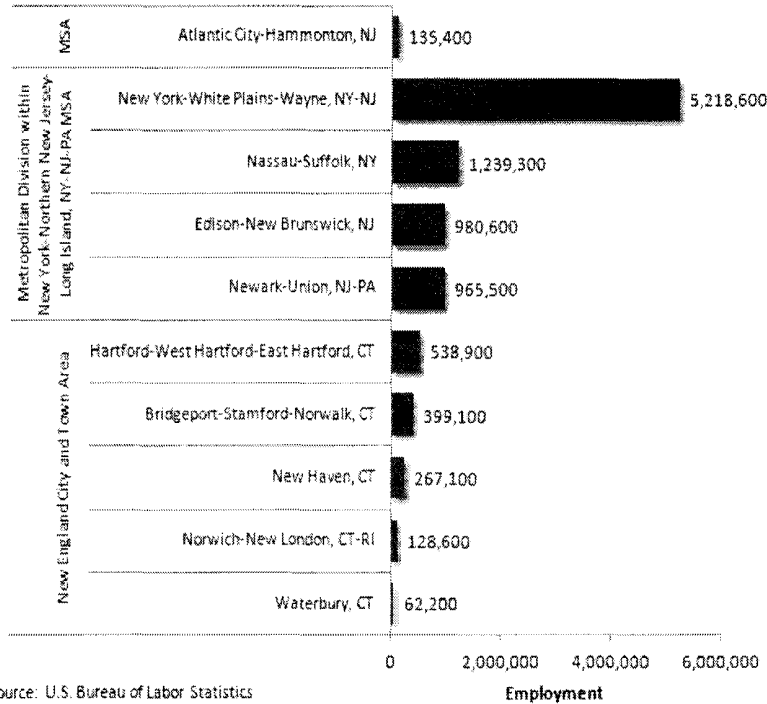
Source: [Quarterly Census of Employment and Wages](#) | [Chart Data](#)

Total nonfarm employment in affected areas

In 2011, among the four metropolitan divisions that compose the New York-Northern New Jersey-Long Island metropolitan statistical area (MSA), New York-White Plains-Wayne had the highest average total nonfarm employment (5,218,000). Within New Jersey, 980,600 were employed within the Edison-New Brunswick division.

Within the New England region, those areas affected by Hurricane Sandy were primarily in Connecticut. The largest area, Hartford, employed 538,900 in 2011. Partly located in Connecticut as well as Rhode Island, the Norwich-New London area employed 128,600.

Total nonfarm employment, metropolitan areas and divisions declared major disaster areas after Hurricane Sandy, not seasonally adjusted, 2011 annual average



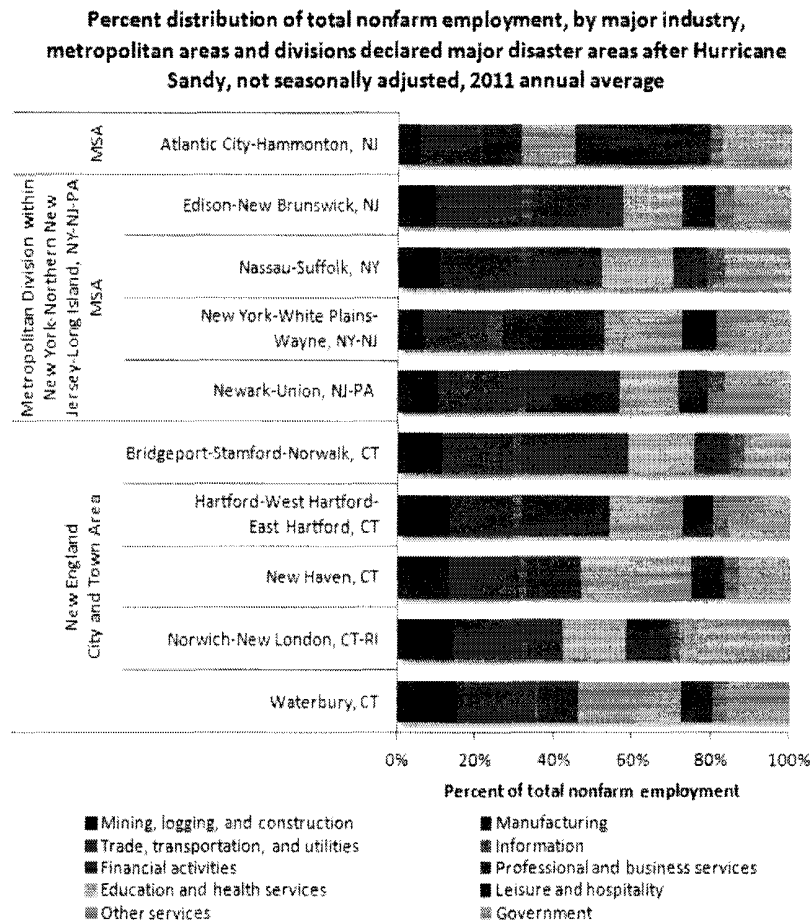
Source: [State and Metropolitan Area Current Employment Statistics](#) | [Chart Data](#)

Industry employment in affected areas

In those metropolitan statistical areas and divisions affected by Hurricane Sandy, the majority of employment in 2011 was in the Education and Health Services and Trade, Transportation, and Utilities industries. The Information industry had the fewest jobs.

Within New Jersey, compared with all other affected areas, the Atlantic City-Hammonton area employed the highest share of total nonfarm employment in the Leisure and Hospitality industry (34.2 percent) and the lowest share in the Information industry (0.6 percent).

Within Connecticut and Rhode Island, the Norwich-New London area had the highest share of Government employment (27.5 percent) among all affected areas.



Source: U.S. Bureau of Labor Statistics

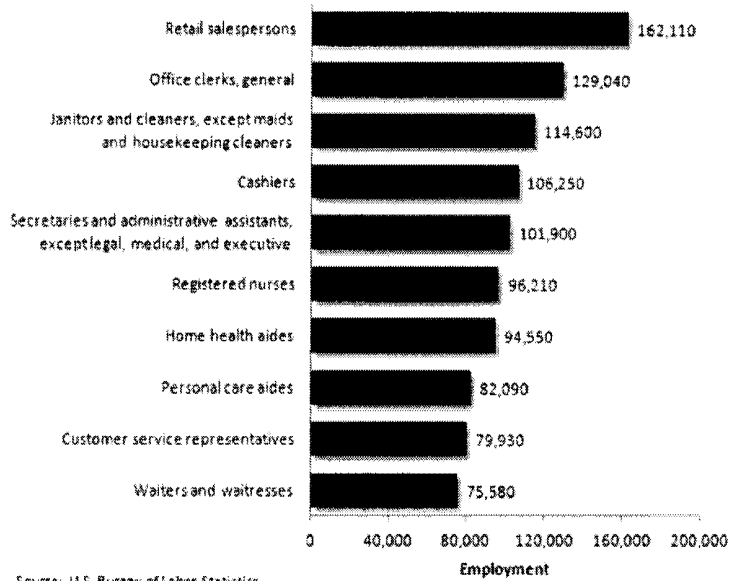
Source: [State and Metropolitan Area Current Employment Statistics](#) | [Chart Data](#)

Occupational employment

The charts below show employment levels in the 10 largest occupations in each of six metropolitan areas or divisions that were heavily affected by Hurricane Sandy. In five of the six areas or divisions, the largest occupation in May 2011 was retail salespersons: in the Atlantic City-Hammonton area, retail salespersons was the second-largest occupation. Gaming dealers was the largest occupation in Atlantic City-Hammonton; for the nation as a whole, gaming dealers was the 270th largest occupation. Security guards also was among the largest occupations in Atlantic City-Hammonton, the only one of the six areas or divisions in which security guards was among the top 10. Cashiers, janitors and cleaners, and general office clerks were among the 10 largest occupations in all six areas or divisions.

Select a chart:

Largest Occupations in New York-White Plains-Wayne NY-NJ Metropolitan Division, May 2011



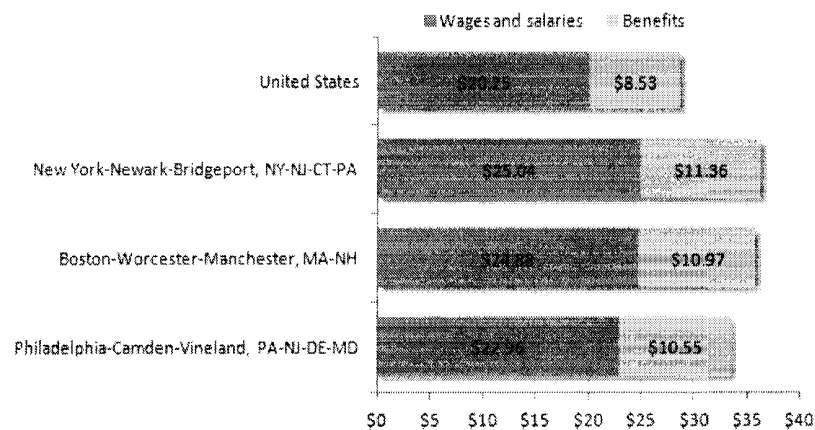
Source: U.S. Bureau of Labor Statistics

Source: [Occupational Employment Statistics](#) | [Chart Data](#)

Pay and benefits

Private industry employers in the large metropolitan areas hit hardest by Hurricane Sandy—New York, Boston, and Philadelphia—all have higher average hourly compensation costs than the overall average for the United States. Total compensation costs are composed of wages, salaries, and benefits. During the first quarter of 2012, the New York metropolitan area had the highest hourly employer cost at \$36.39, followed by Boston at \$35.86, and Philadelphia-Camden at \$33.51. Hourly employer costs for the United States during the same period averaged \$28.78.

Average hourly employer compensation costs for private industry workers in selected metropolitan areas, March 2012



Source: U.S. Bureau of Labor Statistics

Source: [National Compensation Survey](#) | [Chart Data](#)

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Note: Data in text, charts, and tables are the latest available at the time of publication. Internet links may lead to more recent data.

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Strong Headwinds: Employment Losses after Hurricanes

by [Adriana Kugler](#) on December 5, 2012 · [4 comments](#)

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Secretary Solis visits Staten Island, N.Y., to view recovery and rebuilding efforts in the wake of Hurricane Sandy.

Last week, Secretary Solis toured areas of Staten Island, N.Y., and saw firsthand the devastation caused by Hurricane Sandy. It was her second trip to New York as part of the administration's ongoing efforts to provide support for the hardest-hit areas. More than a month after the storm, piles of debris still remain where homes and businesses once stood. But there are other impacts that are harder to see.

Based on past experiences with other major hurricanes, we know that they can have a significant impact on employment through reduced hiring – as businesses downsize and close during and after the storms – and because it is difficult for job seekers to travel to interviews. And job losses can have a devastating effect on households who also have lost their homes, belongings, and in some cases, loved ones.

Preliminary evidence suggests that Sandy will be the second costliest storm in U.S. history. We already know that the economy experienced weaker retail sales and lower industrial production in October as a result of the storm. And in the first week following Sandy, Unemployment Insurance claims increased by 25 percent.

The official unemployment rate for November will be based on individuals' activities in the first week after Sandy (Nov. 4-10), so that measure also could be affected. In other states, we have seen employment drop after hurricanes and sometimes take many months to recover. For example, a study examining the employment impacts of hurricanes in Florida found that hurricanes in that state generated employment drops of between 1.5 and 5 percent, depending on the strength of the hurricane.

Jobs in a variety of industries have been impacted by hurricanes and the largest losses can occur in service-related industries, which mostly depend on local demand. Given the importance of service sector jobs in the regions affected by Sandy, we may be seeing large drops in employment in the next few months in New Jersey and New York. (See the [Bureau of Labor Statistics release](#) on the pre-Sandy characteristics of the areas affected by the hurricane.)



Secretary Solis visits a neighborhood on Staten Island.

It is reasonable to expect drops in employment and increases in unemployment after Sandy. However, as with other recent economic statistics (such as industrial production and retail sales), we'll have to be careful with the interpretation of the [survey data](#). A further complication is that the reference week was one week earlier than the usual reference week (the one containing the 12th of the month) because of where Thanksgiving fell on the calendar. For this reason, the household data refer to the week following the storm and the data collection started two weeks following the storm, a time when many people in mid-Atlantic states still faced disruptions in electricity and transportation.

One of the lessons learned from past hurricanes is that it is important to reach out to the residents and victims sooner rather than later. This is precisely why the administration is ensuring that support reaches those affected by Hurricane Sandy quickly. The [Labor Department](#) has already authorized the availability of \$46.7 million in National Emergency Grants for New Jersey, New York, Rhode Island and Connecticut. The department has also made more than \$2 million in Disaster Unemployment Assistance available to individuals whose jobs were interrupted or lost as a direct result of Sandy. Although the residents of the affected areas, local economies and the national economy will likely feel the effects of Sandy for some time, the assistance and support of the federal government and private sector will be crucial in generating infrastructure investments, which in turn will bring back both jobs and economic growth.

Adriana Kugler is Chief Economist at the U.S. Department of Labor.

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1Mohamed Hany Mouaaz December 6, 2012 at 3:12 am

That's really very good system

2Brian Cain December 6, 2012 at 4:09 am

It's crazy how much damage nature can do. With the unemployment rate skyrocketing, you're right; it's important to reach out now as opposed to later.

3the Phenomenal Lauren G December 7, 2012 at 5:06 am

It seems that it is important business for businesses to make it their business to provide for the victims of Sandy. I believe we as a people can get together and get it done. ☺

4indovision December 9, 2012 at 5:53 am

I am sorry to hear this. I hope all things going to be all right soon.

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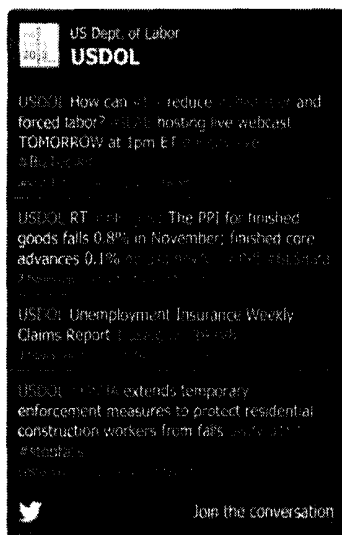
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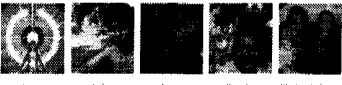
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Volunteering gives young people important skills and real-world experience, and can even lead to a job. A new report from Corporation for National and Community Service shows that 1 out of every 5 millennials volunteers. And in 2011, millennials volunteered a combined

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