

## Tool for Foreign Buyers

### The 'Investment Visa' program offers total flexibility, but at a steep price.

If you have international customers who'd like to buy real estate and retire in the United States, you've probably already learned there's no visa option that specifically addresses their needs. Because of this, foreign nationals have long held back from buying real estate—the hurdles to obtaining permanent residency status are simply too great.

But for clients with the financial wherewithal, there is one viable option. It's called the Regional Center EB-5 Program, informally known as the investment visa. This federal initiative has actually been around since the 1990s, but because of administrative snags it was seriously underused until the U.S. Citizenship and Immigration Services (USCIS) made a concerted effort to improve implementation a couple of years ago.

The program is intended to attract foreign sources of capital into the United States for development projects that can provide employment for American workers. It allows foreign nationals, whether they're working or not, to own property anywhere in the United States and to travel in and out of the country as they please, as well as obtain green cards for themselves, their spouse, and unmarried children under the age of 21.

#### WHAT'S THE CATCH?

To obtain these residency privileges, foreign nationals must invest a specified amount of money—usually \$500,000, but sometimes \$1 million—in a commercial enterprise that's located in a geographical area classified as a "regional center" by the U.S. government. There are currently more than 40 such regional centers, most of them established just in the past 12 to 18 months, and each one is approved for different types of projects. For example, the Philadelphia center is involved in urban infrastructure projects, the Vermont center focuses on ski condominiums, and the Los Angeles center invests in movie studios.

It's important to know that investors don't have

to live in the regional center as long as their investment is structured as a limited partnership and the project is overseen by a general partner who is in the area. Each regional center has a contact person who can provide a prospectus and information regarding investments in that center. An immigration attorney will be able to provide a list of established regional centers and contact names.

As with any investment, your clients will have to do their due diligence to gauge the safety of their investment and the expected rate of return. They should also have an accountant, lawyer, or financial adviser review the details and provide guidance in connection with the regional center that's chosen.

Before they're allowed to invest their money in a regional center, your clients will have to go through a vetting process, too. The government has stringent requirements for documenting the lawful source of the funds; if the funds are gifted, there's a process for validating the source of those funds as well. Investors can expect the process—from the time of investment to the issuance of the green cards—to take between 12 and 26 months.

#### A GOOD FIT FOR SOME

Because of its cost and requirements, this program isn't for everyone. Customers who want to be in the United States only for part of the year will do fine with a visitor's visa. Generally, foreign nationals who can prove continuing ties to their home country are able to visit the United States for up to six months as long as they don't work here. For foreign nationals from Canada and other "visa waiver countries" who are accustomed to traveling without a visa, their stay in the United States is limited to three months. So if they want to stay six months, they also need to obtain a visitor's visa.

But for those who want total flexibility to live and work in the United States as they see fit, and who have the resources to invest, the investment visa can make that possible. ■

#### INTERNATIONAL



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