

# Sample Report

## A Preliminary EB-5 Project Report for Limited Service Hotel in Miami, Florida

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This report is preliminary and is not a USCIS-ready comprehensive evaluation of the project.  
The information contained in this report is provided for informational purposes only and does not  
constitute legal advice.

## Table of Contents

EB5 Affiliate Network has performed an initial EB-5 project report on the feasibility of the proposed Limited Service Hotel in Miami, Florida.

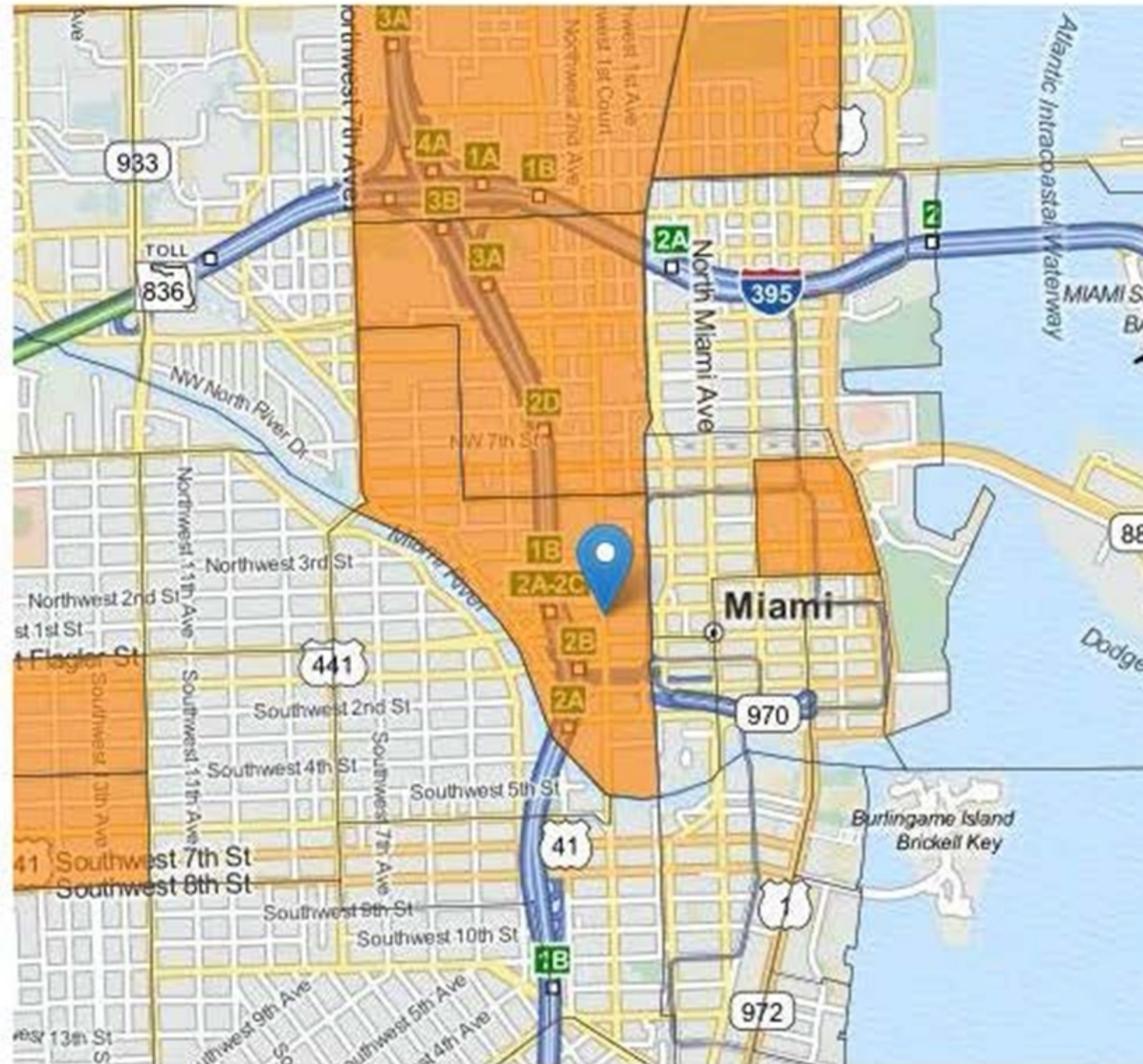
### Our preliminary report contains three (3) sections:

- I. **Targeted Employment Area (TEA) Analysis**  
Site specific analysis of the project's Targeted Employment Area (TEA) status
- II. **Preliminary Job Creation Report**  
Preliminary findings on the job creation of the project under the EB-5 program
- III. **Potential Amount of EB-5 Capital**  
Estimated amount of EB-5 capital available given the projected job creation



## EB5 Affiliate Network: Preliminary EB-5 Project Report

In the below map we have done a preliminary analysis of the area for the project and have found that the project location will qualify as an official Targeted Employment Area (TEA) and the appropriate state agency will issue an official TEA designation letter confirming this. The map below demonstrates that the project location falls within a single census tract that qualifies as a TEA.





## II. Preliminary Job Creation Report

### Executive Summary

EB5 Affiliate Network estimates that the investment in the Project has the potential to create a total of 344 jobs from construction and operations, based on a preliminary analysis. Since the construction will last under 2 years only indirect and induced jobs can be included for EB-5 purposes. The operations from the hotel will create additional jobs due to the projected operating revenues post-construction.

### EB-5 Eligible Jobs Resulting from Construction Activities

The job estimates related to construction activity are based on the allowable construction expenditures from the provided information. To be consistent with USCIS guidance, the estimates for expenditures not eligible for job creation have been excluded from the analysis. The following table summarizes the projected development budget along with the amounts included in the economic impact model to estimate job creation.

#### *Estimated Project Expenditures Table*

Estimated Project Expenditures		
Category	Spend	RIMS II Industry
Land	\$5,000,000	Excluded
Hard Costs	\$35,000,000	Construction
Hard cost category 1	\$30,000,000	Construction
Hard cost category 2	\$5,000,000	Construction
Soft Costs	\$1,000,000	Excluded
Architectural / Engineering	\$500,000	Arch / Engineering
Total Expenditures:	\$41,500,000	

As indicated in the table above, we have included \$35.5M expenditures in the job analysis by a combination of \$35M of hard costs and \$500K of architectural and engineering costs. Additional commentary on methodology here. In addition, potential operational revenues have been estimated below:

#### *Estimated Project Operations Table*

Estimated Project Operations		
Category	Revenue Yr 2	RIMS II Industry
Hospitality	\$3,000,000	Accommodation
Food and Beverage	\$1,000,000	Food Services / Drinking
Total Revenue	\$4,000,000	



## Construction Timeframe

Construction of the Project is expected to last less than 2 years; therefore the initial construction activity will only support permanent indirect and induced employment. According to guidance from the USCIS, the direct employment related to construction activity may not be counted in the total job count if the construction activity lasts less than two years, but the indirect and induced jobs may be counted in this situation.

## Job Creation Analysis

The construction expenditures of the project have the potential to support 276 EB-5 eligible construction jobs with an additional 68 eligible jobs from the projected operational revenue of the new business. In total there are 344 jobs anticipated to be created through this project.

### Job Creation Construction Table

Job Creation Construction				
Category	Construction Spend	Multiplier	CPI Adj.	Job Creation
Hard Costs	\$35,000,000	8.4	92.1%	271.9
Soft Costs	\$1,000,000	0.0	92.1%	0.0
Architectural / Engineering	\$500,000	8.8	92.1%	4.1
<b>Total</b>	<b>\$36,500,000</b>			<b>276.0</b>

Job Creation Operations				
Category	Revenue Yr 2	Multiplier	CPI Adj.	Job Creation
Accommodation	\$3,000,000	16.9	92.1%	46.6
Food and Beverage	\$1,000,000	23.7	92.1%	21.8
<b>Total</b>	<b>\$4,000,000</b>			<b>68.4</b>

## Job Creation Methodology

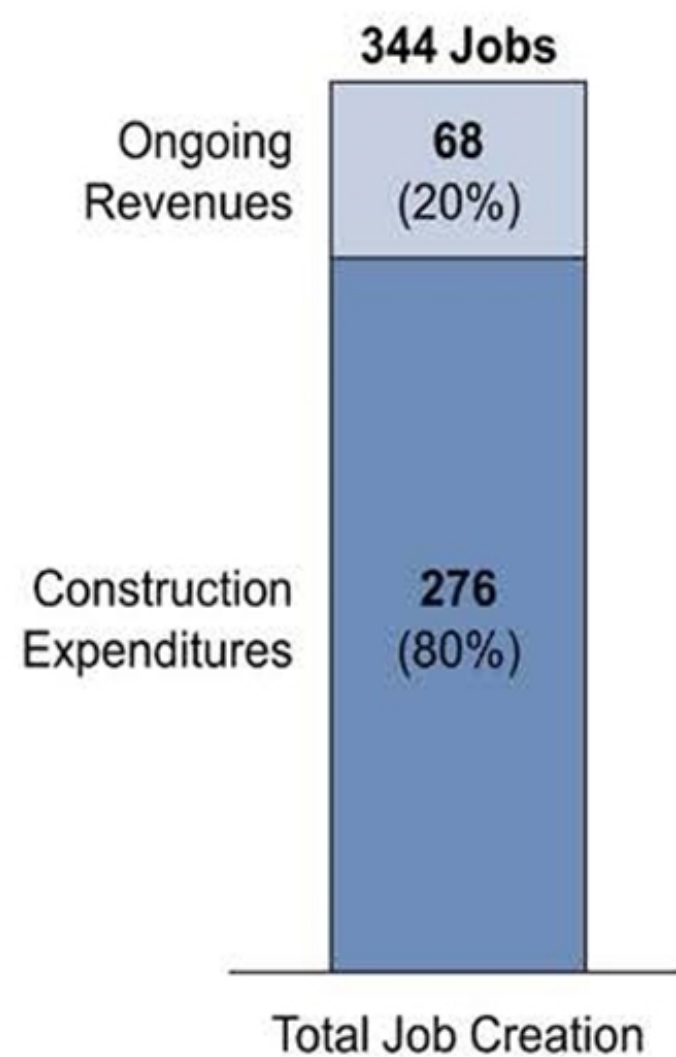
The total estimated jobs from construction are calculated based on the construction expenditures of the Project by utilizing the industry-specific final-demand employment multipliers provided by the BEA. The final-demand employment multiplier used in this analysis represents the change in the number of indirect and induced jobs that occurs in relevant industries for each addition 1 million dollars of output delivered to final demand by the industry. The final-demand multipliers for the relevant industries are shown in the table above. The RIMS II multipliers are based in 2013 dollars, so the relevant construction expenditures are first deflated to 2013 dollars before applying the multipliers. The deflation figures are taken from the Bureau of Labor Statistics (BLS).



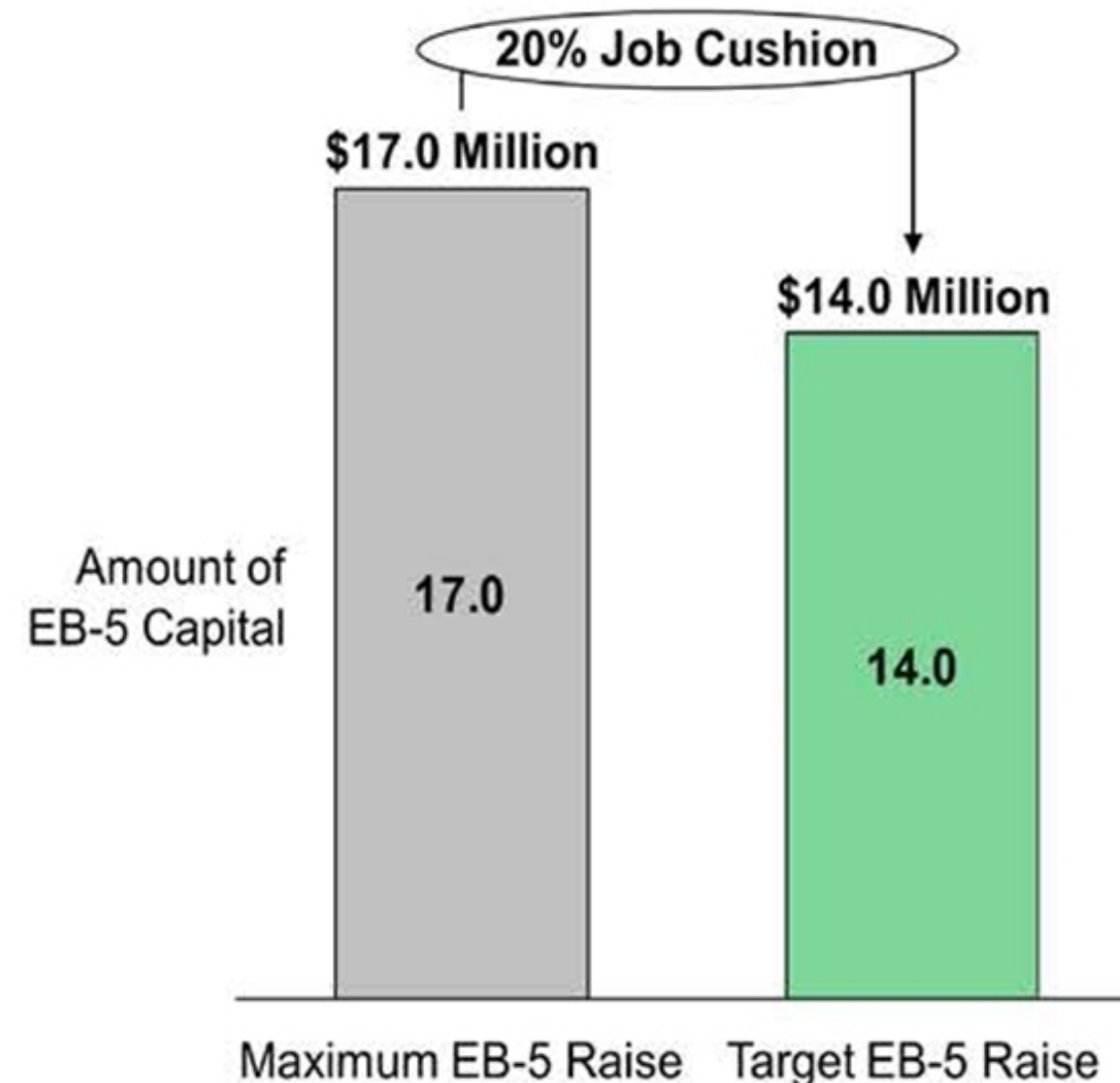
### III. Potential Amount of EB-5 Capital

Based on this preliminary analysis, we anticipate there is a maximum of \$17.0M that is justified by the job creation and could be raised through EB-5 funding. However, a more realistic EB-5 capital target figure is \$14.0M, which includes a 20% job cushion for investors.

**344 total jobs from construction expenditures & ongoing revenues**



**\$17M maximum EB-5 raise with \$14M target**



#### Recommended Job Cushion

Often EB-5 investors prefer to see a job cushion when evaluating EB-5 projects which reduces the immigration risk for each EB-5 investor. This is not required by USCIS, but it is included for your reference as you decide on the best capital structure for your project. We recommend having at least a 20% job cushion in any EB-5 project.