



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

JUN 10 2008

HOOPRD 70/6.2.8

Messrs. Mamey, Paparelli and Yale-Loehr
Regional Center Properties
5160 Birch Street, Suite 200
Newport Beach, CA 92660

Re: USCIS Approval of Regional Center Properties (RCP) as a Regional Center under the
Immigrant Investor Pilot Program

BACKGROUND:

Pursuant to Section 610 of the Appropriations Act of 1993, on December 26, 2006, RCP submitted a proposal and request for designation as a Regional Center for the purpose of attracting immigrant investor capital into a five-county area of Southern California comprised of Los Angeles, San Bernardino, Riverside, Orange, and San Diego counties. The focus of this investment scheme is the development of mixed-use shopping centers throughout the Regional Center.

In addition to the financial and accounting evidence supporting RCP as a new Regional Center, RCP submitted the following additional evidence in support of its proposal:

- A Job Creation Analysis and Econometric Model prepared by a professional economist focusing on a generic mixed-use shopping center in southern California;
- A description of promotional plans and associated budget;
- An operating agreement reflecting the governance of the Company, the conduct of its business, and to specify the relative rights and obligations of the Managers and Members;
- A Memorandum of Understanding Among Birch Street Partners, LLC, IVA Ventures, Inc. and SYL Alliance, LLC which are each headed by one of the principle members of RCP;
- A sample Limited Partnership Agreement to be utilized in the formation of Limited Liability Companies between the principles and immigrant investors;
- A Confidential Private Placement Memorandum to be provided to prospective investors;
- A sample Capital Contribution Escrow Agreement; and
- A sample Fees Escrow Agreement.

DECISION:

Based on its review and analysis of the December 26, 2006, request for designation as a Regional Center and information provided in response to a USCIS request for evidence, USCIS approves the request for designation of RCP as a Regional Center.

FOCUS OF INVESTMENT ACTIVITY AND CAPITAL INVESTMENT THRESHOLD:

The focus of this approved request for designation as a Regional Center, and the associated business plan and job creation model and the multipliers for indirect jobs associated with this approved proposal, is to direct immigrant investor capital into the development of mixed-use shopping centers.

As such, aliens seeking immigrant visas through the Immigrant Investor Pilot Program may file individual petitions with USCIS for investment in job creating commercial enterprises located within the RCP Regional Center area in the contiguous five-county area of Southern California comprised of Los Angeles, San Bernardino, Riverside, Orange, and San Diego counties. The geographic focus of this area is comprised of certain urban areas¹ which have been designated as a Targeted Employment Area (TEA) by the State of California as defined in 8 CFR 204.6(e) and areas that do not qualify as a TEA. Therefore, the minimum capital investment threshold for any individual immigrant investment into the new commercial enterprise through the RCP Regional Center shall be not less than \$500,000 if located within a TEA or not less than \$1,000,000.00 if located outside a TEA.

EMPLOYMENT CREATION AND/OR PRESERVATION:

Alien entrepreneurs who file petitions for commercial enterprises located in the RCP area must fulfill all of the requirements set forth in 8 CFR 204.6, except that the petition need not show that the new commercial enterprises created ten new jobs indirectly as a result of the alien entrepreneur's investment. This determination has been established by way of USCIS' acceptance of the final economic analysis that is contained as part of the approved RCP proposal and its indirect job creation model and multipliers contained within the final approved RCP application and package, as amended.

In addition, where job creation is claimed based on a multiplier rooted in underlying new "direct jobs" for qualified employees pursuant to 8 CFR 204.6 (e) (or preservation of existing direct jobs for qualified employees in a troubled business) in support of an immigrant investor's individual I-526 petition affiliated with the RCP, then:

- To be credited for preserving/maintaining pre-existing direct jobs for "qualified employees" within the RCP for a "troubled business" as defined at 8 CFR 204.6(e), the individual I-526 petition must be supported by probative evidence of the number

¹ There are no rural areas within the regional center as it has been proposed.

Each individual petition, in order to demonstrate that it is associated with the RCP Regional Center, in conjunction with addressing all the requirements for an individual alien entrepreneur petition, shall also contain as supporting evidence relating to this regional center designation, the following:

1. A copy of this letter for the approval and designation.
2. A copy of the approved regional center narrative proposal, including supplemental materials, and business plan.
3. A copy of the job creation methodology required in 8 CFR 204.6(j)(4)(iii), as contained in both the initial and amended regional center economic analysis which has been approved by USCIS, which reflects that investment by an individual alien investor of at least \$500,000 or \$1,000,000 into a mixed-use shopping center within the geographic area of the approved RCP Regional Center will preserve and/or create full-time employment positions, either directly or indirectly, for not fewer than ten qualified employees.
4. A legally executed copy of:
 - a. the Confidential Private Placement Memorandum;
 - b. the RCP Operating Agreement; and
 - c. the escrow instructions for the capital account and the fees account.

DESIGNEE'S RESPONSIBILITIES INHERENT IN CONDUCT OF THE RCP REGIONAL CENTER:

The law, as reflected in the regulations at 8 CFR 204.6(m)(6), requires that an approved regional center in order to maintain the validity of its approval and designation must continue to meet the statutory requirements of the Immigrant Investor Pilot Program by serving the purpose of promoting economic growth, including increased export sales (where applicable), improved regional productivity, job creation, and increased domestic capital investment. Therefore, in order for USCIS to determine whether your regional center is in compliance with the above cited regulation, and in order to continue to operate as a USCIS approved and designated regional center, your administration, oversight, and management of your regional center shall be such as to monitor all investment activities under the sponsorship of your regional center and to maintain records, data and information on a quarterly basis in order to report to USCIS upon request the following year to date information for each Federal Fiscal Year², commencing with the current year as follows:

1. The principal official and point of contact of the RCP responsible for the normal operation, management and administration of the regional center.

² A Federal Fiscal Year runs for twelve consecutive months from October 1st to September 30th.

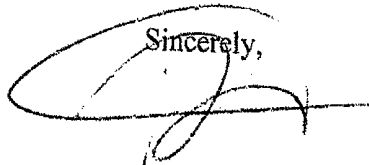
2. How the RCP is administering its Regional Center and is actively engaged in supporting a due diligence screening of its immigrant investors' lawful source of capital and the alien investor's ability to fully invest the requisite amount of capital.
3. How the RCP is actively engaged in the evaluation, oversight and follow-up on any proposed commercial activities that will be utilized by immigrant investors in order to create direct and/or indirect jobs through qualifying EB-5 capital investments into job creating commercial enterprises throughout the RCP's geographic area of focus as a Regional Center.
4. The name, date of birth, and alien registration number (if no A-number then USCIS receipt number) of each alien investor who makes an investment and files an EB-5/I-526 Petition with USCIS, specifying whether the petition was approved, denied, or withdrawn by the petitioner.
5. The country of nationality of each alien investor who makes an investment and files an EB-5/I-526 petition with USCIS.
6. The city and state of residence of each alien investor who makes an investment and files an EB-5/I-526 petition with USCIS.
7. The categories and/or sub-sectors of business activity within the geographic scope of your regional center that have received the immigrant investors' capital, and in what amount.
8. The names and locations of each job creating commercial enterprise located within the geographic scope of your regional center that has received alien investor capital
9. The amounts of alien investor capital and the amounts of other domestic capital that have been invested together in each job creating commercial enterprise specified in item 8 above, distinguishing the separate totals for each.³
10. The total aggregate number of approved EB-5 alien investor I-526 petitions per Federal Fiscal Year to date made through your regional center.
11. The total aggregate number of approved EB-5 alien investor I-829 petitions per Federal Fiscal Year to date through your regional center.
12. The total aggregate of EB-5 alien capital invested through your regional center for each Federal Fiscal Year to date since your approval and designation.
13. The combined total aggregate of "new" direct and/or indirect jobs created by EB-5 investors through your regional center for each Federal Fiscal Year to date since your approval and designation.
14. If applicable, the total aggregate number of "preserved" jobs by EB-5 immigrant investors for troubled businesses through your regional center for each Federal Fiscal Year to date since your approval and designation.
15. If for any given Federal Fiscal Year your regional center does not have investors to report (either immigrant or domestic investors), then provide an explanation for the inactivity along with a specific plan which details timelines and steps to actively promote your regional center program and recruit legitimate and viable immigrant investors.


³ A separate break out by aggregate amount of alien investor capital vs. aggregate amount of domestic capital invested where applicable.

16. Notification to USCIS within 30 days following any change of address or material change in the structure, operation, administration, focus, or activities relating to your regional center's basis for its most recent designation and/or reaffirmation by USCIS.

If you have any questions concerning the RCP Regional Center approval and designation under the Immigrant Investor Pilot Program, please contact the USCIS Foreign Trader, Investor and Regional Center Program by Email at USCIS.ImmigrantInvestorProgram@dhs.gov.

Sincerely,



 Barbara Q. Velarde
Chief
Office of Service Center Operations

cc: Official File

