

Visa program's side effects include investments—and legal work

BY LEIGH JONES

As the availability of investment capital from domestic banks has decreased since 2008, Chicago-based Arnstein & Lehr has seen a sizeable growth in its practice related to the government program that promotes foreign investment and job creation in the United States, known as EB-5.

In general, the program grants visas to foreign nationals who invest a minimum of \$1 million in a new U.S. commercial enterprise that creates at least 10 new jobs.

Arnstein & Lehr, with about 150 lawyers, has worked roughly 60 EB-5 deals, most of them during the past three years, according to partner Ronald Fieldstone. Here's what Fieldstone, head of the firm's EB-5 group, had to say about the work. His responses have been edited for length and clarity.

The National Law Journal: What part of EB-5 work does the firm focus on?

Ronald Fieldstone: We don't do the immigration stuff. We do the preparation of private placement memoranda and related documents.



Ronald Fieldstone

NLJ: The securities work.

R.F.: Right—the documents to secure the money. But there's a lot of ancillary work that comes from it—corporate, real estate.

NLJ: What's the value of the EB-5 transactions that the firm has handled?

R.F.: In excess of \$1.5 billion.

NLJ: What are some of the deals the firm has worked on?

R.F.: The Hollywood Circle Project [a mixed use real-estate project that includes the 25-story Hollywood Circle 397 residential development], a Courtyard by Marriott in Manhattan, Burger Kings, childcare centers.

NLJ: Where does most of the investment money come from?

R.F.: About 70 percent comes from China. There's also money from South Korea, Canada, Great Britain.

NLJ: How much of an increase have you seen in the work?

R.F.: In 2009, we did three transactions; in 2010, we did 10; in 2011, we did 20; and this year, we've completed or are working on 51.

NLJ: Who's your competition?

R.F.: A few national firms, but I picked up work from national firms that do securities work. When they try to do EB-5 work, they don't have the background and experience. It takes about two years of experience to learn it.

NLJ: What do you like about the work?

R.F.: It's really pro-active. You're helping business people in this country.