



South Florida's *Daily Business Review* ("DBR") recently put a spotlight on non-traditional sources of funding for local franchisees and real estate developers. Among those lending sources are the EB-5 visa program.

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At its simplest, the EB-5 visa program offers a vehicle for foreign investors to obtain permanent U.S. residency by providing funds to ventures that create jobs and stimulate the economy. There are certain parameters and rules governing the amount of the funds invested and in which areas and investments such funds are applied. In an economy where traditional financing may be difficult to come by, these international resources have made it possible for businesses to grow and thrive.

The DBR used Jafrejo Holdings LLC as an example of an EB-5 success. When Jafrejo couldn't meet the underwriting requirements of institutional lenders, it created its subsidiary, Florida Restaurant Franchise Group, for purposes of attracting foreign investors. After investing up front dollars in attorneys, immigration advisors and international contacts, they were able to raise \$40 million in about five (5) years, with its capital funding sources coming from countries such as Brazil, China and Russia (among others).

As was pointed out by aburger earlier this year in *Using the EB-5 in franchising*, both franchisees and franchisors can benefit from the EB-5 program. At McDonald Hopkins, we've had an opportunity to work on several EB-5 projects throughout South Florida in various industries. We have been able to work together with immigration attorneys and EB-5 investment consultants to accomplish productive results for our clients.