

COMMERCIAL OBSERVER

New York Law Firm Wraps Up \$1B in EB-5 Deals

BY DANIELLE BALBI | AUG. 3, 2015

New York-based law firm Rosenberg & Estis closed seven EB-5 construction mezzanine loans totaling \$1 billion in the last year, Commercial Observer can first report.

“EB-5 lending is an extraordinarily powerful tool for developers, providing greater control, a more attractive rate and greater long-term upside,” Eric Orenstein, a member at the law firm who worked on the financings, said in remarks provided to CO.

The loans included a \$250 million and \$100 million loan for a redevelopment in Downtown Brooklyn, a \$200 million loan for a mixed-use retail hotel project in Times Square, a \$175 million construction mezzanine for a redevelopment in Tribeca, a \$96 million loan for a development in Boca Raton, Fla., a \$52.5 million loan for a redevelopment in Bryant Park, and a \$50 million loan for redevelopment in Jersey City.

“There is enormous interest from sophisti-

cated developers seeking to utilize EB-5 lending vehicles, and this financing option will continue to grow in power in the near future,” Mr. Orenstein added.

Counsel Steven Goldberg and Associates Stefanie Graham and Brie Dorfman also worked on the transactions.

The more than 20-year-old EB-5 program is scheduled to expire on Sept. 30, 2015. The program provides U.S. visas to foreigners who invest \$500,000 to \$1 million, depending on the local employment rate, for projects that create jobs.

Much of the financing from the program is geared toward wealthy urban areas and recently proposed changes include directing some of the capital flow to lower-income and rural areas.