

HNI line up for fast track entry to US via EB-5 visa

29 Nov 2009, 0041 hrs IST, Ishani Duttgupta, ET Bureau

NEW DELHI: The throwaway real estate prices in the US have been attracting high net worth Indians in a big way. And now it seems, there's more reason to look at investing in America for HNIs. The Obama administration has recently extended the regional centre [investment](#) programme, which is part of the permanent residency, EB-5 category by three years.



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Simply put, this programme allows investors a fast-track to US green cards and permanent residency. Under the scheme, investors who put in \$1 million (about Rs 5 crore) into designated regional centre real estate [projects](#) and create at least 10 jobs in the US, are entitled to green cards along with their families. If they are willing to put money into a business carried out on in a designated backward area, the investment required is even lower at \$500,000.

The EB-5 programme is attracting a large number of hospitality entrepreneurs from Gujarat who are keen on setting up shop in the US. Many of the Gujarati hotel entrepreneurs also have strong family links in the US.

“The falling dollar has increased the number of applications in the EB-5 category in addition to access to branded hotel deals that are [trading](#) at 30-40% discount. This is definitely the time to buy as the US real estate market is slowly recovering,” says Sachin U Patel, managing principal of real estate development company American Life Inc, which operates the EB-5 regional centres in Seattle, Tacoma, and Everett.

The regional centres are diversified funds or private business development projects that allow EB-5 [investors](#) to infuse the required funds and in return acquire a small ownership interest.

Most immigration experts are seeing a growing interest in the EB-5 category of visas. Says Mumbai-based immigration attorney Sudhir Shah: “This is certainly a good time to apply for the EB-5 programme. There are several schemes on offer wherein you merely have to [invest money](#) and in return you get a green card without having to actively participate in the business. For those who are looking at moving to the US to run a motel or store there, the reduced property prices are a big attraction too, as they can get more value for their dollar investments.”

US-based immigration lawyer Heena Kampani, too, agrees. “This option is very good for the entire family and children are able to live, study, work and settle down in USA. EB-5 investors have the freedom to live anywhere in the USA and this is a great time to apply as the programme just got extended for another three years, thus providing a bigger window of opportunity to find a quick and legal route to settle in the US,” she says.

The EB-5 scheme, though proving to be very attractive, is however not without glitches. Proving that the funds available for investment are from lawful sources can be a challenge for some Indian investors.

“In the case of agricultural income, this problem becomes a big one, since it is not subject to tax in India and in many cases there is no documented record. Land records, in many cases, continue to be in the name of ancestors, which makes it difficult to prove ownership. Therefore, when the land is sold resulting in an amount that could potentially be used for investments as a EB-5 applicant, it is difficult to prove the lawful source of money,” says Mumbai-based immigration lawyer Poorvi Chothani.