

Vermilion Consulting LLC
10 Tetilla Road
Santa Fe, NM 87508
kim@consultvermilion.com
580-478-5483

10 February 2014

Civitas Capital Management, LLC
1601 Bryan Street, Suite M-200
Dallas, Texas 75201 U.S.A.

Dear Mr. Healy,

Per your request, I have developed EB-5 qualifying unemployment data for census tracts in Laredo, Texas and tracts extending south and east to Brownsville, TX. The data were derived using the methodologies prescribed by the Bureau of Labor Statistics (BLS) Local Area Unemployment (LAUS) branch. By way of background, I served as Chief Economist for USCIS from 2009 to 2011, and I am quite familiar with the laws concerning the EB-5 investor visa program and the required procedures for determining whether an investment location qualifies as a targeted employment area (TEA). During my tenure at U.S. Citizenship and Immigration Services (USCIS), I worked directly with the LAUS branch to educate states on TEA methodology best practices. Presently, I am a private sector consultant handling a broad range of EB-5 related matters, including job creation analysis and TEA determinations.

On December 11, 2009, USCIS issued a policy memorandum, a portion of which covered TEA determinations. There, USCIS clarified that TEA determination should be made as of the date the I-526 petition is filed with USCIS, and according to data made available to the public by BLS/LAUS. It is common in the LAUS program to use the Census Share Methodology to derive reliable unemployment data at the census tract level. See *USCIS Stakeholder's Presentation*, www.uscis.gov (December 16, 2010 and May 1, 2012) for additional information on USCIS's guidance on the use of Census Share Methodology to determine TEAs. This methodology recognizes that it is reasonable to calculate census tract-to-county labor force ratios, and then use those ratios with current county-level labor force data to derive the specific census tract figures.

In my analysis, based on Census Share Methodology, I used American Community Survey (ACS) 2011 data for the purpose of defining the established ratios of census tract-to-county data. Next, I used current county-level unemployment rates (2012 annual average U.S. unemployment rate) to determine qualifying census tracts with unemployment above the current required threshold of 12.15%.¹

Data Sources and Calculations:

- For census tract-level data, I use ACS 2011
- For county-level data, I use ACS 2011 and BLS 2012 (as applicable – see below)

¹ The 2012 annual average U.S. unemployment rate was 8.1%; TEA threshold calculation is $8.1 \times 150\% = 12.15\%$

To determine the proportion of the civilian labor force and unemployed I use the following calculations:

$$\text{ACS 2011 Tract Civilian Labor Force} \div \text{ACS 2011 County Civilian Labor Force} = \text{Civilian Labor Force (CLF) Factor}$$

$$\text{ACS 2011 Tract Unemployed} \div \text{ACS 2011 County Unemployed} = \text{Unemployed (UNE) Factor}$$

Next, I take the factors described above and apply them to the 2012 BLS county annual average civilian labor force and unemployed numbers.

$$\text{CLF Factor} \times \text{2012 Annual Average County Civilian Labor Force} = \text{2012 Census Tract CLF}$$

$$\text{UNE Factor} \times \text{2012 Annual Average County Unemployed} = \text{2012 Census Tract UNE}$$

I then calculate the actual individual unemployment rate for each census tract with the following formula:

$$(\text{2012 Census Tract UNE} \div \text{2012 Census Tract CLF}) \times 100 = \text{Individual Tract Unemployment Rate}$$

The table below outlines the TEA census tracts, including corresponding derived civilian labor force and unemployed data, for the entire proposed Laredo TEA. The resulting unemployment rate for the entire contiguous area totals 12.18%, which is above the required threshold of 12.15%.

Laredo Project, LAUS 2012 ACS 2011	2012 CT CLF	2012 CT UNE	TEA Unemployment Rate
Census Tract 103.02, Cameron County, Texas	2,601	335	
Census Tract 104.02, Cameron County, Texas	2,362	91	
Census Tract 105, Cameron County, Texas	1,036	144	
Census Tract 109, Cameron County, Texas	433	72	
Census Tract 110, Cameron County, Texas	985	83	
Census Tract 111, Cameron County, Texas	615	93	
Census Tract 112, Cameron County, Texas	642	28	
Census Tract 113.01, Cameron County, Texas	716	79	
Census Tract 113.02, Cameron County, Texas	2,064	60	
Census Tract 115, Cameron County, Texas	2,444	364	
Census Tract 116, Cameron County, Texas	2,698	338	
Census Tract 117, Cameron County, Texas	2,602	474	
Census Tract 118.01, Cameron County, Texas	2,530	377	
Census Tract 118.02, Cameron County, Texas	1,357	145	
Census Tract 119.01, Cameron County, Texas	1,812	360	
Census Tract 119.02, Cameron County, Texas	1,837	64	

Laredo Project, LAUS 2012 ACS 2011	2012 CT CLF	2012 CT UNE	TEA Unemployment Rate
Census Tract 119.03, Cameron County, Texas	887	219	
Census Tract 120.01, Cameron County, Texas	1,919	144	
Census Tract 120.02, Cameron County, Texas	2,231	86	
Census Tract 121.01, Cameron County, Texas	1,621	112	
Census Tract 121.02, Cameron County, Texas	1,934	439	
Census Tract 122, Cameron County, Texas	5,202	641	
Census Tract 123.04, Cameron County, Texas	1,978	238	
Census Tract 124.01, Cameron County, Texas	2,852	291	
Census Tract 124.02, Cameron County, Texas	2,143	114	
Census Tract 125.04, Cameron County, Texas	7,408	360	
Census Tract 125.05, Cameron County, Texas	3,467	409	
Census Tract 125.06, Cameron County, Texas	1,690	35	
Census Tract 125.07, Cameron County, Texas	2,591	366	
Census Tract 125.08, Cameron County, Texas	1,254	105	
Census Tract 126.07, Cameron County, Texas	905	141	
Census Tract 126.08, Cameron County, Texas	1,459	241	
Census Tract 126.09, Cameron County, Texas	3,322	438	
Census Tract 126.12, Cameron County, Texas	3,152	316	
Census Tract 126.13, Cameron County, Texas	2,605	391	
Census Tract 127, Cameron County, Texas	2,636	328	
Census Tract 128, Cameron County, Texas	1,868	161	
Census Tract 129, Cameron County, Texas	1,903	76	
Census Tract 130.02, Cameron County, Texas	2,227	175	
Census Tract 130.03, Cameron County, Texas	821	169	
Census Tract 130.04, Cameron County, Texas	1,433	139	
Census Tract 131.02, Cameron County, Texas	1,471	223	
Census Tract 131.04, Cameron County, Texas	1,780	155	
Census Tract 131.06, Cameron County, Texas	1,370	260	
Census Tract 132.03, Cameron County, Texas	507	69	
Census Tract 132.04, Cameron County, Texas	873	61	
Census Tract 132.05, Cameron County, Texas	1,606	187	
Census Tract 132.06, Cameron County, Texas	1,118	90	
Census Tract 132.07, Cameron County, Texas	1,650	248	
Census Tract 133.03, Cameron County, Texas	1,884	306	
Census Tract 133.05, Cameron County, Texas	1,870	194	
Census Tract 133.06, Cameron County, Texas	1,109	206	
Census Tract 133.07, Cameron County, Texas	588	50	

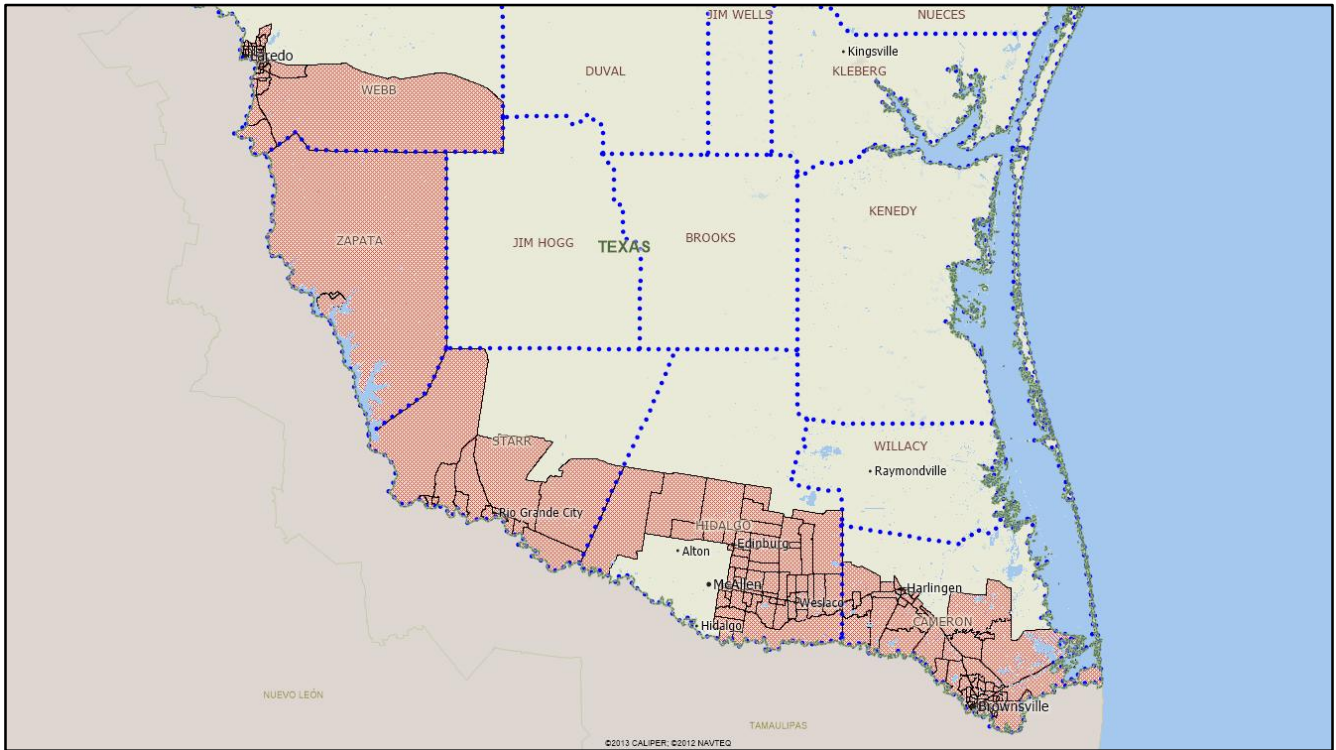
Laredo Project, LAUS 2012 ACS 2011	2012 CT CLF	2012 CT UNE	TEA Unemployment Rate
Census Tract 133.08, Cameron County, Texas	1,188	101	
Census Tract 133.09, Cameron County, Texas	1,320	195	
Census Tract 134.01, Cameron County, Texas	1,017	194	
Census Tract 134.02, Cameron County, Texas	672	21	
Census Tract 135, Cameron County, Texas	1,431	176	
Census Tract 136, Cameron County, Texas	1,340	187	
Census Tract 137, Cameron County, Texas	1,438	93	
Census Tract 138.01, Cameron County, Texas	839	108	
Census Tract 138.02, Cameron County, Texas	1,514	436	
Census Tract 139.01, Cameron County, Texas	1,015	100	
Census Tract 139.02, Cameron County, Texas	2,096	288	
Census Tract 139.03, Cameron County, Texas	1,702	270	
Census Tract 140.01, Cameron County, Texas	836	155	
Census Tract 140.02, Cameron County, Texas	908	60	
Census Tract 141, Cameron County, Texas	4,387	641	
Census Tract 142, Cameron County, Texas	2,264	121	
Census Tract 143, Cameron County, Texas	1,802	155	
Census Tract 144, Cameron County, Texas	6,720	791	
Census Tract 145, Cameron County, Texas	3,625	245	
Census Tract 9801, Cameron County, Texas	-	-	
Census Tract 213.02, Hidalgo County, Texas	6,302	983	
Census Tract 213.03, Hidalgo County, Texas	3,161	763	
Census Tract 214.01, Hidalgo County, Texas	2,532	305	
Census Tract 214.03, Hidalgo County, Texas	2,055	107	
Census Tract 214.04, Hidalgo County, Texas	2,656	331	
Census Tract 215, Hidalgo County, Texas	1,448	140	
Census Tract 216, Hidalgo County, Texas	1,783	263	
Census Tract 217.02, Hidalgo County, Texas	4,298	779	
Census Tract 218.03, Hidalgo County, Texas	1,882	255	
Census Tract 218.04, Hidalgo County, Texas	1,321	190	
Census Tract 218.05, Hidalgo County, Texas	4,359	459	
Census Tract 218.06, Hidalgo County, Texas	3,507	442	
Census Tract 219.01, Hidalgo County, Texas	3,843	567	
Census Tract 219.03, Hidalgo County, Texas	1,731	270	
Census Tract 219.04, Hidalgo County, Texas	2,026	156	
Census Tract 220.01, Hidalgo County, Texas	4,732	504	
Census Tract 220.03, Hidalgo County, Texas	3,132	489	

Laredo Project, LAUS 2012 ACS 2011	2012 CT CLF	2012 CT UNE	TEA Unemployment Rate
Census Tract 220.04, Hidalgo County, Texas	4,348	1,184	
Census Tract 221.03, Hidalgo County, Texas	1,426	227	
Census Tract 221.04, Hidalgo County, Texas	3,410	534	
Census Tract 221.05, Hidalgo County, Texas	1,830	72	
Census Tract 221.06, Hidalgo County, Texas	1,879	136	
Census Tract 222.01, Hidalgo County, Texas	2,531	347	
Census Tract 222.03, Hidalgo County, Texas	1,464	94	
Census Tract 222.04, Hidalgo County, Texas	2,600	411	
Census Tract 223, Hidalgo County, Texas	4,584	548	
Census Tract 224.01, Hidalgo County, Texas	1,944	288	
Census Tract 224.02, Hidalgo County, Texas	2,632	242	
Census Tract 225.01, Hidalgo County, Texas	2,549	648	
Census Tract 225.02, Hidalgo County, Texas	2,024	350	
Census Tract 226, Hidalgo County, Texas	1,201	254	
Census Tract 227.01, Hidalgo County, Texas	1,482	84	
Census Tract 227.02, Hidalgo County, Texas	1,786	244	
Census Tract 228, Hidalgo County, Texas	3,182	375	
Census Tract 229, Hidalgo County, Texas	1,659	319	
Census Tract 230, Hidalgo County, Texas	1,633	221	
Census Tract 231.02, Hidalgo County, Texas	2,586	259	
Census Tract 231.03, Hidalgo County, Texas	1,912	185	
Census Tract 231.04, Hidalgo County, Texas	1,664	287	
Census Tract 235.03, Hidalgo County, Texas	2,767	272	
Census Tract 235.04, Hidalgo County, Texas	4,113	651	
Census Tract 235.07, Hidalgo County, Texas	4,031	486	
Census Tract 235.11, Hidalgo County, Texas	2,726	384	
Census Tract 235.12, Hidalgo County, Texas	110	31	
Census Tract 235.13, Hidalgo County, Texas	2,991	796	
Census Tract 235.14, Hidalgo County, Texas	3,454	614	
Census Tract 235.15, Hidalgo County, Texas	3,584	340	
Census Tract 236, Hidalgo County, Texas	3,696	513	
Census Tract 237, Hidalgo County, Texas	1,674	290	
Census Tract 238.01, Hidalgo County, Texas	4,340	448	
Census Tract 238.02, Hidalgo County, Texas	3,876	467	
Census Tract 239.03, Hidalgo County, Texas	1,908	281	
Census Tract 240, Hidalgo County, Texas	8,149	780	
Census Tract 241.11, Hidalgo County, Texas	2,330	145	

Laredo Project, LAUS 2012 ACS 2011	2012 CT CLF	2012 CT UNE	TEA Unemployment Rate
Census Tract 241.12, Hidalgo County, Texas	4,027	607	
Census Tract 242.01, Hidalgo County, Texas	5,233	608	
Census Tract 244.02, Hidalgo County, Texas	3,821	607	
Census Tract 244.03, Hidalgo County, Texas	1,931	465	
Census Tract 244.04, Hidalgo County, Texas	1,463	140	
Census Tract 245, Hidalgo County, Texas	2,689	493	
Census Tract 246, Hidalgo County, Texas	2,155	364	
Census Tract 9501.04, Starr County, Texas	2,174	421	
Census Tract 9501.05, Starr County, Texas	1,596	273	
Census Tract 9501.06, Starr County, Texas	1,421	316	
Census Tract 9501.07, Starr County, Texas	1,476	423	
Census Tract 9501.08, Starr County, Texas	1,528	194	
Census Tract 9502.02, Starr County, Texas	1,187	96	
Census Tract 9502.03, Starr County, Texas	1,170	145	
Census Tract 9502.04, Starr County, Texas	2,149	233	
Census Tract 9504.01, Starr County, Texas	2,965	405	
Census Tract 9504.02, Starr County, Texas	2,128	429	
Census Tract 9505, Starr County, Texas	1,550	260	
Census Tract 9506, Starr County, Texas	2,645	289	
Census Tract 9507.01, Starr County, Texas	1,585	161	
Census Tract 9507.02, Starr County, Texas	1,193	111	
Census Tract 1.01, Webb County, Texas	1,759	36	
Census Tract 1.05, Webb County, Texas	1,049	50	
Census Tract 1.06, Webb County, Texas	1,630	82	
Census Tract 1.07, Webb County, Texas	918	79	
Census Tract 1.08, Webb County, Texas	1,524	118	
Census Tract 1.09, Webb County, Texas	825	175	
Census Tract 2, Webb County, Texas	1,479	217	
Census Tract 3, Webb County, Texas	860	145	
Census Tract 6.01, Webb County, Texas	939	84	
Census Tract 6.02, Webb County, Texas	997	69	
Census Tract 7, Webb County, Texas	949	124	
Census Tract 8, Webb County, Texas	754	92	
Census Tract 9.01, Webb County, Texas	1,654	130	
Census Tract 9.03, Webb County, Texas	953	118	
Census Tract 9.04, Webb County, Texas	1,217	29	
Census Tract 10.01, Webb County, Texas	1,946	108	

Laredo Project, LAUS 2012 ACS 2011	2012 CT CLF	2012 CT UNE	TEA Unemployment Rate
Census Tract 10.03, Webb County, Texas	896	103	
Census Tract 10.04, Webb County, Texas	646	25	
Census Tract 11.01, Webb County, Texas	1,474	67	
Census Tract 11.03, Webb County, Texas	774	116	
Census Tract 11.04, Webb County, Texas	1,478	154	
Census Tract 11.05, Webb County, Texas	1,396	163	
Census Tract 12.01, Webb County, Texas	885	126	
Census Tract 12.02, Webb County, Texas	1,220	119	
Census Tract 13, Webb County, Texas	1,213	39	
Census Tract 14.01, Webb County, Texas	1,532	105	
Census Tract 14.02, Webb County, Texas	1,437	189	
Census Tract 15.01, Webb County, Texas	1,145	117	
Census Tract 15.02, Webb County, Texas	2,193	210	
Census Tract 16.01, Webb County, Texas	1,789	186	
Census Tract 16.02, Webb County, Texas	1,833	26	
Census Tract 18.06, Webb County, Texas	1,750	52	
Census Tract 18.07, Webb County, Texas	3,090	179	
Census Tract 18.08, Webb County, Texas	2,770	162	
Census Tract 18.09, Webb County, Texas	2,068	275	
Census Tract 18.10, Webb County, Texas	1,803	78	
Census Tract 18.11, Webb County, Texas	2,042	259	
Census Tract 18.12, Webb County, Texas	3,495	170	
Census Tract 18.13, Webb County, Texas	446	45	
Census Tract 18.17, Webb County, Texas	1,735	230	
Census Tract 18.18, Webb County, Texas	1,150	128	
Census Tract 19, Webb County, Texas	1,045	130	
Census Tract 9800, Webb County, Texas	-	-	
Census Tract 9503.01, Zapata County, Texas	1,685	38	
Census Tract 9503.02, Zapata County, Texas	2,447	136	
Census Tract 9504, Zapata County, Texas	2,592	266	
Total	402,600	49,024	12.18%

The following map depicts the overall TEA.



Please feel free to contact me with any questions.

Sincerely,

Kimberly Atteberry
President
Vermilion Consulting LLC



Civitas Capital Group
EB-5 Funds

1601 Bryan Street | Suite M-200
Dallas, Texas 75201
civitascapital.com

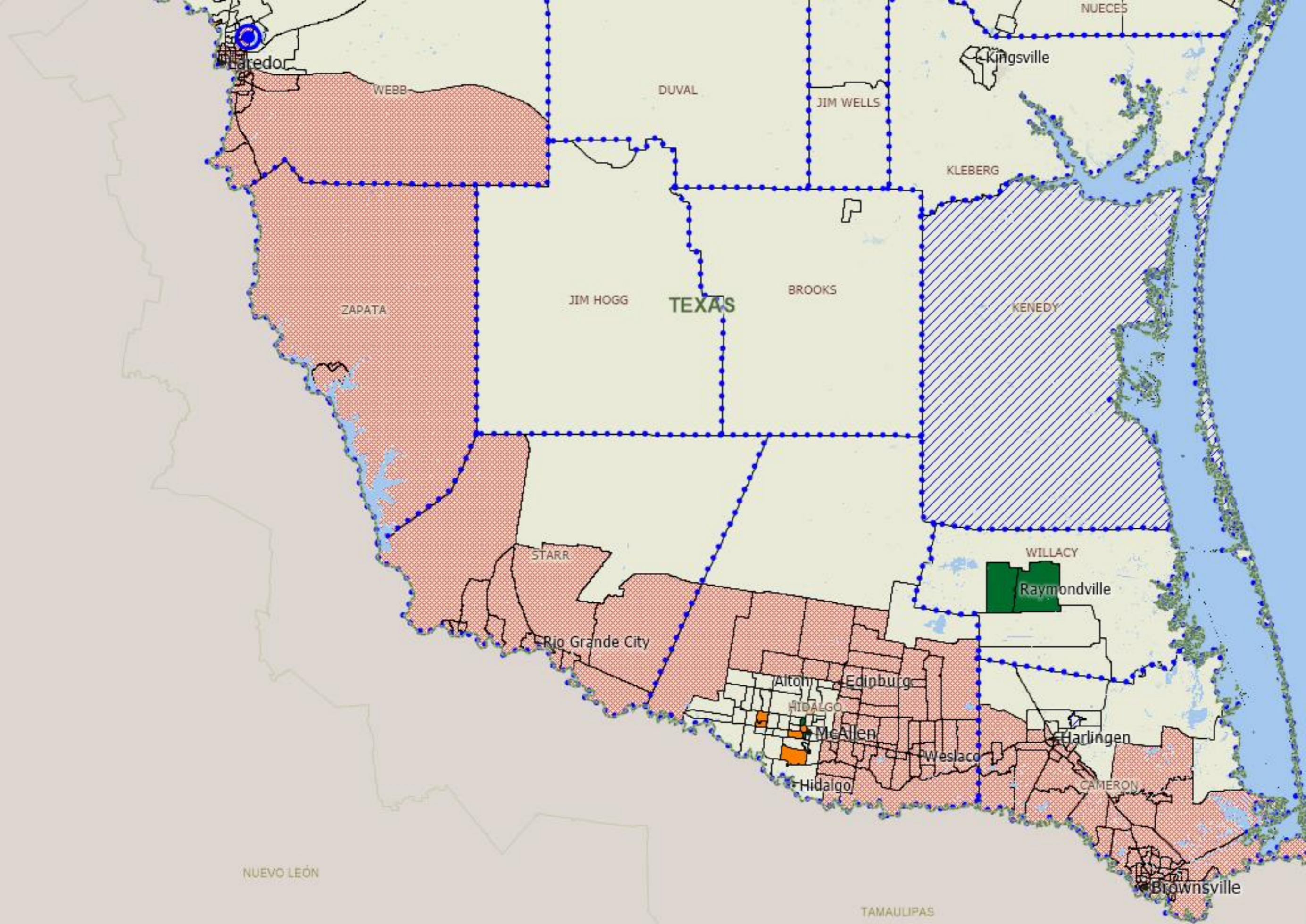
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Exhibit B

Laredo Conference Center Hotel TEA Perspective



T 214.572.2300
F 214.572.2398





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1601 Bryan Street | Suite M-200
Dallas, Texas 75201
civitascapital.com

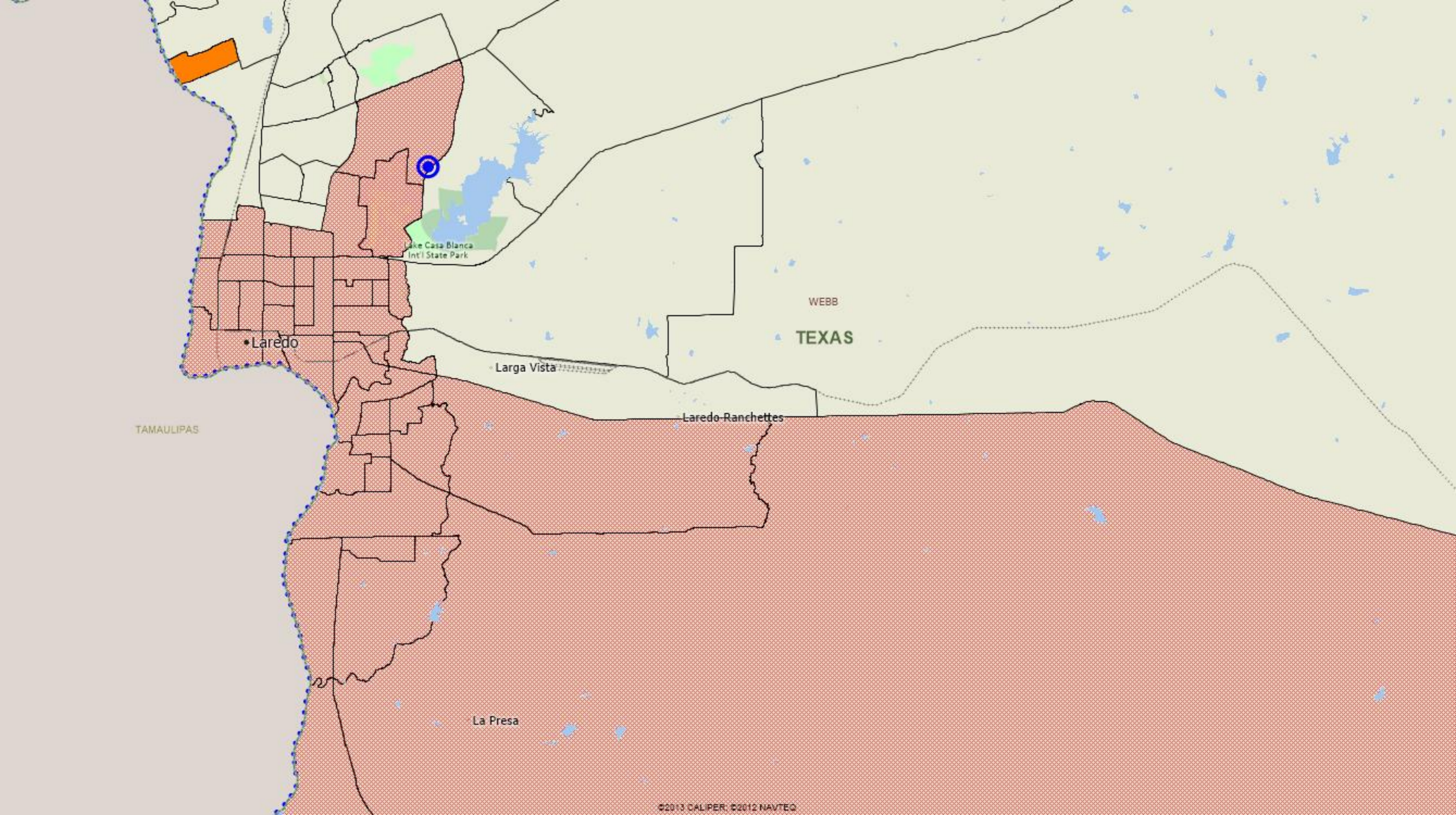
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Exhibit C

Laredo Conference Center Hotel TEA Laredo Close-Up



T 214.572.2300
F 214.572.2398



• Laredo

WEBB

TEXAS

Larga Vista

Laredo Ranchettes

La Presa

TAMAULIPAS



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1601 Bryan Street | Suite M-200
Dallas, Texas 75201
civitascapital.com

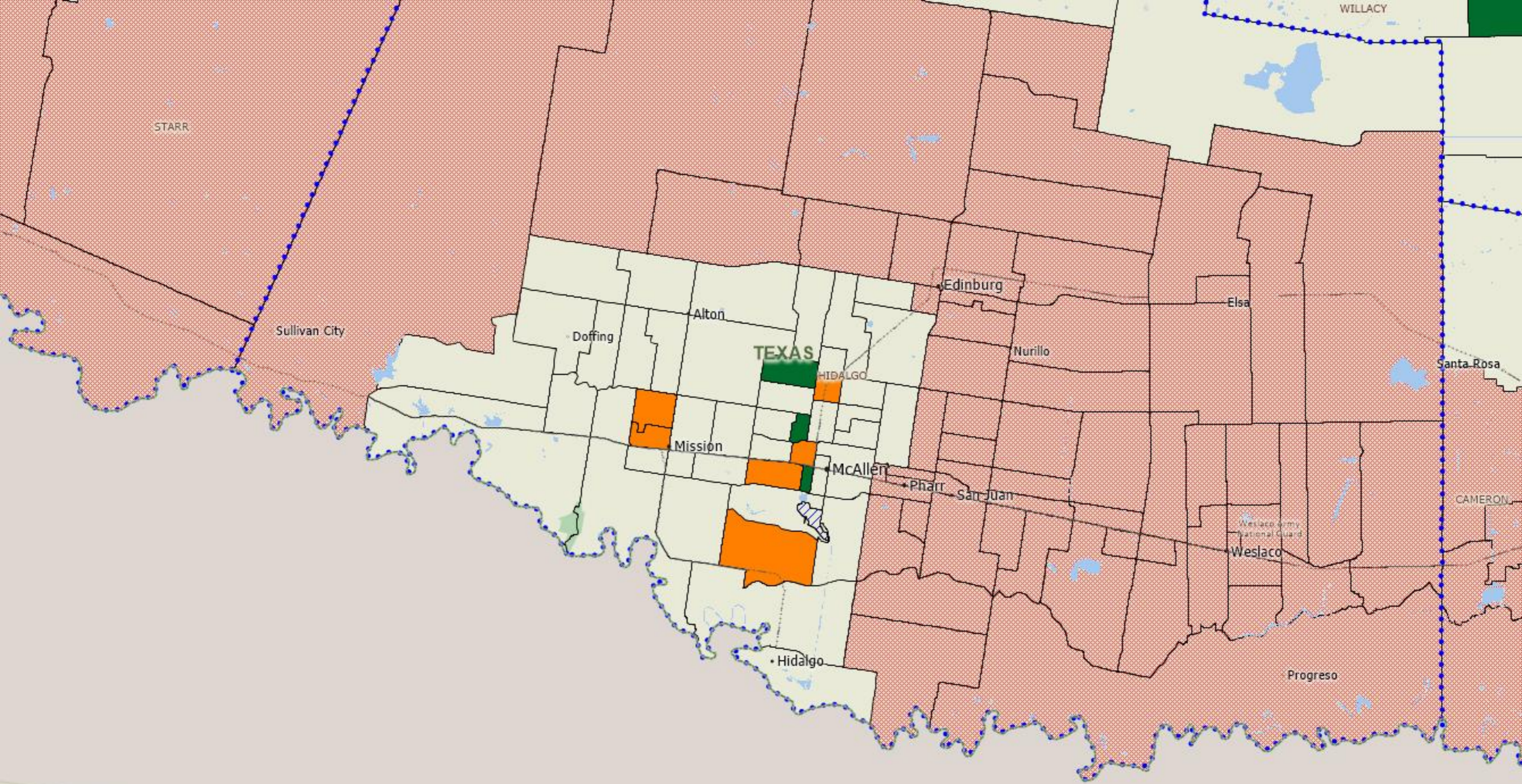
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Exhibit D

Laredo Conference Center Hotel TEA McAllen Close-Up



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F 214.572.2398



STARR

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Elsa

Alton

Doffing

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Weslaco

Hidalgo

Progreso

NUEVO LEÓN

TAMAULIPAS