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RURAL VS. HIGH-UNEMPLOYMENT
EB-5

How to understand the two major Targeted Employment Area categories
without confusing immigration classification with investment quality.

EDUCATIONAL GUIDE	CHEIKH MOUSSA NDIAYE
EB-5 + GLOBAL MOBILITY	2026 EDITION

This guide is educational and general in nature. It is not legal, tax, investment or financial advice, and it is not an offer to sell or a solicitation to buy any security.

The first distinction to understand

Under the EB-5 framework, a Targeted Employment Area (TEA) can generally be either a rural area or an area of high unemployment. Both classifications can matter because qualifying TEA investments use the reduced statutory minimum investment amount. The classification also interacts with the visa-reservation structure created by the EB-5 Reform and Integrity Act.

But a TEA label is not a quality rating. It tells you something about geography and immigration classification. It does not tell you whether a project is well capitalized, whether construction is on schedule, whether the job-creation model is conservative, or whether repayment is likely.

“Immigration category and investment quality are two different questions. Strong decision-making requires families to examine both.”

Rural: what the classification is trying to capture

A rural area is defined by federal law using population and metropolitan-area criteria. In practical terms, rural EB-5 projects are located outside qualifying metropolitan areas and outside the outer boundaries of larger cities or towns as defined by the statute and implementing guidance.

The Reform and Integrity Act also provides statutory priority-processing language for qualifying rural EB-5 petitions. That is a meaningful distinction, but it should not be translated into a guaranteed adjudication date.

High-unemployment: what the classification is trying to capture

A high-unemployment TEA is based on an area meeting the statutory unemployment threshold relative to the national average. USCIS reviews the applicable geographic and unemployment evidence under the post-RIA framework.

High-unemployment projects can still be located in major metropolitan markets. That means the label can describe labor-market conditions while the underlying project may still be an urban or destination real-estate development.

Question	Rural TEA	High-Unemployment TEA
Core classification	Population / metropolitan-area based	Unemployment-rate based
Reduced TEA investment threshold	Yes, if project qualifies	Yes, if project qualifies
Visa reservation	Separate rural set-aside under the RIA	Separate high-unemployment set-aside under the RIA
Statutory rural priority processing	Yes - priority language applies	No equivalent rural-priority provision
Investment risk eliminated?	No	No
Project diligence still required?	Absolutely	Absolutely

What families should not assume

- **“Rural means safer.”** Rural status does not remove construction, market, sponsor, financing, execution or repayment risk.
- **“Urban means stronger.”** A major-market location can be attractive, but geography by itself does not establish strong underwriting or a reliable exit.
- **“Priority processing means guaranteed speed.”** Priority is not the same thing as a fixed adjudication deadline.
- **“Set-aside availability will always remain the same.”** Visa demand and the Visa Bulletin can change. Families should discuss current visa availability and country-specific considerations with immigration counsel.

The diligence questions that matter more than the label

Once the TEA classification is understood, the investment analysis should move quickly to the project itself.

- Who is the developer or sponsor, and what is the relevant execution track record?
- What is the full capital stack, including senior debt, developer equity and EB-5 capital?
- How much capital is already committed or funded?
- What is the construction status, budget and contingency structure?
- How are qualifying jobs expected to be created, and what job cushion exists?
- What assumptions drive the business plan and exit strategy?
- What collateral, guarantees or structural protections exist, if any?
- What is the EB-5 loan or investment term, and what extension rights exist?
- What happens if the project takes longer, costs more, or performs below plan?
- What conflicts of interest are disclosed in the offering documents?

A simple decision framework

Step 1 - Immigration fit:	Ask immigration counsel how the TEA category, visa availability and country of chargeability affect strategy.
Step 2 - Source-of-funds readiness:	Confirm that the lawful source and path of funds can be documented before moving capital.
Step 3 - Project diligence:	Review offering documents and project economics separately from the immigration classification.
Step 4 - Downside thinking:	Ask what happens under delays, cost overruns, slower sales, refinancing difficulty or an extended hold.
Step 5 - Independent advice:	Use qualified immigration, tax, financial and investment professionals where appropriate.

The classification may shape the immigration strategy. The project fundamentals shape the investment analysis.

About Cheikh Moussa Ndiaye

Cheikh Moussa Ndiaye is Vice President of Business Development and Head of EMEA at U.S. Immigration Fund. Over more than a decade in EB-5, he has worked with hundreds of families and professional partners navigating U.S. investment immigration. His broader work focuses on investor relationships, global mobility and connecting opportunities across borders.

“Start with the family objective. Understand the immigration category. Then evaluate the investment on its own merits.”

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Sources and timing

This guide was prepared using USCIS materials describing the EB-5 program, Targeted Employment Areas and the Reform and Integrity Act framework, including USCIS EB-5 program and stakeholder materials. Program rules, visa availability, adjudication practices and statutory deadlines can change. Verify current requirements with qualified immigration counsel before acting.

Important disclosure

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