

**PROJECT APPLICATION**

**Confidentiality**

All information contained in this Application will be treated confidentially to the extent permitted by law (see "Certification" section IV of this Application). Under the New York State Freedom of Information Law, information must be disclosed unless such information contains trade secrets (which, if disclosed, would cause irreparable harm). Please indicate which information provided in this Application constitutes trade secrets with an explanation as to why in a letter accompanying this Application. The letter should be addressed to the New York City Industrial Development Agency. Any alteration of the wording or questions on the following application by the Applicant will render the application void.

Are you applying for the:      Bond Program ☐  
   Small Industry Incentive Program ("SIIP") ☐  
   Industrial Incentive Program ("IIP") ☒

(SIIP if annual revenues are less than \$5 million and IIP if annual revenues are greater than \$5 million)

By what date do you wish to close the proposed project financing?

**I. Applicant Information**

Applicant's Name:	Crystal Window & Door Systems, Ltd.		
Address:	31 - 10 Whitestone Expressway, Flushing, NY 11354		
Phone/Fax Numbers:	718-961-7300	fax 718-460-4594	
IRS Employer ID Number	[REDACTED]		
S.I.C. Code:	423300		
NY State Dept. of Labor Number (if applicable)	[REDACTED]		

Officer of Applicant completing this application (contact person):

Name: THOMAS Chen      Title: President  
Phone #: [REDACTED]      Fax #: 718-460-4594

Applicant's operation:    ☒ Manufacturing      ☐ Service      ☐ Wholesale      ☐ Other

Brief description of business: Manufacturer of metallic and non-metallic windows, doors and other related fenestration products.

To describe what kind of entity Applicant is, please check one of the following:

☐ Public Corp.    ☒ Private Corp.      ☐ General Partnership    ☐ Limited Partnership    ☐ C Corp.    ☐ S Corp.  
☐ Limited Liability Company      ☐ Other (specify)

Applicant's State of Incorporation or Registration: New York

States in which Applicant is qualified to do business: New York, Missouri, Virginia, Pennsylvania and New Jersey.

Applicant's Attorney: Name: Jeffrey I. Citron, Esq.      Phone #: [REDACTED]      Fax #: 212-286-1884 x3233

Firm and Address:  
Davidoff, Malito & Hutcher LLP  
605 Third Avenue  
New York, NY 10158

Applicant's Accountant: Name:  
John Kyriakides  
Firm and Address:

Phone #:

Fax #:

631-501-1885

BDO Seidman, LLP  
401 Broadhollow Rd., 2nd Floor  
Melville, NY 11747

## II. PROJECT INFORMATION

- Please briefly describe the proposed project; if machinery and equipment is to be acquired, please list the type:  
Construction of a manufacturing plant containing factory, warehouse, storage (for inventory and finished goods), loading docks, showroom, sales, executive and business related offices, loading docks, and parking.
- Please give best estimates for all anticipated costs and proposed sources of financing involved in the project:  
[REDACTED]

Uses of Funds		Sources of Funds	
Land & Building (Acquisition)	[REDACTED]	Bonds	[REDACTED]
New Construction		Loans (Please identify Sources) mortgage	
Renovations/Building Improvements		Company Funds	
Machinery/Equipment		Officer Equity/Loans	
Fees/Other Soft Costs		Other Sources (Please identify) credit lines	
Other (explain)			
Total Project Costs		Total Project Sources	

Anticipated: Bank of China

Please explain costs, loans and other sources of funding on a separate sheet.

- Please provide the following information relating to the proposed project site.

Street Address & Borough	Block Lot & Section Number	Square Footage of Land	Square Footage Of Building	Currently Owned or Leased	Number of Floors including Basement	Zoning
no address at this time site is located on side of College	parts of 7 blocks	220,000±	143,680 (foot print)	to be acquired	3	M1/M2
Point Blvd between 31st and 28th Aves.	4323, 4324 4356, 4357 and 4358		First Floor: 143,680 Second Fl: 91,150			
	Total of proposed building		234,830	(excludes garage in basement)		

4. Please provide the following information regarding all present and proposed tenant(s) and sub-tenants(s) at the proposed project site, their percentage of occupancy, and affiliation

Name Contact & Phone	Affiliation with Applicant	Square Feet & Floors (Percent of Occupancy)	Lease Expiration	Tenant Business
will initially lease 25% of the space to affiliated third party entities.				and / or

5. Provide street address, borough or town, for premises which you currently own or lease, even if you don't occupy same. Do you plan to terminate/sell/vacate/remain at such premises? With respect to currently leased premises, provide the name and address of the landlord and the expiration date of the lease term. Please provide additional details on an attached sheet.

Property Location	Borough/Town	Own/Lease	Landlord	Lease Expiration	Planned Disposition
31-10 Whitestone Expressway Flushing, NY 11354	Queens	Lease	Crystal 98, LLC*	2026	continued occupancy
*an affiliated company					

6. Is there a relationship, by virtue of common control or through related persons, directly or indirectly, between the Applicant and the present owner of the project site?

☐ Yes

☒ No If yes, please provide all details on attached sheet.

7. Will a real estate holding company, limited liability company, or partnership be formed to own the project or premises?

☒ Yes

☐ No

If yes, please provide the name and the address of same, the kind of entity (corporation, partnership, etc.), and its officers, partners, shareholders, members, and their respective percentage ownership, etc.

Crystal '04 LLC  
31-10 Whitestone Expressway  
Flushing, NY 11354  
New York State Limited Liability Company  
Thomas Chen, Sole Member, 100% ownership  
64-16 211<sup>st</sup> St  
Oakland Gardens, NY 11362

### III. DUE DILIGENCE

1. List name(s), address(es), and phone and fax numbers of any other entity in which, directly or indirectly, Applicant or any of its shareholders, partners, directors, or officers individually or collectively hold 5% or more of the stock or ownership interest (an "Affiliate"). Please include real estate holding companies if applicable.

Entity Name	Address	Percent Interest
Crystal 98 LLC	31-10 Whitestone Expwy Flushing NY 11354	100% Thomas Chen
Crystal '04 LLC	31-10 Whitestone Expwy Flushing NY 11354	100% Thomas Chen
Frontier Building Products, LLC	3480 So. Clinton Ave. Plainfield NJ 07080	100% Crystal W+D Sys
Crystal Extrusion Systems Ltd.	704 West Park Rd.	100% W+D Sys

see allonge #1

2. Has the Applicant or any of its Affiliates ever received, or is currently receiving, financial assistance or any other kind of discretionary benefit from any governmental entity or agency, including the New York City Industrial Development Agency?

☒ Yes

☐ No If yes, please provide all details on attached sheet.

3. Has the Applicant, or any existing or proposed tenant of the proposed project facility, or any person related to any of the foregoing, received or benefited from with the past six months, or is contemplating to receive or benefit from within the next six months, tax-exempt financing anywhere within the United States?

☐ Yes

☒ No If yes, please provide all details on attached sheet.

4. Has the Applicant, or any stockholder, partner officer or director, or any entity with which any of the foregoing individuals have been associated, ever been adjudicated bankrupt or placed in receivership, or otherwise been the subject of a bankruptcy or similar proceedings (prior or current)?

☐ Yes

☒ No If yes, please provide all details on attached sheet.

5. Have any of the Applicant's stockholders, partners, officers or directors ever been convicted of any criminal proceedings?

☐ Yes

☒ No If yes, please provide all details on attached sheet.

6. Is the Applicant, or any stockholder, partner, officer or director of Applicant, a plaintiff or defendant in any civil or criminal proceedings?

☒ Yes

☐ No If yes, please provide all details on attached sheet.

7. If you responded yes to the previous two questions, in what litigation is Applicant, or any of the individuals and entities currently involved, either as plaintiffs or as named defendants? Provide all details on attached sheet.

### III. Due Diligence

Question #1 allonge

Entity Name	Address	Phone/Fax Number	Percent Interest
Crystal IL98 LLC	1300 W 35th Street		40%
	Chicago IL, 60609		Thomas Chen
Crystal Windows and	1300 W 35th Street		50%
Door, ILCorp	Chicago IL, 60609		Crystal Window ↓
			Door Systems, Ltd.
Crystal Window	31-10 Whitestone Expw		
Global LLC	Flushing NY 11354		100%
			Crystal Window ↓
			Door Systems, Ltd.
Crystal Foundation	31-10 Whitestone Expw		Not for Profit Domestic
	Flushing NY 11354		Corporation.
			Thomas Chen Board of
			Directors
			non-membership
Acer Industrial Ltd.	1819 Flushing Ave		50%
	Ridgeway NY 11385		Crystal Window ↓
			Door Systems, Ltd.

Note- Thomas Chen is the sole owner of the applicant, Crystal Window and Doors System.

Question 2.

Crystal Window and Door Systems, Ltd. is presently the recipient of the IDA Benefits of Right and Discretionary Benefits since 1998 continuing through date.

Question 6.

Crystal Windows and Door Systems, Ltd.

A. ~~Cases~~ in which a defendant

- a. Moore v. Crystal et al; Supreme Court, County of New York , to recover damages for personal injuries to hand; insurer has assigned defense counsel and will provide indemnity.
- b. Sacarello v. Crystal et al; Supreme Court, County of Queens, to recover damage for personal injuries to head, neck and back; insurer has assigned defense counsel and will provide indemnity.
- c. Smith v. Crystal et al; Supreme Court, County of Queens, to recover damages for personal injury to hand; insurer has assigned defense counsel and will provide indemnity.
- d. Barchanski et al v. Crystal et al; Supreme County of New Jersey, Gloucester County Law Division; this suit arises out of a housing development and is brought by 19 homeowners against the developer and contractors employed by the developer. or contractors or as subcontractors to contractors. Crystal provided windows through a dealer for installation in the development. Crystal has retained private counsel and contests liability.

B. Cases in which Crystal is a plaintiff or seeking a recovery

- a. collection cases against i) Structural Contracting Services; ii) Sun Glass; iii) Real Windows, iv) Rosenello, v) Savannah Construction, vi) First General Services, vii) Associate Building Products, viii) Renewal, ix) Reformed Products, x) Window and Door Stores, xi) SKS Construction inc.

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- a) Guarantor of collection of promissory note made by its subsidiary, Crystal Extrusion Systems, Ltd. in favor of a Port-a-Fab corporation on the purchase of machinery, tools and equipment in April 2003.
- b) Guaranty of lease made by its subsidiary, Crystal Extrusion Systems, Ltd., with MHB, LLC as landlord for plant facilities in Union, MO.

#### IV. CERTIFICATION

##### Crystal Window and Door Systems, Ltd.

I, the undersigned, request on behalf of   Λ   ("Applicant") that this Application, including financial data and any tax returns and any tax returns submitted herewith, be submitted for review by the Board of Directors of the New York City Industrial Development Agency ("IDA"). I hereby certify that the information contained herein and in the attachments hereto (as amended from time to time, together with any additional materials submitted to the IDA, the "Submitted Materials"), are, to the best of my knowledge and belief, accurate, true, correct and complete. I understand that any intentional misstatements or misleading information contained in the Submitted Materials, or the omission of relevant information therefrom or the failure to deliver information in supplement thereto as required hereunder, could, at the option of the IDA, be cause for rescission of IDA approval and IDA benefits. Further, I fully understand and accept the fees associated with the IDA program, including but not limited to the IDA Closing Fee; I fully understand and accept the benefit package I am to receive under the IDA program; and I acknowledge receipt from the IDA of a memorandum explaining legal, insurance and various real estate related requirements, all of which will be necessary for the contemplated project.

On behalf of Applicant, I hereby acknowledge and agree that Applicant shall be, and is responsible for, and shall promptly pay all costs incurred by the IDA, in connection with due diligence, document negotiations, closing and, where applicable, bond issuance and sale, whether or not closing occurs and whether or not bond issuance and sale occur in applicable instances. The aforesaid costs, and Applicant's obligation hereunder to pay for same, shall include, but not be limited to, attorney's fees. Applicant's obligations hereunder are absolute and shall in no event be contingent upon closing.

On behalf of myself, all other principals of Applicant, and Applicant, I hereby authorize the IDA and the New York City Department of Investigation (DOI) to initiate their background clearance procedure with respect to myself, all other principals of Applicant, and Applicant. I, all other principals of Applicant, and Applicant agree to give the DOI permission to secure all necessary personal data from all relevant sources, public and private, and I, all other principals of Applicant, and Applicant further agree to cooperate in all phases of the DOI background clearance procedure. I, all other principals of Applicant, and the Applicant agree to hold the IDA and the New York City Economic Development Corporation ("EDC"), their respective successors and assigns and the City of New York (collectively, "Information Recipient") harmless with respect to any claims for injury, damage, loss or expense which may arise should the above mentioned background clearance procedure not be completed satisfactorily.

On behalf of Applicant and its existing and future affiliates, I authorize any private or governmental entity, including but not limited to The New York State Department of Labor ("DOL"), to release to Information Recipients, any and all employment information under its control and pertinent to Applicant and its existing and future affiliates and the employees of same. In addition, upon the IDA's request, Applicant shall provide to the IDA any employment information in Applicant's possession or in the possession of any of Applicant's existing and future affiliates, which is pertinent to Applicant and Applicant's existing and future affiliates and the employees of same. Information released or provided to Information Recipients by the DOL, or by any other governmental entity, or by any private entity, or by Applicant itself (collectively, "Employment Information"), may be disclosed by the Information Recipients in connection with the administration of the programs of the IDA, and/or EDC, and/or the successors and assigns of either, and/or the City of New York, and/or as may be necessary to comply with law; and, without limiting the foregoing, the Employment Information may be included in (x) reports prepared by the Information Recipients pursuant to New York City Local Law 69 of 1993, (y) other reports required of the Information Recipient, and (z) any other reports required by law. If the IDA approves this Application and the IDA Board of Directors approves the financing project which is the subject of this Application, this authorization shall remain in effect through the term of the financial assistance documents which the Applicant and the IDA will enter into at closing. If the IDA does not approve this Application, and/or the IDA Board of Directors does not approve the project which is the subject of this Application, this authorization shall remain in effect through the earlier to occur of the aforesaid decisions not to approve.



**IDA Project Cost/Benefit Analysis**  
**June 9, 2005**

**APPLICANT**

Crystal Window & Doors Systems, Ltd.  
31-10 Whitestone Expressway  
Flushing, NY 11354

**PROJECT LOCATIONS**

Block 4323, p/o Lot 1, Block 4324, p/o Lot 1,  
Block 4356, p/o Lot 1, Block 4357, p/o Lot 1  
and Block 4358, p/o Lot 1, located on the  
eastern side of College Point Boulevard  
between 28<sup>th</sup> and 31<sup>st</sup> Avenues  
Queens, NY 11354

**A. Project Description**

**Crystal Window & Door Systems, Ltd. ("Crystal Window" or "the Company")**, a manufacturer of metallic and non-metallic windows, doors and other related fenestration products is currently located at 31-10 Whitestone Expressway in Queens, NY. The Company is currently in negotiation with the New York City Economic Development Corporation ("NYCEDC") to purchase New York City property located on College Point Boulevard between 28<sup>th</sup> Street and 28<sup>th</sup> Avenues. The Company would like to purchase the property in order to construct a 234,830 square foot manufacturing plant, which will also contain warehouse space, storage, loading docks, offices and parking.

Total project cost is \$40,000,000, which includes land acquisition costs of \$3,000,000, new construction costs of \$30,000,000, fees and other soft costs of \$7,000,000. The Company plans to take out a bank loan of \$24,000,000 and \$5,000,000 in lines of credit to finance a portion of the project. In addition Crystal Window will provide \$8,000,000 in Company funds and \$3,000,000 in officer equity as project funding sources.

The Company claims that due to poor soil conditions as result of Phase II environmental testing, the cost of constructing and financing the proposed facility in College Point, in addition to the expense of upgrading of machinery and equipment would be unfeasible without NYCIDA benefits. By comparison, the Company has considered two alternative sites near Atlanta, GA and Union, MO. The two alternative sites are more suitable and cost effective than constructing a similar facility in College Point. In addition, population indices show a comparable labor market in the two alternative locations and the state of Georgia offers several competitive real estate tax benefit packages.

At start of operation in the proposed facility, Crystal Window plans to hire 100 new full-time employees and 20 additional new full-time employees within three years. The Company currently employs 350 full-time workers.

The benefits to be conveyed to the company include mortgage recording tax waiver, and sales tax exemption.

**B. Costs to City: New York City taxes to be exempted (estimated NPV 25 years @ 7.75%):**

Mortgage Recording Tax Waiver  
Sales Tax Exemption  
Total Benefit

**C. Benefits to City: Estimated annual New York City direct and indirect taxes to be generated by company (estimated NPV 25 years @ 7.75%):**