

# MEMORANDUM

TO: Board of Directors  
Governor's Board of Economic Development

FROM: Mike Dang, Director of Business Operations & Business Development

Date: July 6, 2017

**SUBJECT: Masonite Corporation  
APPLICATION FOR TAX ABATEMENTS AND INCENTIVES**

Masonite Corporation is ("Company") is currently undecided on a Nevada location. The company is considering both Washoe County and Lyon County. Each of these counties will award the Company a different set of abatements. Therefore, two Board Summary Sheets are included in the Company's application. Depending on where the company decides to locate the following is applicable:

## Washoe County

1. Sales Tax Abatement (to 4.6% for 2 years)
2. Modified Business Tax Abatement (25% for 4 years)
3. Personal Property Tax Abatement (25% for 10 years)

## Lyon County

1. Sales Tax Abatement (to 2% for 2 years)
2. Modified Business Tax Abatement (50% for 4 years)
3. Personal Property Tax Abatement (50% for 10 years)

**Board Summary**

**Masonite Corporation**  
 201 North Franklin Street, Suite 300, Tampa, FL 33602  
 Kedar Revankar, Global Director Indirect Sourcing & Logistics  
 Wood Product Manufacturing

Date: July 17, 2017  
 Main Location: Carson City

Business Type: New County: Washoe County Development Authority Representative: Chris Ault Jr. - EDawn

**APPLICATION HIGHLIGHTS**

- Masonite Corporation is considering establishing a manufacturing division in northern Nevada. This would involve the lease of a 150,000 square foot facility.
- The northern Nevada facility would be among Masonite's more advanced manufacturing facilities and would play a crucial role in servicing customers across North America and beyond.

**PROFILE**

Masonite Corporation manufactures interior and exterior doors, door components, and door entry systems. It is one of the world's largest manufacturer and merchandiser of commercial and residential doors. The company's products include glass doors, French doors, closet doors, fiberglass doors, steel doors, French patio doors, door frames, door stains, and commercial flush doors. In addition, it offers installation, finishing, and maintenance services. The company serves homeowners, remodelers, architects, and builders markets. Masonite Corporate operates 64 manufacturing locations in 8 countries and sells doors to customers throughout the world, including the United States, Canada, and the United Kingdom and has approximately 10,200 employees and contract personnel across those locations. *Source: Masonite Corporation*

**SIGNIFICANCE OF ABATEMENTS IN THE COMPANY'S DECISION TO RELOCATE/EXPAND**

The company is considering northern Nevada due to several factors, including the business tax structure, cost of living and logistical advantages offered by the region. In addition, Masonite Corporation is aware of the benefits of the State Incentive Program, and this will be a critical factor in the decision to locate operations in the state. *Source: Masonite Corporation*

REQUIREMENTS	Statutory	Application	Sufficient	% Over / Under
Job Creation	50	86	Yes	72%
Average Wage	\$21.35	\$17.31	No	-19%
Equipment Capex (SU & MBT)	\$1,000,000	\$12,660,550	Yes	1166%
Equipment Capex (PP)	\$5,000,000	\$12,660,550	Yes	153%

INCENTIVES	Requested Terms	Estimated \$ Amount
Sales Tax Abmt.	4.6% for 2 years	\$395,642
Modified Business Tax Abmt.	25% for 4 years	\$35,618
Personal Property Tax Abmt.	25% for 10 years	\$233,590
<b>Total</b>		<b>\$664,850</b>

JOB CREATION	Contracted	24-Month Projection	5-Year Projection
	50	86	93

OTHER CAPITAL INVESTMENT	Land	Building Purchase	BTS / Building Improvements
	\$0	\$0	\$500,000

ECONOMIC IMPACT ESTIMATES (10-Year Cumulative)	Total	Construction
Total Jobs Supported	120	5
Total Payroll Supported	\$48,027,644	\$222,019
Total Output Estimate	\$129,250,902	\$794,158

Estimate includes jobs, payroll & output by the company assisted as well as the secondary impacts to other local businesses.

NEW TAX REVENUE ESTIMATES (10-Year Cumulative)	Direct	Indirect	Total
<b>Local Taxes</b>			
Property	\$723,188	\$1,538,570	<b>\$2,261,758</b>
Sales	\$347,781	\$689,777	<b>\$1,037,558</b>
Lodging	\$0	\$12,524	<b>\$12,524</b>
<b>State Taxes</b>			
Property	\$35,227	\$92,610	<b>\$127,837</b>
Sales	\$259,711	\$297,771	<b>\$557,482</b>
Modified Business	\$382,061	\$199,597	<b>\$581,658</b>
Lodging	\$0	\$348	<b>\$348</b>
<b>Total</b>	<b>\$1,747,968</b>	<b>\$2,831,197</b>	<b>\$4,579,165</b>

IMPACT ASSESSMENT	Economic Impact per Abated Dollar	New Total Tax per Abated Dollar
	\$194	\$6.89

**EMPLOYEE BENEFITS**

- Percentage of health insurance covered by company: 78%.
- Health care package cost per employee - \$7,121 annually with options for dependents.
- Overtime, PTO/Sick/Vacation, Bonus.

**NOTES**

- Percentage of market outside of Nevada: 100%.
- The company is also considering Stockton, CA and Boise, ID as potential locations.

**Board Summary**

**Masonite Corporation**  
 201 North Franklin Street, Suite 300, Tampa, FL 33602  
 Kedar Revankar, Global Director Indirect Sourcing & Logistics  
 Wood Product Manufacturing

Date: July 17, 2017  
 Main Location: Carson City

Business Type: New                      County: Lyon County                      Development Authority Representative: Chris Ault Jr. - EDawn

**APPLICATION HIGHLIGHTS**

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- The northern Nevada facility would be among Masonite's more advanced manufacturing facilities and would play a crucial role in servicing customers across North America and beyond.

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The company is considering northern Nevada due to several factors, including the business tax structure, cost of living and logistical advantages offered by the region. In addition, Masonite Corporation is aware of the benefits of the State Incentive Program, and this will be a critical factor in the decision to locate operations in the state. *Source: Masonite Corporation*

REQUIREMENTS	Statutory	Application	Sufficient	% Over / Under
Job Creation	10	86	Yes	760%
Average Wage	\$18.96	\$17.31	No	-9%
Equipment Capex (SU & MBT)	\$250,000	\$12,660,550	Yes	4964%
Equipment Capex (PP)	\$1,000,000	\$12,660,550	Yes	1166%

INCENTIVES	Requested Terms	Estimated \$ Amount
Sales Tax Abmt.	2% for 2 years	\$645,688
Modified Business Tax Abmt.	50% for 4 years	\$71,236
Personal Property Tax Abmt.	50% for 10 years	\$460,160
<b>Total</b>		<b>\$1,177,084</b>

JOB CREATION	Contracted	24-Month Projection	5-Year Projection
	10	86	93

OTHER CAPITAL INVESTMENT	Land	Building Purchase	BTS / Building Improvements
	\$0	\$0	\$500,000

ECONOMIC IMPACT ESTIMATES (10-Year Cumulative)	Total	Construction
Total Jobs Supported	115	5
Total Payroll Supported	\$42,461,955	\$175,936
Total Output Estimate	\$122,218,612	\$744,476

Estimate includes jobs, payroll & output by the company assisted as well as the secondary impacts to other local businesses.

NEW TAX REVENUE ESTIMATES (10-Year Cumulative)	Direct	Indirect	Total
<b>Local Taxes</b>			
Property	\$492,562	\$1,277,785	<b>\$1,770,347</b>
Sales	\$16,575	\$366,776	<b>\$383,351</b>
Lodging	\$0	\$5,036	<b>\$5,036</b>
<b>State Taxes</b>			
Property	\$24,377	\$115,747	<b>\$140,124</b>
Sales	\$259,711	\$263,264	<b>\$522,975</b>
Modified Business	\$346,443	\$124,646	<b>\$471,089</b>
Lodging	\$0	\$210	<b>\$210</b>
<b>Total</b>	<b>\$1,139,668</b>	<b>\$2,153,464</b>	<b>\$3,293,132</b>

IMPACT ASSESSMENT	Economic Impact per Abated Dollar	New Total Tax per Abated Dollar
	\$104	\$2.80

**EMPLOYEE BENEFITS**

- Percentage of health insurance covered by company: 78%.
- Health care package cost per employee - \$7,121 annually with options for dependents.
- Overtime, PTO/Sick/Vacation, Bonus.

**NOTES**

- Percentage of market outside of Nevada: 100%.
- The company is also considering Stockton, CA and Boise, ID as potential locations.

June 19, 2017

Director Steve Hill  
Governor's Office of Economic Development  
808 West Nye Lane  
Carson City, NV 89703

Re: Masonite Corporation

Dear Steve:

EDAWN hereby supports the application of Masonite Corporation for the Sales & Use Tax Abatement, Modified Business Tax Abatement, and Personal Property Tax Abatement incentives.

Masonite Corp. is a global leader in the manufacturing of door components and finished doors. The company is looking at the possibility of locating a production facility in Reno, NV.

The company will be investing approximately \$12,660,550 for capital equipment in the first 2 years which includes upgrading its automation processes. Masonite plans to hire 86 employees by the end of the first 2 years at an average wage of \$17.31 per hour.

The company's compensation package includes medical, dental and vision benefits, overtime, PTO/sick/vacation, and bonus. Employee health insurance is covered 78% by the company and commences upon the date of hire.

EDAWN supports this application as the company meets two of three incentive requirements. Your consideration and support of the incentive application for Masonite Corp. is a significant factor in their pending decision to expand in northern Nevada and speaks favorably to the State's business-friendly environment.

Sincerely,



Chris Ault, Jr.

EDAWN, Vice-President Business Development



June 13, 2017

Governor's Office of Economic Development  
808 West Nye Lane  
Carson City, NV 89703

Dear Commission Members:

Masonite is a global leader in manufacturing of door components and finished doors (interior doors, steel doors, entry doors, French doors, glass doors, etc.). Part of Masonite's strategic plan for better servicing our North American customer base is to consider locating a production facility in the Reno/Sparks area of Nevada. Masonite believes that investments in innovative new product manufacturing and distribution capabilities, coupled with an ongoing commitment to operational excellence, provides a strong platform for future growth. The establishment of this new facility would be a key element of Masonite's commitment to innovation. The company will be making significant capital investments in terms of automation equipment and facility build-out. The target date for the preparation of the facility is Q1 of 2018, with operations expected to commence in June of 2018.

Masonite operates 64 manufacturing locations in 8 countries and sells doors to customers throughout the world, including the United States, Canada and the United Kingdom. We have more than 10,200 employees and contract personnel across those locations. The decision to consider locating an operation in the Reno/Sparks area was due to several factors, including the business tax structure, cost of living and logistic advantages offered by the region. In addition, Masonite is aware of the benefits of the State Incentive Program, and this also was a critical factor in our decision to consider Reno/Sparks.

The proposed Reno/Sparks facility would be focused on incorporating advanced automation processes and equipment. However, in order to staff and operate our operations, the plan is to hire a total of

Masonite Corporation  
201 N. Franklin Street, Suite 300 • Tampa, FL 33602 • Telephone: (800) 895-2723 • Fax: (813) 739-0204  
[www.masonite.com](http://www.masonite.com)



# MASONITE

Open to extraordinary.

80 to 90 employees at an average hourly wage of ~\$17.31. We plan to hire a total of 80. The average  
We are excited about the advantages that locating this facility in Reno/Sparks will offer our company. In  
conjunction with Nevada's business-friendly environment, we see this as a first step in what will be  
increased growth for Masonite.

Sincerely,

Kedar Revankar

Global Director Indirect Sourcing & Logistics

**ECONOMIC DEVELOPMENT**

**Incentive Application**

Company Name: Masonite Corporation  
 Date of Application: June 12, 2017

Company is an / a: (check one)  
 New location in Nevada  
 Expansion of a Nevada company

**Section 1 - Type of Incentives**

Please check all that the company is applying for on this application:

- |   |  |
|---|--|
| <input checked="" type="checkbox"/> Sales & Use Tax Abatement       | <input type="checkbox"/> Sales & Use Tax Deferral              |
| <input checked="" type="checkbox"/> Modified Business Tax Abatement | <input type="checkbox"/> Recycling Real Property Tax Abatement |
| <input checked="" type="checkbox"/> Personal Property Tax Abatement | <input type="checkbox"/> Other: _____                          |

**Section 2 - Corporate Information**

COMPANY NAME (Legal name under which business will be transacted in Nevada) Masonite Corporation		FEDERAL TAX ID # 64-0198020	
CORPORATE ADDRESS One Tampa City Center, 201 North Franklin Street, Suite 300	CITY / TOWN Tampa	STATE / PROVINCE FL	ZIP 33602
MAILING ADDRESS TO RECEIVE DOCUMENTS (If different from above)	CITY / TOWN	STATE / PROVINCE	ZIP
TELEPHONE NUMBER (800) 895-2723	WEBSITE <a href="https://www.masonite.com/">https://www.masonite.com/</a>		
COMPANY CONTACT NAME Kedar Revankar	COMPANY CONTACT TITLE Global Director Indirect Sourcing & Logistics		
E-MAIL ADDRESS <a href="mailto:krevankar@masonite.com">krevankar@masonite.com</a>	PREFERRED PHONE NUMBER 704-921-4979		

Has your company ever applied and been approved for incentives available by the Governor's Office of Economic Development?  Yes  No  
 If Yes, list the program awarded, date of approval, and status of the accounts (attach separate sheet if necessary):

**Section 3 - Program Requirements**

Please check two of the boxes below; the company must meet at least two of the three program requirements:

- A capital investment of \$1,000,000 in eligible equipment in urban areas or \$250,000 in eligible equipment in rural areas are required. This criteria is businesses. In cases of expanding businesses, the capital investment must equal at least 20% of the value of the tangible property owned by the business.
- New businesses locating in urban areas require fifty (50) or more permanent, full-time employees on its payroll by the eighth calendar quarter quarter in which the abatement becomes effective. In rural areas, the requirement is ten (10) or more. For an expansion, the business must increase employees on its payroll by 10% more than its existing employees prior to expansion, or by 25 (urban) or 6 (rural) employees, whichever is greater.
- In urban areas, the average hourly wage that will be paid by the business to its new employees is at least 100% of the average statewide hourly wage. In rural areas, the average hourly wage will equal or exceed the lesser of the county-wide average hourly wage or statewide average hourly wage.

Note: Criteria is different depending on whether the business is in a county whose population is 100,000 or more or a city whose population is 60,000 or more (i.e., "urban" area), or if the business is in a county whose population is less than 100,000 or a city whose population is less than 60,000 (i.e., "rural" area).

**Section 4 - Nevada Facility**

Type of Facility:

<input type="checkbox"/> Headquarters	<input type="checkbox"/> Service Provider
<input type="checkbox"/> Technology	<input type="checkbox"/> Distribution / Fulfillment
<input type="checkbox"/> Back Office Operations	<input checked="" type="checkbox"/> Manufacturing
<input type="checkbox"/> Research & Development / Intellectual Property	<input type="checkbox"/> Other: _____

PERCENT OF COMPANY'S NEVADA LOCATION MARKET OUTSIDE OF NEVADA 100%	EXPECTED DATE OF NEW / EXPANDED OPERATIONS (MONTH / YEAR) Jun-2018
NAICS CODE / SIC 321	INDUSTRY TYPE Wood Product Manufacturing

DESCRIPTION OF COMPANY'S NEVADA OPERATIONS  
 Masonite is a global leader in manufacturing of door components and finished doors (interior doors, steel doors, entry doors, French doors, glass doors, etc.) The proposed northern Nevada facility would be among Masonite's more advanced manufacturing facilities and would play a crucial role in servicing customers across North America and beyond. The operation would include approximately 5-10% administrative and management labor, 5-10% maintenance and quality labor, 10-15% automation technician labor, and 65-75% production/warehousing labor. Masonite believes investments in innovative new product manufacturing and distribution capabilities, coupled with an ongoing commitment to operational excellence, provide a strong platform for future growth and this facility would be a key element of Masonite's commitment to innovation.

PROPOSED / ACTUAL NEVADA FACILITY ADDRESS TBD	CITY / TOWN TBD	COUNTY Lyon/Washoe	ZIP TBD
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WHAT OTHER STATES / REGIONS / CITIES ARE BEING CONSIDERED FOR YOUR COMPANY'S RELOCATION / EXPANSION / STARTUP?  
 Select localities in California, Idaho, and Utah

**Section 5 - Complete Forms (see additional tabs at the bottom of this sheet for each form listed below)**

Check the applicable box when form has been completed.

- 5 (A)  Equipment List
- 5 (B)  Employment Schedule
- 5 (C)  Evaluation of Health Plan

**Section 6 - Real Estate & Construction (Fill in either New Operations/Startup or Expansion, not both.)**

New Operations / Start Up - Plans Over the Next <b>Ten</b> Years	Expansions - Plans Over the Next <b>10</b> Years
<p>Part 1. Are you currently/planning on leasing space in Nevada? <u>Yes</u></p> <p><b>If No, skip to Part 2. If Yes, continue below:</b></p> <p style="padding-left: 40px;">What year(s)? <u>2017</u></p> <p style="padding-left: 40px;">How much space (sq. ft.)? <u>150,000</u></p> <p style="padding-left: 40px;">Annual lease cost of space: <u>\$877,225.00</u></p> <p>Do you plan on making building tenant improvements? <u>Yes</u></p> <p><b>If No, skip to Part 2. If Yes *, continue below:</b></p> <p style="padding-left: 40px;">When to make improvements (month, year)? <u>Jun-2018</u></p> <hr/> <p>Part 2. Are you currently/planning on buying an owner occupied facility in Nevada? <u>No</u></p> <p><b>If No, skip to Part 3. If Yes *, continue below:</b></p> <p style="padding-left: 40px;">Purchase date, if buying (month, year): _____</p> <p style="padding-left: 40px;">How much space (sq. ft.)? _____</p> <p>Do you plan on making building improvements? _____</p> <p><b>If No, skip to Part 3. If Yes *, continue below:</b></p> <p style="padding-left: 40px;">When to make improvements (month, year)? _____</p> <hr/> <p>Part 3. Are you currently/planning on building a build-to-suit facility in Nevada? <u>No</u></p> <p><b>If Yes *, continue below:</b></p> <p style="padding-left: 40px;">When to break ground, if building (month, year)? _____</p> <p style="padding-left: 40px;">Estimated completion date, if building (month, year): _____</p> <p style="padding-left: 40px;">How much space (sq. ft.)? _____</p>	<p>Part 1. Are you currently leasing space in Nevada? _____</p> <p><b>If No, skip to Part 2. If Yes, continue below:</b></p> <p style="padding-left: 40px;">What year(s)? _____</p> <p style="padding-left: 40px;">How much space (sq. ft.)? _____</p> <p style="padding-left: 40px;">Annual lease cost at current space: _____</p> <p>Due to expansion, will you lease additional space? _____</p> <p><b>If No, skip to Part 3. If Yes, continue below:</b></p> <p style="padding-left: 40px;">Expanding at the current facility or a new facility? _____</p> <p style="padding-left: 40px;">What year(s)? _____</p> <p style="padding-left: 40px;">How much expanded space (sq. ft.)? _____</p> <p style="padding-left: 40px;">Annual lease cost of expanded space: _____</p> <p>Do you plan on making building tenant improvements? _____</p> <p><b>If No, skip to Part 3. If Yes *, continue below:</b></p> <p style="padding-left: 40px;">When to make improvements (month, year)? _____</p> <hr/> <p>Part 2. Are you currently operating at an owner occupied building in Nevada? _____</p> <p><b>If No, skip to Part 3. If Yes, continue below:</b></p> <p style="padding-left: 40px;">How much space (sq. ft.)? _____</p> <p style="padding-left: 40px;">Current assessed value of real property? _____</p> <p>Due to expansion, will you be making building improvements? _____</p> <p><b>If No, skip to Part 3. If Yes *, continue below:</b></p> <p style="padding-left: 40px;">When to make improvements (month, year)? _____</p> <hr/> <p>Part 3. Do you plan on building or buying a new facility in Nevada? _____</p> <p><b>If Yes *, continue below:</b></p> <p style="padding-left: 40px;">Purchase date, if buying (month, year): _____</p> <p style="padding-left: 40px;">When to break ground, if building (month, year)? _____</p> <p style="padding-left: 40px;">Estimated completion date, if building (month, year): _____</p> <p style="padding-left: 40px;">How much space (sq. ft.)? _____</p>
* Please complete Section 7 - Capital Investment for New Operations / Startup.	* Please complete Section 7 - Capital Investment for Expansions below.

BRIEF DESCRIPTION OF CONSTRUCTION PROJECT AND ITS PROJECTED IMPACT ON THE LOCAL ECONOMY (Attach a separate sheet if necessary):  
 The company will be making significant capital investments in the automation equipment and the facility build-out, totaling approximately \$13 million. Due to the large investment in automation technology, some positions in the growth plan are entirely new roles for an operation of this type. These automation technicians are some of the highest paying production jobs in the operation and are vital to the success of this operation.



**Section 7 - Capital Investment (Fill in either New Operations/Startup or Expansion, not both.)**

New Operations / Start Up	Expansions
How much capital investment is planned? (Breakout below):	How much capital investment is planned? (Breakout below):
Building Purchase (if buying): <u>    \$0    </u>	Building Purchase (if buying): <u>    \$0    </u>
Building Costs (if building / making improvements): <u>  \$500,000  </u>	Building Costs (if building / making improvements): <u>    \$0    </u>
Land: <u>    \$0    </u>	Land: <u>    \$0    </u>
Equipment Cost: <u> \$12,660,550 </u>	Equipment Cost: <u>    \$0    </u>
<b>Total: <u> \$13,160,550 </u></b>	<b>Total: <u>    \$0    </u></b>
	Is the equipment purchase for replacement of existing equipment? _____
	Current assessed value of personal property in NV: _____
	(Must <b>attach</b> the most recent assessment from the County Assessor's Office.)

**Section 8 - Employment (Fill in either New Operations/Startup or Expansion, not both.)**

New Operations / Start Up	Expansions
How many full-time equivalent (FTE*) employees will be created by the end of the first eighth quarter of new operations?: <u>    86    </u>	How many full-time equivalent (FTE*) employees will be created by the end of the first eighth quarter of expanded operations?: _____
Average hourly wage of these <u>new</u> employees: <u>  \$17.31  </u>	Average hourly wage of these <u>new</u> employees: _____
	How many FTE employees prior to expansion?: _____
	Average hourly wage of these <u>existing</u> employees: _____
	Total number of employees after expansion: _____

\* FTE represents a permanent employee who works an average of 30 hours per week or more, is eligible for health care coverage, and whose position is a "primary job" as set forth in NAC 360.474.

OTHER COMPENSATION (Check all that apply):

- Overtime                       Merit increases                       Tuition assistance                       Bonus  
 PTO / Sick / Vacation                       COLA adjustments                       Retirement Plan / Profit Sharing / 401(k)                       Other: \_\_\_\_\_

BRIEF DESCRIPTION OF ADDITIONAL COMPENSATION PROGRAMS AND ELIGIBILITY REQUIREMENTS (Attach a separate sheet if necessary):

Masonite employs highly-trained operations and manufacturing/production employees, and offers a competitive pay package relative to the market. Employees in certain roles are eligible for incentive pay and all full-time employees are eligible to receive health benefits from the company.

**Section 9 - Employee Health Insurance Benefit Program**

Is health insurance for employees and an option for dependents offered?:     Yes (*copy of benefit plan must be attached*)     No

Package includes (check all that apply):

Medical                       Vision                       Dental                       Other: \_\_\_\_\_

Qualified after (check one):

Upon employment                       Three months after hire date                       Six months after hire date                       Other: \_\_\_\_\_

Health Insurance Costs:	Percentage of health insurance coverage by:
Cost of health insurance for company (annual amount per employee): <u>    \$ 7,121.00    </u>	Company: <u>    78%    </u>
Health Plan annual out-of-pocket maximum (individual): <u>    \$ 4,500.00    </u>	Employee: <u>    22%    </u>

[SIGNATURE PAGE FOLLOWS]

**Section 10 - Certification**

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I, the undersigned, hereby grant to the Governor's Office of Economic Development access to all pertinent and relevant records and documents of the aforementioned company. I understand this requirement is necessary to qualify and to monitor for compliance of all statutory and regulatory provisions pertaining to this application.

Being owner, member, partner, officer or employee with signatory authorization for the company, I do hereby declare that the facts herein stated are true and that all licensing and permitting requirements will be met prior to the commencement of operations. In addition, I and /or the company's legal counsel have reviewed the terms of the GOED Tax Abatement and Incentives Agreement, the company recognizes this agreement is generally not subject to change, and any material revisions have been discussed with GOED in advance of board approval.

Kedar Revankar

Name of person authorized for signature

K. R. Revankar  
Signature

Global Director - Indirect Sourcing & Logistics

Title

June 13, 2017

Date

**Nevada Governor's Office of Economic Development**  
555 E. Washington Ave., Ste 5400 • Las Vegas, Nevada 89101 • 702.486.2700 • (Fax) 702.486.2701 • [www.diversifynevada.com](http://www.diversifynevada.com)

## Site Selection Factors

Company Name: Masonite Corporation

County: Lyon/Washoe

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### Section I - Site Selection Ratings

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Directions: Please rate the select factors by importance to the company's business (1 = very low; 5 = very high). Attach this form to the Incentives Application.

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Availability of qualified workforce:	<u>3</u>	Transportation infrastructure:	<u>4</u>
Labor costs:	<u>5</u>	Transportation costs:	<u>4</u>
Real estate availability:	<u>3</u>	State and local tax structure:	<u>1</u>
Real estate costs:	<u>2</u>	State and local incentives:	<u>3</u>
Utility infrastructure:	<u>2</u>	Business permitting & regulatory structure:	<u>4</u>
Utility costs:	<u>3</u>	Access to higher education resources:	<u>2</u>

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OTHER FACTORS & RATINGS:

Labor competition is an important factor as well.



## 5(B) Employment Schedule

Company Name: Masonite Corporation

County: Lyon/Washoe

### Section I - Full-Time Equivalent (FTE) Employees

Directions: Please provide an estimated list of full time employees [columns (a) through (d)] that will be hired and employed by the company by the end of the first eighth quarter of new / expanded operations. For example, if the effective date of new / expanded operations is April 1, 2015, the date would fall in Q2, 2015. The end of the first eighth quarter would be the last day of Q2, 2017 (i.e., June 30, 2017). Attach this form to the Incentives Application.

A qualified employee must be employed at the site of a qualified project, scheduled to work an average minimum of 30 per week, if offered coverage under a plan of health insurance provided by his or her employer, is eligible for health care coverage, and whose position of a "primary job" as set forth in NAC 360.474.

(a) New Hire Position Title/Description	(b) Number of Positions	(c) Average Hourly Wage	(d) Average Weekly Hours	(e) Annual Wage per Position	(f) Total Annual Wages
Production Team Lead	7	\$22.38	40	\$46,557.02	\$325,899.15
Automation Technician	8	\$21.81	40	\$45,367.77	\$362,942.15
Administrative Assistant	1	\$20.56	40	\$42,767.13	\$42,767.13
Maintenance	4	\$19.33	40	\$40,206.70	\$160,826.80
Mechanic	1	\$18.20	40	\$37,862.89	\$37,862.89
Grader, Production	2	\$16.59	40	\$34,497.74	\$68,995.47
Material Supply Clerk	1	\$16.29	40	\$33,892.09	\$33,892.09
Quality Inspector	2	\$15.58	40	\$32,409.16	\$64,818.32
Forklift	5	\$14.42	40	\$29,988.63	\$149,943.16
Operator, Fork Lift	2	\$14.42	40	\$29,988.63	\$59,977.26
Machine Operator II	8	\$14.35	40	\$29,852.37	\$238,818.93
General Laborer	32	\$13.50	40	\$28,080.00	\$898,560.00
Operator, Raw Material	5	\$13.50	40	\$28,080.00	\$140,400.00
Supervisors	3	\$24.99	40	\$51,970.05	\$155,910.16
Managers	4	\$33.07	40	\$68,792.64	\$275,170.54
Executive	1	\$38.54	40	\$80,160.75	\$80,160.75
<b>TOTAL</b>	<b>86</b>			<b>\$17.31</b>	<b>\$3,096,944.80</b>

### Section 2 - Employment Projections

Directions: Please estimate full-time job growth in Section 2, complete [columns (b) through (c)]. These estimates are used for state economic impact and net tax revenue analysis that this agency is required to report. The company will not be required to reach these estimated levels of employment.

(a) Year	(b) Number of FTE(s) Projected	(c) Average Hourly Wage	(d) Payroll
3-Year	89	\$18.01	\$3,334,011.20
4-Year	91	\$18.37	\$3,477,073.60
5-Year	93	\$18.74	\$3,625,065.60

## 5(C) Evaluation of Health Plans Offered by Companies

Company Name: Masonite Corporation County: Lyon/Washoe County

Total Number of Full-Time Employees:	86
Average Hourly Wage per Employee	\$17.31
Average Annual Wage per Employee (implied)	\$36,004.80
Annual Cost of Health Insurance per Employee	\$7,121.00
Percentage of Cost Covered by:	
Company	78%
Employee	22%
Health Plan Annual Out-of-Pocket Maximum	\$4,500

### Generalized Criteria for Essential Health Benefits (EHB)

*[following requirements outlined in the Affordable Care Act and US Code, including 42 USC Section 18022]*

Covered employee's premium not to exceed 9.5% of annual wage	5.6%	<input type="text" value="MMQ"/>
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Annual Out-of-Pocket Maximum not to exceed \$6,600 (2015)	\$4,500	<input type="text" value="MMQ"/>
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Minimum essential health benefits covered (Company offers PPO):

- (A) Ambulatory patient services
- (B) Emergency services
- (C) Hospitalization
- (D) Maternity and newborn care
- (E) Mental health/substance use disorder/behavioral health treatment
- (F) Prescription drugs
- (G) Rehabilitative and habilitative services and devices
- (H) Laboratory services
- (I) Preventive and wellness services and chronic disease management
- (J) Pediatric services, including oral and vision care

No Annual Limits on Essential Health Benefits

I, the undersigned, hereby declare to the Governor's Office of Economic Development that the facts herein stated are true, and that I have attached sufficient plan information for GOED to independently confirm the same.

Kedar Revankar  
Name of person authorized for signature

K. R. Revankar  
Signature

Global Director - Indirect Sourcing and Logistics  
Title

6/13/2017  
Date