



# 1451 SHELDON DRIVE

## ELGIN, IL



477,115 SF CLASS A  
CROSS-DOCK FACILITY

ENTRENCHED TENANCY WITH HEAVY  
MANUFACTURING OPERATIONS

100% LEASED WITH 9.2 YEARS  
WALT AND 3.25% ANNUAL ESCALATIONS

SIGNIFICANTLY BELOW-MARKET  
IN-PLACE RENT

CHICAGO MSA

# THE OFFERING

## Executive Summary

Jones Lang LaSalle ("JLL"), as exclusive advisor to ownership, has been retained to market for sale the fee-simple interest in 1451 Sheldon Drive (the "Property" or the "Offering"), a 477,115 square foot cross-dock manufacturing and distribution facility located in Elgin, IL. Delivered in 2022 by a best-in-class developer, this cross-docked facility features 36' clear height, 40 dock doors (expandable to 100), excess trailer parking capacity, and 4,000 amps of power. The Property is 100% leased to Pregis, LLC who operates a major e-commerce and food grade package manufacturing facility. Pregis has funded and installed heavy, bolt-down infrastructure to support their specialized manufacturing operations. Pregis manufactures and distributes paper packaging products for a variety of name-brands from this facility, including multiple Fortune 100 companies.

With 9.2 years of lease term remaining and 3.25% annual rent escalations, 1451 Sheldon Drive offers investors a stable, growing cash flow backed by an entrenched tenant. In addition to its heavy manufacturing operations within the facility, the Property represents Pregis' largest production facility and is proximate to the company's headquarters in Chicago's Loop. The Property is also subject to a 12-year, Class 6b tax abatement, meaningfully reducing the tenant's operating costs in Cook County.

1451 Sheldon Drive is strategically positioned near Pregis' global headquarters in Chicago's Loop and their Pregis IQ innovation facility in Aurora, Illinois. The Tenant consolidated operations from three higher-rent, antiquated facilities in Carol Stream, Bensenville, and Elk Grove Village into this modern, cost-effective location. The relocation reduced occupancy costs and improved supply chain efficiency by positioning the facility closer to Pregis' paper mill suppliers in Wisconsin. The Property now houses 500 employees across three shifts, with the strategic location enabling Pregis to retain their existing workforce during the consolidation. The Property is well-positioned to attract expansion-minded tenants from the land-constrained O'Hare (4.4% vacancy) and North DuPage (3.1% vacancy) submarkets, where facilities of this size and quality are increasingly scarce. The Chicago industrial market's central location has fueled robust demand, with 12.4 million square feet of net absorption in 2025 and Q1 2026. These strong leasing fundamentals have kept Chicago's vacancy rate stable at 4.7% and driven consistent annual rent growth since 2019.



## TRANSACTION SUMMARY

ADDRESS	1451 Sheldon Drive, Elgin, IL
SQUARE FOOTAGE	477,115
ACREAGE	37.9
CLEAR HEIGHT	36'
YEAR BUILT	2022
TENANT	Pregis, LLC
LEASE TERM REMAINING*	9.2 years
ANNUAL ESCALATIONS	3.25%
RENEWAL OPTIONS	2, 5-year options at FMV

\*as of 8/1/2026 analysis start date

## Executive Summary

# Investment HIGHLIGHTS

## MISSION CRITICAL PREGIS MANUFACTURING AND DISTRIBUTION FACILITY

### Consolidation of three Chicago MSA locations

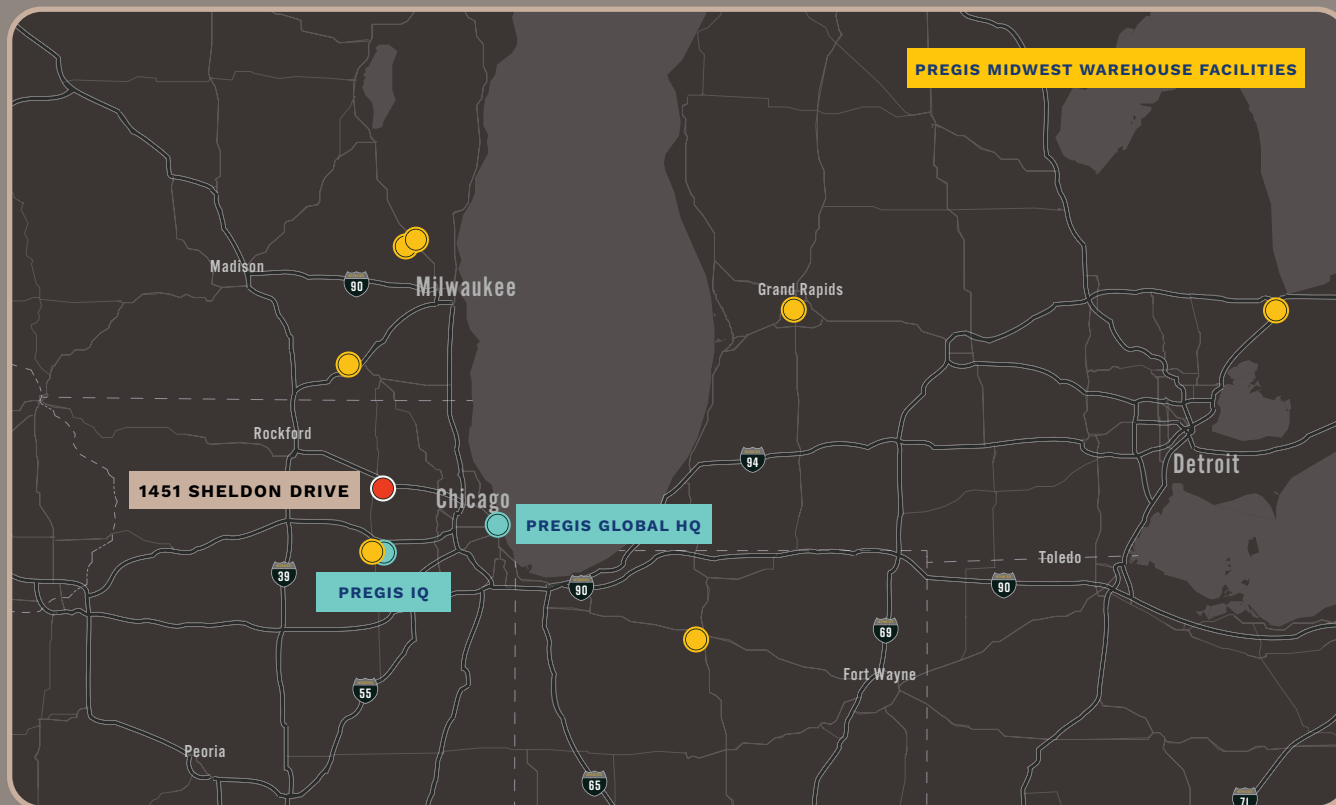
- Formerly leasing space in three Chicagoland locations (Carol Stream, Elk Grove Village, and Bensenville), Pregis' operations in the Subject Property are a consolidation of these facilities and an expansion of total leased square footage.
- Known as Pregis' newest paper converting center, production within the Property is focused on the manufacturing of recyclable paper packaging solutions for e-commerce and food grade customers.

### Heavy tenant investment into manufacturing build out

- Pregis self-funded the majority of its manufacturing infrastructure, including multiple paper processing lines and large stamping machines.
- Landlord Funded Work: The only work funded by current ownership was two (2), 40,000-pound dock levelers and the increase of power capacity to 4,000 amps.
- The tenant's self-funding of its improvements allowed for a minimal Landlord capital outlay - offering future ownership an attractive, below-market in-place rent.

### One of five like-kind facilities in Pregis' network

- This Elgin site serves as the company's primary Midwest facility for recyclable paper mailer production, and joins four other mailing facilities serving distinct regions.
- The rise of e-commerce and the shift to paper mailing products from major players like Amazon and Walmart, positions these mailing facilities well for future success. This site in particular is expected to divert an estimated 33,000 tons of waste from landfills as brands transition from plastic alternatives.



### REGIONAL MAILING FACILITIES

LOCATION	SF
<b>Elgin, IL</b>	<b>477,115</b>
Reno, NV	331,800
Bethel, PA	304,000
McDonough, GA	298,050
Arlington, TX	265,000

**Commitment to the Chicago Market:** The Property represents Pregis' mailing division headquarters, the company's hub for mail packaging production in the Midwest. This consolidation of operations and general expansion, coupled with proximity to the company's headquarters and largest research office, demonstrates Pregis' commitment to the Chicagoland area.

## Executive Summary

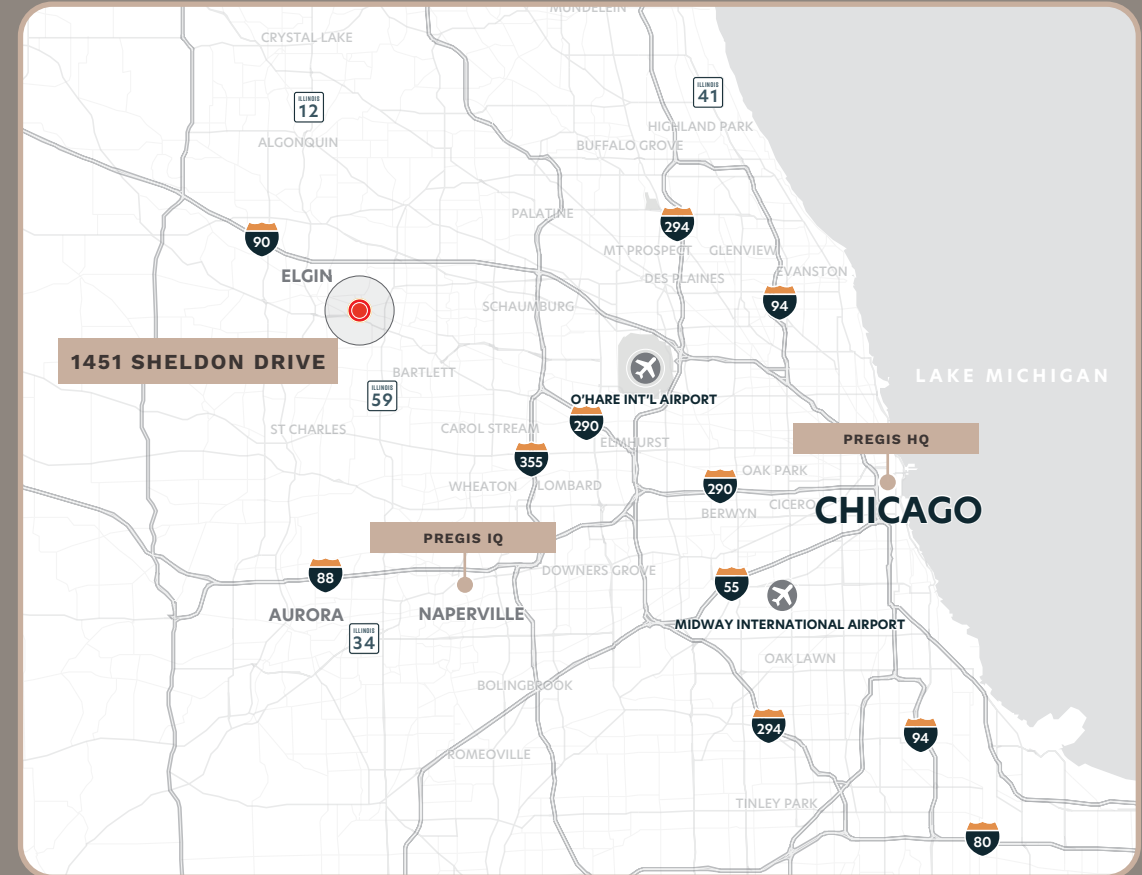
# LOCATION OVERVIEW

The Property benefits from superior connectivity through direct access to I-90, the Elgin O’Hare Expressway, and Route 59—a major arterial route within the Chicago MSA—while offering proximity to O’Hare Airport. Located near Pregis’ global headquarters in Chicago’s Loop and Pregis IQ innovation center in Aurora, Illinois, the facility enabled Pregis to consolidate three operations from Carol Stream, Bensenville, and Elk Grove Village while retaining their existing workforce. The location provides access to the robust blue-collar labor pool in Elgin and the greater Fox Valley region. As the closest modern industrial area to the land-constrained O’Hare and North DuPage submarkets, the Property is strategically positioned to capture expansion-minded tenants outgrowing more expensive, antiquated facilities in those premium markets where space of this size and quality is increasingly unavailable.

- **6b Tax Abatement:** The Property is subject to an active 6b tax abatement, meaningfully reducing Pregis' operating costs.
- **Superior Highway Connectivity:** Direct access to I-90, Elgin O'Hare Expressway, and Route 59, with increased connectivity to Pregis' Wisconsin paper mill suppliers.
- **Proximity to Air Cargo:** Less than 30 minutes from O'Hare International Airport, a top-ranked cargo facility for domestic and international freight.
- **Deep Regional Labor Pool:** Draws from the Chicago metro’s dense labor pools.

## PROXIMITY TO POINTS OF INTEREST

LOCATION	DISTANCE	TIME
O’HARE AIRPORT	25 miles	25 minutes
MILWAUKEE	100 miles	1 hour 30 minutes
INDIANAPOLIS	216 miles	3 hours, 20 minutes
CINCINNATI	330 miles	4 hours, 50 minutes
COLUMBUS	390 miles	5 hours 50 minutes



## DEMOGRAPHIC OVERVIEW

	10-MILES	20-MILES	30-MILES
POPULATION	637,095	2,300,676	5,588,775
WORKFORCE	355,856	1,285,280	3,072,732
BLUE COLLAR %	19.8%	18.8%	18.4%

## Executive Summary

**investment  
HIGHLIGHTS****STATE-OF-THE-ART DISTRIBUTION FACILITY WITH CLASS A SPECIFICATIONS**

- 1451 Sheldon Drive is a new construction, cross-dock distribution facility with modern features, limiting future capital requirements.
- Totalling 477,115 square feet, this Class A building features 36' clear height, fully-circulating truck courts, and significant trailer and auto parking expansion opportunities.
- In a re-lease scenario, the Property provides flexibility to demise down into a multi-tenant format with appropriate parking expansion capacity.

## Executive Summary

## investment HIGHLIGHTS

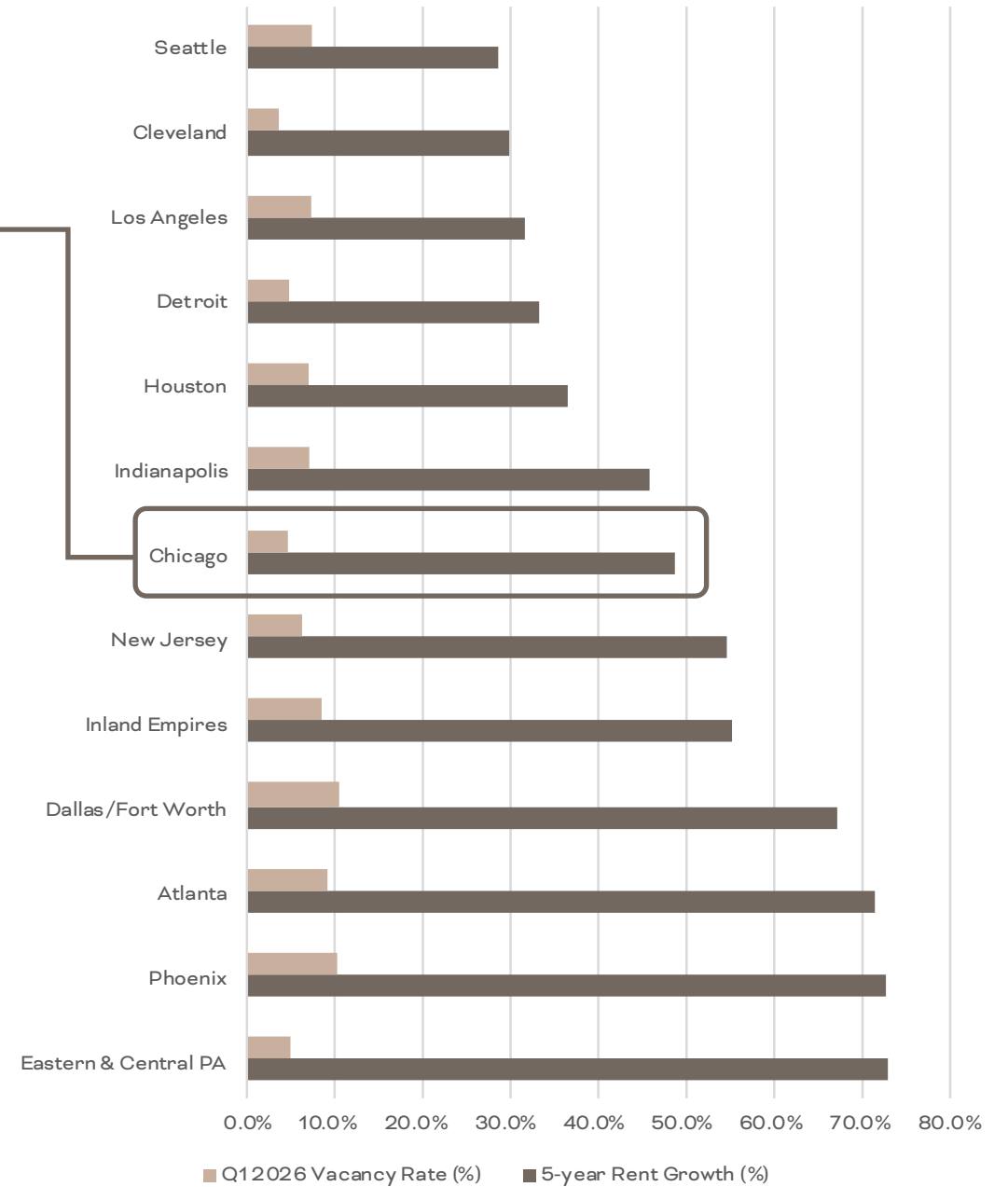
**BALANCED CHICAGO INDUSTRIAL MARKET WITH PERSISTENT DEMAND**

With 48.7% rent growth over the last 5 years (7th highest nationally) and a 4.7% vacancy rate (2nd among top growth markets), the Chicago industrial market delivers superior fundamentals through persistent user demand and contracting construction pipelines.

**OUTSTANDING SUPPLY & DEMAND FUNDAMENTALS IN THE NORTH KANE COUNTY SUBMARKET\***
**NORTH KANE COUNTY INDUSTRIAL FUNDAMENTALS (Q1 2026)**

INVENTORY	47,046,322 SF
Q1 2026 DELIVERIES	55,468 SF
Q1 2026 NET ABSORPTION	1,023,569 SF
TOTAL VACANCY	4.1%

\*While the Subject Property is located in Cook County, its location is within the JLL defined "North Kane County" industrial submarket

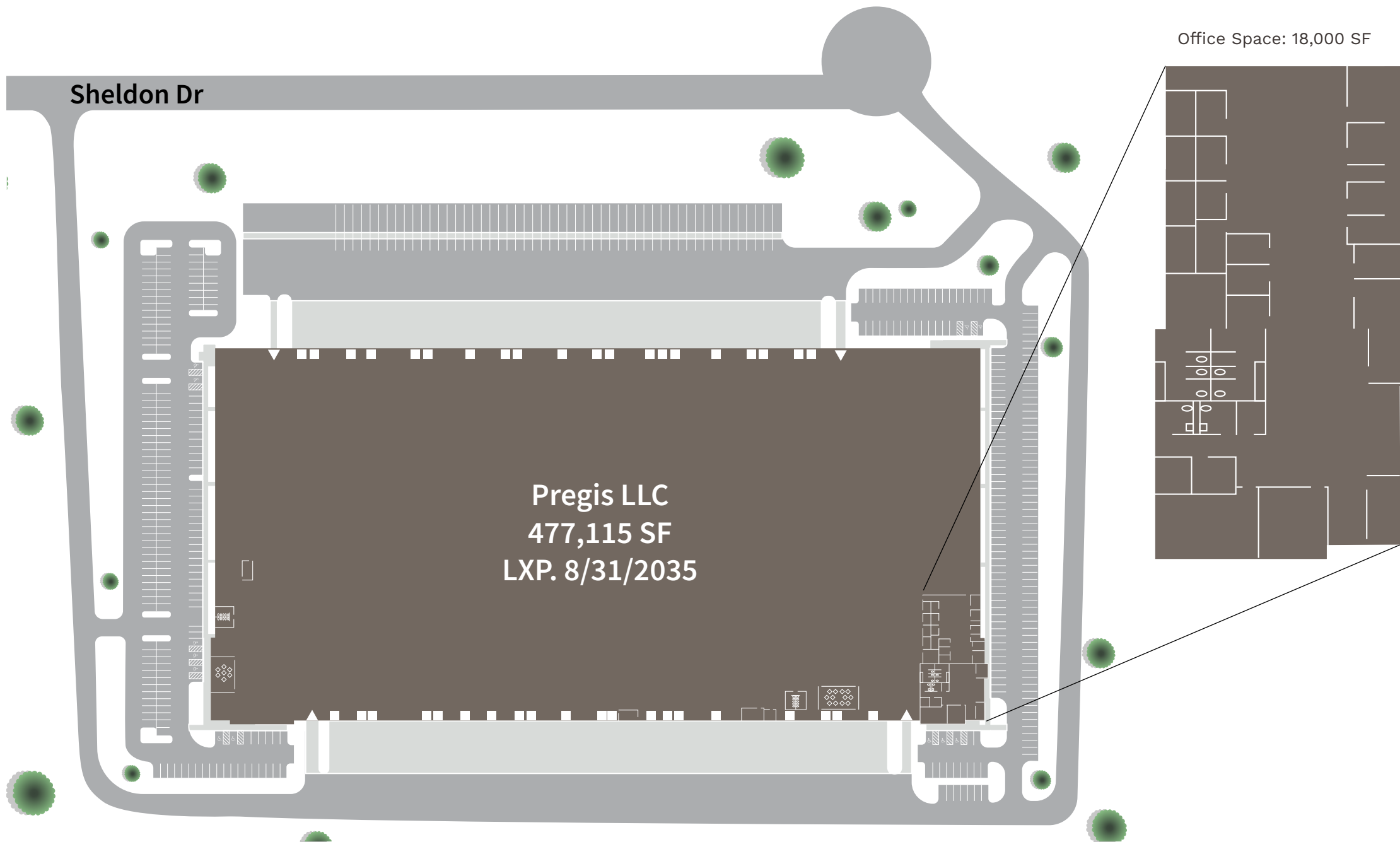


## Property Description



ADDRESS	1451 Sheldon Drive
LOCATION	Elgin, IL
SIZE (SF)	477,115
YEAR BUILT	2022
CONSTRUCTION TYPE	Precast
DIMENSIONS	990' x 480'
COLUMN SPACING	52' x 50'
% LEASED	100%
LAND AREA (ACRES)	37.9
% OFFICE	18,000 SF (3.8%)
CEILING CLEAR HEIGHT	36'
LOADING	Cross-Dock
DOCK-HIGH DOORS	40
DRIVE-IN DOORS	4
TRAILER PARKING STALLS	52
TRUCK COURT DEPTH	130' (185' thru trailer storage on north side)
AUTO PARKING	372
ROOF SYSTEM	45-mil ballasted EDPM
ROOF WARRANTY	20 years
POWER	4,000 amps/480 volts
LIGHTING	LED
SPRINKLER SYSTEM	ESFR
FLOORING	Ductilcrete

## Property Description

**SITE  
PLAN**



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