



“Colliers worked tirelessly as true partners on the project, acting as both project members and leaders. In addition, their knowledgeable construction background was invaluable to the team. I believe their depth in a wide variety of areas is what sets them apart from their peers.”

Brian Hunter
Vice President
Real Estate & Facility Services
Sara Lee Corporation

SUCCESS STORY

RELOCATION OF HILLSHIRE BRANDS CORPORATE HEADQUARTERS



400 S Jefferson Street
Chicago, IL

TEAM

Bob Chodos
Steve Levitas

STATISTICS

270,000 RSF
234,936 SF lease

SERVICES PROVIDED

Tenant Representation
Site Selection
Lease Negotiation
Financial Analysis
Incentives Negotiation

www.colliers.com

CHALLENGE

The Sara Lee story began in 2005 when Colliers International successfully consolidated the company’s headquarters from Metropolitan Chicago, St. Louis, and Cincinnati to 442,000 square feet in west suburban Downers Grove, Illinois. Colliers was contacted again in 2011 as Sara Lee was undergoing a restructuring resulting in a divestiture of its bread, coffee and tea business units. Colliers was engaged by Sara Lee to complete a strategic plan for the corporate headquarters of its Hillshire Brands meats business. Challenges included Sara Lee’s desire for downtown amenities without a high-rise feel, outdoor space, and state-of-the-art systems within a customizable environment. Additionally, Sara Lee had an extremely tight timeframe for project completion and move-in.

STRATEGY

Colliers completed extensive analysis on stay vs. move scenarios for Sara Lee that included terminating the entire 442,000-SF lease in Downers Grove. Sara Lee determined that relocating to Downtown Chicago was the best option. 400 South Jefferson Street is a 270,000-SF Class C property that had been underutilized for the past 40 years. A new energy surrounded

the building after its purchase by developer Sterling Bay in January 2012. In a stroke of great timing and even better vision, the Colliers team began talking with Sterling Bay about the property’s potential fit for Sara Lee.

RESULTS

In only 45 days, Colliers completed the 234,936-SF 15-year lease transaction and received approval for TIF incentives valued at approximately \$5.5 million from the City of Chicago – the first major deal of its kind under Mayor Rahm Emanuel’s administration. The negotiated rent structure included a generous tenant improvement allowance. Colliers also negotiated an early termination for several floors of space in Downers Grove after finding two replacement tenants which resulted in substantial savings for Sara Lee.

The entire transaction timeline from lease negotiation, TIF procurement, design and construction, to move-in was an impressive 12 months. The City of Chicago will be benefiting from upwards of 600 jobs when Sara Lee proudly moves its employees to a vibrant location that includes its own 30,000-SF roof deck, which was a critical “must-have” for Sara Lee but not so easy to locate in the Downtown Chicago office market.

Accelerating success.