

ST. CHARLES, IL

AJR FILTRATION

Occupier Solutions

“Our goal was always to make AJR feel like an integrated part of the project.”

Michael Marconi, SIOR
Senior Executive Vice President

AJR Filtration was experiencing strong growth in its filters and Pillow of Health® business line and embarked on a strategy to expand manufacturing capacity and capabilities. Current operations in three facilities in St. Charles, IL were at capacity and the current bifurcation of manufacturing operations was not optimal for the vertically integrated manufacturing process.

Went to market with local real estate team and supported local greenfield and existing building inventory studies; highly integrated consulting and brokerage team. Transwestern assessed locations by labor pool characteristics, business climate, labor competition, quality of life and existing employee commute. Transwestern conducted a three-state evaluation search based upon network capacity, logistics costs and business need to achieve high IRR, balance capital investment and accelerated timeframe. The focus was on economic development incentive opportunities to reduce costs for two key scenarios; built-to-suit lease versus built-to-suit purchase.

Transwestern structured a highly competitive and confidential negotiation process between WI, MS and IL (three states with existing positive AJR relationship). Secured approximately \$6 million in incentives (resulting in one of the final deals with the Quinn Administration); helped structure a built-to-suit purchase on an existing farm; worked with developer to alleviate set-backs, mitigate wetlands and revise the planned urban development (PUD) to provide ingress and egress to the site from two points.

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