

IFA Not-for-Profit Lease Program

The Illinois Finance Authority provides non-profit, 501(c)(3) corporations with low cost, tax-exempt lease financing for acquisition of machinery, equipment or other fixed asset and capital improvement projects.

Benefits

Leasing affords qualified non-profits the opportunity to purchase capital equipment without depleting cash reserves or paying the high cost of traditional debt financing.

Benefits

- 100 percent tax-exempt financing
- Favorable interest rates – considerably less than conventional loans
- Low transaction costs

Type of Financing

Capital equipment and certain real estate purchases are financed with a lease purchase agreement between the not-for-profit corporation and the Illinois Finance Authority. The maturity of the lease will generally match the useful lives of the assets financed, up to 10 years.

Eligibility

Any non-profit corporation with a 501(c)(3) designation from the Internal Revenue Service may be eligible for financing. Final determination of project eligibility is subject to a legal opinion from a recognized municipal bond attorney. Projects must be located in the state of Illinois. The maximum lease term is 10 years.

Fee

A non-refundable application fee is due when the application is submitted. A closing fee based on the face amount of the lease is due at closing. In most cases, applications can be reviewed by staff and considered by the Board of Directors within 30 to 45 days of submission.

Contacts

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For more information, contact the EDC at (309) 661-6332.