

Commitment to Community



Colo Telephone Company is committed to community improvement, and the quality of life in rural areas. From that commitment, Community Economic Development Revolving Loan Fund (RLF) was created. Colo Telephone Company has been able to fund over \$400,000 towards community improvement projects, ranging from infrastructure at the Colo Business Park and Reed Niland Corner to the development of new businesses within Story County.



In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotope, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202)720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800)877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at http://www.ascr.usda.gov/complaint_filing_cust.html and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:

- (1) mail: U.S. Department of Agriculture
Office of the Assistant Secretary for Civil Rights
1400 Independence Avenue, SW
Washington, D.C. 20250-9410;
- (2) fax: (202) 690-7442; or
- (3) email: program.intake@usda.gov.

Colo Telephone Company is an equal opportunity provider and employer, and lender.

Community & Economic Development Revolving Loan Fund



303 Main St
Colo, IA
641.377.2202
www.colotel.org



INTRODUCTION AND OBJECTIVE:

The Colo Telephone Company has played an active role in the development of rural Iowa. Through its board and staff, the Colo Telephone Co. has provided not only leadership but financial participation in the economic development and business expansion. Now, through the creation of a Revolving Loan Fund (RLF), the Colo Telephone Company is seeking to improve the quality of life in rural areas by contributing to the long-term improvement in the economy, including job creation and retention, diversification of the economy, improving the skills of the rural workforce, and upgrading the public infrastructure to improve the health, safety, and/or medical care of rural residents.

REVOLVING LOAN FUND MANAGEMENT:

Administration of the Revolving Loan Fund

Management of the RLF will be “in house” by Colo Telephone Company staff in addition to their regular responsibilities, although other community resources may be used.

Eligible Applicants

- * New or expanding private businesses
- * Local governments
- * Non-profit community development organizations

Eligible Uses of Funds

- * Land purchase
- * Buildings
- * Fixed Assets
- * Machinery and equipment
- * Infrastructure
- * Residential housing projects (limits apply)

Ineligible Uses of Funds

- * Pre-development costs
- * Refinances
- * Agricultural production

Loan Amounts and Supplemental Financing Requirements

The minimum RLF loan will be \$2,500. The maximum loan size is restricted to funds available in the CTC Economic Development Program at the time of the application. These limitations are for RLF loans made from repayments of the initial RLF loan identified in the federal application.

Loan Terms

The term of an RLF loan shall not exceed 10 years, and may be less than 10 years as determined by the Colo Telephone Company Board. Loan payment deferrals of up to 2 years may be considered on a project-by-project basis, but, are not encouraged.

The following maturities will be used as a general

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| guideline: | Building | 10 Years |
| | Real Estate | 10 Years |
| | Equipment | 5 to 7 Years |
| | Working Capital | 1 to 3 Years |

Interest Rate and Fees

Interest rates will not exceed the prevailing prime rate as published in the Wall Street Journal, and will be determined based on the evaluation of ability to repay and the necessity of below market financing to make the project happen.

An annual loan servicing fee equal to 1% of the unpaid principal loan balance may be charged for loan administration.

The RLF may charge borrowers for loan closing costs, attorney’s fees, filing fees, etc., as necessary to complete loan documentation. All loan fees will be addressed in the Loan Agreement between the

Collateral

RLF loans will be collateralized as determined necessary by the Colo Telephone Company board to secure its participation in the project.

APPLICATION PROCEDURES

Applications will be accepted at the Colo Telephone Company office during normal business hours. The Colo Telephone Company is located at 303 Main Street, Colo, IA 50056-0315.