

Colorado Educational and Cultural Facilities Authority

Third Way Center

NOVEMBER 2007

Background

Third Way Center in Denver was founded in 1970 to provide an overnight shelter for runaway youth. Today the Center has grown into one of Denver's largest and most respected private nonprofit licensed residential treatment programs. Third Way operates educational programs for clients of the Colorado Division of Youth Services and five residential treatment centers, including Denver's only licensed therapeutic program for teen moms, a national HUD model treatment program for emancipated teens, and two alternative high schools approved by the Colorado Department of Education.

Challenge

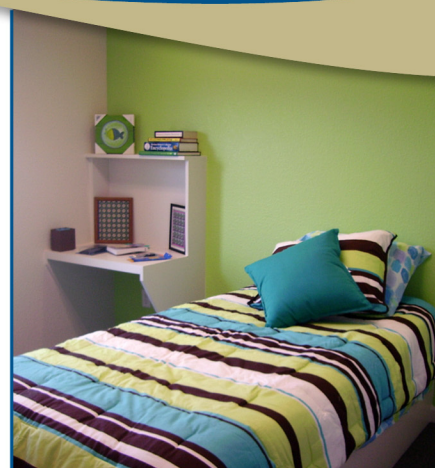
Third Way needed \$1.7 million to both refinance a bank loan on which they were paying taxable interest rates and fund the acquisition of a much-needed building for their administration offices. Because the amount they needed to borrow was relatively small, paying the expenses associated with selling bonds was not an economical option. Third Way had also established a good business relationship with their current bank and was reluctant to change financial institutions.

Solution

Third Way consulted with CECFA about their unique situation. Together we determined they would benefit from CECFA's specially-designed Small Borrower Program. Our program enabled Third Way to secure a new larger loan at lower tax-exempt interest rates while paying lower fees.

Results

Through CECFA's Small Borrower Program, Third Way was able to borrow the \$1.7 million from their existing bank, as they preferred, at substantially lower tax-exempt interest rates. Their new administration offices will provide a venue for staff and volunteers to continue to change the lives of teens and families for another 35 years.



CECFA: *Enriching Our Communities*

Third Way Center:

- Changes the lives of teens and families
- Purchased new building for their Administration offices
- Refinanced existing loans to stop paying high, taxable interest rates
- Borrowed through their local bank
- Achieved financial goals through CECFA's Small Borrower Program
- Continues to provide much needed residential treatment programs