Making a positive impact on quality of life

How did your business start?

We started New Castle Family Fitness back in 2001. I feel blessed to be such a big part of the New Castle community. We recognized the strong relationship between the two communities and saw the opportunity to serve Glenwood Springs as well. Growing up here, I always wanted to run a business in my hometown. We opened Midland Fitness on Dec. 26, 2013.

What do you sell?

Glenwood Springs is a "fitness savvy" market, so we put a lot of effort into providing services to match more experienced customers. I think that we have the most positive impact on the quality of life of our community by focusing on personal training, senior fitness and proven therapies like massage, chiropractic, acupuncture, physical therapy, yoga and of course, exercise. Our trainers and therapists make huge impacts on our customers' health because our community is so focused on outdoor activities, which we all love. We pride ourselves on keeping members doing the things they love long into their later years, using our clubs as a means to enable themselves. We are having a lot of success "reintegrating" people to fitness after surgery and or physical therapy. This can be a cumbersome transition for some people, so we fill in the gap.

Why do you like what you do?

I somehow feel the need to help others. After New Castle Family Fitness opened, I saw the opportunity to help people through the pursuit of health. I see people improve the quality of their lives at both locations on the "premise of fitness." I say the premise of fitness because that is the reason that members and staff come together. Once they come together, they help each other solve complex human issues. Enabling that phenomenon is my joy. It's much more than just "working out."

What strategy do you use to hire good people?

It takes a certain type of person to work in customer service and somehow we attract many of those people. Everyone in our fitness-family cares about the welfare of others, which is how they become effective trainers and therapists. For some of our customers, the trip to our facility is the part of the day where they can escape and do something for themselves, so we want to make this the best experience possible. Some of our outstanding staff include personal trainer/manager Jennifer Harbottle, who has been with me for 13 years. Claudia Craig, manager/personal trainer, has been with me for 12 years. Steve Wells, manager/athletic trainer, has been with me for eight years. I'm also excited about some of our new partnerships with Chiropractors Dr. Dave Jensen DC and Dr. Todd Carmer DC, and Acupuncturist Chris Fabionic.

What is your strategy for growth in the next year?

We will continue to provide the best customer service possible at both locations. We are getting great results by bundling therapies like personal training, massage and chiropractic together. Our clients are getting excellent results from this approach along with advanced healing therapies like myofascial release techniques, trigger point therapy, facilitated stretching and vibration plate technology. We will continue to try to attract the best trainers and therapists to keep up with our members' needs.

What is the best thing about running a business here?

Colorado is such a great place to be! Where do I start? The outdoor experience continues to inspire us to live a healthy lifestyle, which goes along with everything that we are trying to promote. The mystique of Glenwood Springs has always drawn active outdoor enthusiasts to our community. The challenge is for us is to keep offering services that help our

MEET YOUR MERCHANT

Name of business: Midland Fitness
Description: Midland Fitness is a personal training and fitness center located at the Midland Center in Glenwood Springs.
Owners: Cathy Lee, Jennifer Harbottle and Steve Wells
Address: 100 Midland Ave. Suite 250, Glenwood Springs
Phone: 970-945-4440
E-mail: ncff@sopris.net
Website: www.midland-fitness.com
Facebook: Midland Fitness
Date business opened: December 26, 2013
To submit your business for this feature, go to: http://bit.ly/1AN7IPm

CONTRIBUTED PHOTO

From left, Jennifer Harbottle, Steve Wells and Cathy Lee

Brother can you spare a dime? A primer on private loans

Matthew Trinidad
Pro Bono Publico

Shakespeare once wrote, "Neither a borrower nor a lender be, for loan oft loses both itself and friend, and borrowing dulls the edge of husbandry." He also wrote, "The first thing we do, let's kill all the lawyers." Reading between the lines, I would guess that at some point Shakespeare made, backed or took out a loan that went south, and he ended up losing more than he bargained for in the process.

Unlike Shakespeare, banks know how to evaluate the financial strength of a borrower, and their regulators (theoretically) require them to avoid imprudent risks. It's relatively easy to get a bank loan when the borrower is "bankable." Unfortunately, many worthy causes aren't bankable, so private "hard money" lenders or friends and relatives often extend loans when a bank won't. Regardless of the situation, if a guarantor, borrower, or lender you are to be, you should go into the deal with a full understanding of what's at stake and how to protect your interests. Here are a few pointers:

Let me begin with loan guarantees because I have seen ordinary people unknowingly get into trouble when guaranteeing a loan. A guarantee is basically a promise to a lender that if the borrower doesn't pay off the loan, the guarantor will make up the shortfall, in whole or in part. In most situations, the borrower and the guarantors will be jointly and severally liable on the loan, meaning that if the borrower defaults, the lender can skip collection efforts against the borrower and proceed against one or more of the guarantors. In this situation, the deepest pocket will oftentimes get caught holding the bag.

A lender will typically want a full, unqualified, unlimited, and joint and several guarantee, but that doesn't mean that guarantee agreements can't be negotiated to limit a guarantor's risk. The guarantee agreement, for example, could limit the amount of the guarantee, or it could be drafted to require that the lender pursue the collateral pledged to secure the loan before going after a guarantor. A guarantor can and should require indemnification from other guarantors and the borrower.

Often times, a guarantor is a sophisticated party that has some kind of financial stake in the underlying venture. Sometimes, a guarantor is a third party who is simply trying to help out a relative or friend. These well-meaning and often unsophisticated guarantors have no less, and probably more, to lose in a loan transaction, so they should be no less diligent about knowing their risks or protecting their interests.

Turning to the arrangements between the borrower and the lender, in every loan transaction, there should be a document, usually a promissory note, that memorializes the essential terms of the loan, such as the amount of the loan, repayment schedule, rate of interest and date of maturity. An unsigned, undocumented promise to pay may end up being worth the paper it's not written on.

If a borrower defaults on a note, unless collateral is pledged to "secure" the note, the lender's available remedies may be limited to suing the borrower for the amounts due and owing. Typically, only when the lender gets a judgment in court can it garnish a delinquent borrower's bank accounts and wages and levy the borrower's property. If the borrower declares bankruptcy, a lender who has nothing more than a promissory note will find it very difficult to recover its money.

A lender is in a significantly better situation when the borrower pledges collateral to secure the loan. In Colorado, a deed of trust is typically used to pledge real property as collateral. In all states that I know of, a security agreement is used to pledge as collateral personal property, including tangible assets such as cars and equipment and intangible assets such as stocks and bonds.

Under law, there are various means for a lender to seize, sell or otherwise recoup the value of collateral pledged to secure a loan, even if the borrower declares bankruptcy. These remedies, for a number of reasons, are often less costly and more effective than suing the borrower on the note. But simply having a lien by virtue of a deed of trust or a security agreement is not enough. The lender must "perfect" its lien.

Perfection is a method of putting the world on notice that the lender has a lien on the collateral, and it will establish priorities among creditors as to the collateral. A lender with the senior perfected lien will have the first right to recover amounts owed to it. Obviously, a lender should investigate whether other creditors have a prior perfected interest in the collateral before extending the loan. Insurance may be available to insure that a lender has or would have the senior lien.

Different types of collateral require different methods of perfection. These methods are way outside the scope of this column.

Private loans can be tricky business. A promissory note may be relatively simple to put together, but the rights, protections and obligations attending guaranteeing and securing a loan are complex and should be handled by someone who knows what he or she is doing. In a private loan situation, usually that means getting legal counsel to ensure that the risks are known and that interests are protected.

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