

Butler makes a risky move developing in Baja, Mexico

J. Patrick Butler had never been to Mexico, but when his company Club Acquisition Co. bought the El Dorado Ranch in San Felipe, Baja, Mexico, in 1994, he saw not only opportunity but, eventually, a place to live.

With mountains and the sea as its landscape, the area was ripe for development. In proximity to the southwestern United States and with property values what they are in Southern California and Arizona, Butler saw a market for his venture.

Club Acquisition Co. is a holding company for several recreational/resort companies, primarily doing business in San Felipe including the Ranch, La Ventana Del Mar and San Felipe Beach Club.

Once completed, it will be the first totally integrated retirement/vacation community in San Felipe with an 18-hole golf course, 800 homes, 275 condominiums and a hotel.

Butler admits it was a risky investment. Without any partners, and putting his own portfolio, capital and reputation at risk, he committed his entire liquid net worth and took a seller take-back note for 53.5 million to turn the ailing Ranch around.

Within 18 months, CAC generated enough sales to pay off the note.

"I had the experience to do what the original developer couldn't do," Butler explains.



Butler

"And, there's enough work here to finish out my career." I have plans to retire there, after years as an entrepreneur.

Butler previously worked with Beatrice Foods, later founding a company that distributed food products to the Caribbean Islands, then was named vice president of Marriott's Terminal Restaurant Division.

There he restructured its Au Bon Pain division. In 1985, he became president of Coast to Coast Resorts.

Has the reward been proportionate to the risk? Yes, Butler says.

"An entrepreneur takes a risk for a purpose, not only a financial reward. I saw an immediate need and a natural place to give charitably to the community and its children."

Butler's company is the largest employer in the community, offering fair wages and benefits, and garnering in recognition by the Governor's "Friends of Baja" program and named a "top development in Baja."

Butler spent more than 52 million to bring electricity and water service to the community, and the company is committed to using renewable energy building products and solar power for energy. The company also donates money to local schools.

-Barb Granica