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High rollers making waves

Big investors aim to turn an up-and-coming tourist spot in Mexico into a playground for the super-rich.

By Tom Kelly

Special to the times

MANZANILLO, MEXICO — The airport has been remodeled, the downtown refurbished, the roads improved and new equipment has just arrived to clean the beaches. Although this waterfront community in the Mexican state of Colima has been under the second-home radar compared with the Pacific Coast destinations of Los Cabos, Ixtapa, Puerto Vallarta and Mazatlán, it clearly is on the move.

You can still buy a \$115,000 three-bedroom, two-bath condominium two blocks away from the same beach where Bo Derek frolicked in the movie "10," but the big boys have arrived and have begun rolling out more expensive alternatives.

Tim Blixseth — who turned the Yellowstone Club, a private ski community in Big Sky, Mont., and Porcupine Creek, a 240-acre private golf club in Rancho Mirage, into fractional vacation spots for the wealthy — has added to his empire a prime piece of property 31 miles north of the Playa de Oro International Airport.

Blixseth recently paid \$30 million for 25 acres at El Tamarindo, home of an oceanside resort 132 miles south of Puerto Vallarta that includes the country's third-best golf course, according to Best's Golf Guide. (No. 2 is 20 miles down the road at Isla Navidad. Mexico's top-rated course is Cabo del Sol's Ocean Course in Los Cabos.)

Blixseth's plan is to charge members premium prices to vacation in some of the world's most exclusive spots, which include a Caribbean resort in the Turks and Caicos Islands; a fly-fishing lake near Cody, Wyo.; and a series of stone cottages surrounding a golf club outside St. Andrews in Scotland. El Tamarindo is expected to be a popular winter getaway and a 14th century chateau near Paris should be jammed in spring and fall. The cost to participate? This'll eliminate the riffraff: Blixseth plans to charge his first group of 25 members \$3 million apiece. The next set of 25 will pay \$3.5 million each.



That process will continue, with the price increasing \$500,000 every time, until 25 memberships are sold at \$10 million each. Current members of his Yellowstone Club are expected to receive a discounted rate, but all participants reportedly will pay a \$75,000 annual maintenance fee.

Although Blixseth's investment has brought excitement north of town, activity is also hopping closer to the downtown core. The Karmina Palace, a 324-suite hotel that's one of the more popular waterfront resorts, was sold this year to the Barcelo Group for \$48.5 million.

"Tourism and foreign investment are critical to our economy and our future," said Sergio Bravo, secretary of tourism for the state of Colima. "We have wonderful beaches and a new cruise-ship terminal. The possibilities are very exciting."

Mario Chacon, who holds a degree in industrial engineering from the University of Costa Rica, was stationed in various parts of the world as an executive officer for the Jose Cuervo tequila company and British American Tobacco.

After six years in Guadalajara, a 3 1/2 -hour drive from Manzanillo, he chose to live in Manzanillo rather than return to his native Costa Rica. Chacon is now director of operations for Cascadas de Manzanillo (www.vivacascadas.com), a 530-acre, waterfront community aimed at second-home buyers from the U.S. It's a five-star gated community featuring winding cobblestone streets, waterfalls, lagoons and a golf course, with home sites averaging \$205,000.

"I love Costa Rica and much of my family is there, but the real estate here is less expensive and the fishing is probably better," Chacon said.

"Also of importance is safety; Manzanillo is the safest city in Mexico. You can go anywhere in this area night or day and, for a family person, that's important."

Hearing such safety statements piques the interest of many foreigners, who could find sun and warm water just about anyplace in Mexico. Susan Dearing has lived here for more than 16 years. She operates a scuba shop, writes guidebooks about the area and oversees two websites: <http://www.gomanzanillo.com> and <http://www.divemanzanillo.com>.

"It's the safest place I've ever lived — period," Dearing said. "Not only does the state of Colima have the lowest crime rate in the country, but Manzanillo has the lowest in the state."

Tom Kelly is the author of "Cashing in on a Second Home in Mexico," co-written with Mitch Creekmore, senior vice president of Houston-based Stewart International.