

## Symington son's firm gets \$3M federal loan for Mexico land

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A real estate company headed by the son of former Arizona Gov. J. Fife Symington III received a \$3 million loan from a federal agency and a financial firm with strong Republican ties to buy land in Mexico for low-income housing.

The loan to Fife Symington IV's real estate company is part of a joint effort between the federal Overseas Private Investment Corp. and Interlink Capital Strategies.

Interlink is a private foreign investment firm with ties to the Bush administration and the Republican Party. Interlink has been teaming with OPIC since 2004 on loans to U.S. businesses investing in developing foreign markets.

One of Interlink's co-founders was Neil Bush, brother of President George W. Bush.

Bush no longer is with Interlink, but its executive roster does include Tim Bridgewater, a big donor to the GOP and Bush presidential campaigns, as well as veterans of Republican presidential administrations. Interlink also has interests in China, Russia and Iraq.

Symington's company, Salvatierra Desarollos, was formed in 2004. It will use the \$3 million loan to acquire raw land in the La Laguna region of Mexico, improve it, and then locate a Mexico-based home-building partner to construct low-income housing.

The La Laguna region is 365 miles south of the Texas border and 200 miles west of Monterrey.

Salvatierra is part of Phoenix-based Symington and Canelos Inc. -- a partnership between Symington and Alejandro Canelos, the son of a wealthy Mexican farm and plantation owner.

"Mexico's got this unbelievable housing shortage," said Symington, president of Salvatierra.

Symington said he has several similar projects in progress in that country, and he has some Mexican business partners to help facilitate work there.

He said private banks and investors would not finance a loan like the one he is receiving from OPIC and Interlink.

"There is no access to private financing for something like this," he said.

Federal foreign investment loans for U.S. corporations have come under some criticism from those who dislike government involvement in offshore business ventures. Some also worry about cronyism, pointing to political ties between OPIC, Interlink, the Bush administration and the GOP.

OPIC spokesman Timothy Harwood said the agency offers market-rate loans to U.S. businesses looking to invest in developing markets where private financing may be deemed too risky, such as Latin America, Africa and impoverished parts of Asia.

The federal loan offers political risk insurance in case land or corporate assets are ever seized by foreign governments, he said.

OPIC's board includes Chief Executive Robert Mosbacher, a Bush appointee, and a Houston energy executive who served in the Reagan administration. Scottsdale business consultant Diane Ruebling also is on OPIC's board.

Don Burley, director of business development for Interlink, said his investment firm has some similar loan investments in Mexico and other markets.

Interlink co-founder Neil Bush also was involved with the failed Silverado Banking Savings & Loan in Denver, and his dealings with Chinese and Thai businesses have come under scrutiny. The Thai-based CP Group conglomerate is an investor in Interlink.

Symington's father, J. Fife Symington III, served as Arizona governor from 1991 to 1997. The Republican stepped down after being convicted on fraud charges. That conviction was later overturned, and he was pardoned by former President Clinton. He has business holdings and remains active in Republican politics.

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