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## Builder's empire began with hot pistachios

### Boylan Cos. grows on persistence that fed vending machine business

**JACK HAGEL, Staff Writer**

RALEIGH - To understand the financial hurdles that developers face these days, look to the desk of M. Dustin "Dusty" Field.

There you can find spreadsheets that explain ways to finance the apartment communities that he and his partners think will thrive as demand for rentals grow.

Field, the 36-year-old chief executive of The Boylan Cos., is spending a lot of late nights poring over the papers, trying to figure out how to build in a tight lending environment.

A year ago, banks would have competed to lend him money. Today, some aren't even considering big construction loans.

"It's a problem for anybody in real estate development right now," said Haze Lancaster, a high-school friend of Field's who has invested in some of Boylan's projects. "If there's a way to do it, he's the kind of guy who will figure out a way to get it done."

Indeed, if ever there was an example of profit following persistent pursuit, it resides in the squat building at 410 N. Boylan Ave. where Field's companies have quietly grown in six years.

For Field, it's not a tale of ups and downs, but one of ups and outs. It starts with nuts and ends with commercial real estate.

For 15 years, he has expanded companies with impatient perfectionism and a bit of micromanagement: When he needs something, he finds a way to get it. And when what he has doesn't work right, he finds a way to fix it. Then he moves on.

In 1993, low on cash as a student at East Carolina University, Field bought a vending machine, filled it with pistachios and placed it in a bar. It generated only \$6 in weekly profit, so he bought two more.

He figured he could boost his profit if he heated the nuts. So he welded heating plates onto the dispensers. Voila: hot nuts. Weekly profit climbed to \$25 per machine.

Field expanded into gum-ball machines, and by the time he graduated in 1994, he was pulling in \$3,000 per month from 25 pistachio and 25 gum ball machines, filling them about once a month. "That supported being able to eat and have fun," Field said.

A year later, the business had grown to 75 vending machines and 200 pay phones that brought in \$6,000 a month -- so much that the weight of the quarters he collected caused the tail end of his Acura to scrape the ground.



Dusty Field, a relentless entrepreneur and head of Boylan Cos., has invested heavily in apartment development. Staff Photo by Jason Arthurs

"He's somebody who says he's going to do something, and he does it," said Sa'ed Hamad, a fraternity brother and vending partner of Field at ECU. "He's driven."

Field's drive was stoked by doubters. At a house party, Hamad and Field were discussing growth strategies for their vending business, Tons of Fun.

An acquaintance who planned to sell cars scoffed: "'I'm sitting here talking about BMWs and Lexuses, and you're talking about gum balls,' " Hamad recalls.

Friends of Field's girlfriend wondered when her quarter collector would get a "real job." "That definitely fueled him," Hamad said. "But it didn't follow him for long. People saw the success. And success breeds success."

One thing to another

On the town with buddies in 1996, Field couldn't find an ATM on one of Greenville's busiest strips. Soon, he bought one, paying \$11,000. He was 24.

He struck a deal with a convenience-store owner near the ATM-less site. Field filled the machine every other day, using cash from gum and nut sales, and charged \$1 per transaction.

More ATMs meant more income: "It was gum-ball math," Field said. He maxed out credit cards buying four more. Then he went to parents, friends, friends of parents and parents of friends for enough cash -- \$350,000 -- to fill them.

He borrowed from a bank to expand his ATM venture to 150 locations in 1997. By the time his company grew to 300 ATMs -- a year later -- Field couldn't fill all the machines himself.

Guarding his money

He hired an armored car service to do it, a big change from when Field did the job himself, armed with a Labrador retriever and 9 mm handgun to protect the \$100,000 stashed in the Chevy Tahoe that replaced the doomed Acura. But when one of his ATMs at Crabtree Valley Mall broke in 2001, the armored car company he hired wasn't able to fix it for several days.

"I went ballistic," Field said.

So he bought an armored car and founded U.S. Armored, which allowed him to control maintenance and other services.

As his ATM business grew, so did U.S. Armored, which filled ATMs for Field's company and for small banks across the state.

After several offers, he sold the ATM venture for \$7 million in 2003. It had grown to 1,400 locations across the country -- one of the nation's biggest ATM portfolios. He was 31. The armored car company was sold soon thereafter for \$1 million.

With a chunk of cash -- no longer in quarters -- Field was attracted to real estate. Longtime friend Tyler Morris had development experience and a plan to build 52 condos off Lake Lynn Road in North Raleigh. Field paid some equity, acting as a passive investor. "One thing led to another, and we bought an office building and decided to form a company," he said.

In a 50-50 partnership, they have built about 1,000 apartments, two condo complexes and several subdivisions. They are building 170 condos in Durham and plan to start 450 apartments in coming months.

Their latest venture, an apartment management arm, was born of a desire for quality. "I'd rather control our own destiny," Field said, "than have our business based on the results of another company."

Banks demand more

Field and Morris are facing challenges beyond their control: Completing some of their biggest projects, including up to 600 apartments, as banks tighten up.

"Now the deals are getting bigger," Morris said. "And instead of raising \$1 million, we're trying to raise \$10 million."

Which puts pressure on Field, who is responsible for raising Boylan's equity.

Financiers are asking for as much as 30 percent equity. A year ago, they asked for about 15 percent. "If you go condo, it's 40 percent," Field said. And the banks want at least half of them pre-sold.

Some banks are raising borrowing costs. Others want to be paid back in 25 years, instead of 30 years. Some ask borrowers to transfer their accounts and deposits before letting loans loose.

Field and Morris are dividing projects into phases -- a strategy that may now be more agreeable to skittish lenders. They are considering the arduous process of applying for financing through the U.S. Department of Housing and Urban Development.

But they're not waiting for providence. Field never has.

As for his doubting, BMW-dealing acquaintance of years ago: He now sells used cars.

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