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# Vero Beach

Magazine®

Alex MacWilliam, Inc. Celebrates  
Six Decades In Vero Beach Real Estate



*As it celebrates six decades in the volatile Vero housing market, Alex MacWilliam Inc. predicts better times for homeowners.*

## SIXTY YEARS OF HIGHS AND LOWS (AND HIGHS AGAIN?)

BY JOHN PARKYN



*Two Alexes and a Joe: Partners and brothers-in-law Joe Beasock, left, and Alex III stand alongside the firm's founder, Alex Jr., in a recent photo.*



A year after Alex MacWilliam Real Estate opened in downtown Vero, Alex Jr. built a new office on Ocean Drive, which has been the firm's headquarters ever since. Below is how it looked in the early '50s, when the Drive was still a dirt road; above, as it looks today.

It began in 1949 as a small, one-man-and-a-secretary business on a dirt road in downtown Vero Beach. Called simply Alex MacWilliam Real Estate, the name it has used ever since, it was the brainchild of Alex MacWilliam Jr., a veteran of World War II who had seen service with the U.S. Army Air Force in the Pacific.

Like many veterans, the 21-year-old Floridian had returned to the U.S. without much notion of how he wanted to earn a living, except for a fervent desire to do something worthwhile in the brave new post-war world.

He knew it would not be easy since he was following in the footsteps of a distinguished father. Alex Sr. was a Scottish immigrant from Edinburgh who had established himself as a landscape architect in Cleveland, Ohio, then fought with such courage in the First World War that his medals included a Distinguished Service Cross, a Silver Star, two Purple Hearts and the French Croix de Guerre.

Ironically, Alex Sr. would never have come to Vero Beach at all if he hadn't been the victim of a mustard-gas at-



tack while serving in France. The attack resulted in stomach problems that would haunt him the rest of his life, and it was while he was undergoing a medical checkup in 1919 that his doctor, John Sawyer, casually mentioned he had just purchased 160 acres for \$5,000 in a little Florida town called Vero Beach. Along with two partners, he told MacWilliam, he was planning to develop the land into a golf course and clubhouse – the area's first.

MacWilliam and Sawyer became friends, and a few months later Alex Sr. agreed to move temporarily to Vero Beach to oversee the construction of the golf course in an area known then as the Cleveland Colony and, later, as Riomar. He would also supervise the building of the houses being built around the clubhouse by part-time residents from the north. It wasn't until he reached Vero Beach that he discovered the development was located on Orchid Island, which at that time

could only be reached by boat and was still mainly populated by black bears, panthers and wild boar.

A year after his arrival, Alex Sr. married 21-year-old Jeanette O'Flaherty, an Irish immigrant he had hired to work at the clubhouse. Although he resigned as manager of the club four years later, he and Jeanette decided they would like to stay in Florida and continued to live in the house he had built for them on five acres adjoining Riomar. Here, they would raise their eight children, including Alex Jr.

In 1927 Alex Sr. became the mayor of Vero Beach after playing an important role in creating Indian River County as a separate county from St. Lucie in 1925. During his 20-year tenure as "Mayor Mac," he did much to create the Vero Beach we know today. Among many innovations, he formed the Indian River Mosquito Control Board, which turned Vero Beach from a bug-infested backwater to a livable oceanfront town, and introduced the first of several ordinances restricting the height of buildings throughout the city.



Retiring president of the Realtors Association Rey Neville hands over the gavel to his successor, Alex Jr., left, at a ceremonial dinner in 1967.

Now 84, Alex Jr. still has vivid memories of those days. "There were only two families who lived on the island full-time," he recalls. "We were one and the other was a woman named Lily Rogers, who owned the Beachland Casino, a hotel that stood where the Oceanside Holiday Inn stands today."

Given the isolation, Alex and his siblings learned to create their own entertainment. "We used to sneak out in my dad's Model-A Ford and put a spare tire in the rumble seat. One of us would perch on the tire and the other would then try to toss him out of the car by driving at high speed up and down the sand dunes. You might say it was our version of a mechanical bull."

Shortly before Alex Sr. retired from politics in 1951, Alex Jr. finally made up his mind what he wanted to do. Since returning from the Pacific he had worked in a restaurant and a citrus grove while pondering his future. Neither kind of work appealed to him, but it was clear that the time had come to make a decision since he was now married to the former Jean Rymer,



Buzz MacWilliam gives an address as president of the Realtors Association of Indian River County shortly after taking over his father's firm in 1991.

whom he had met when both attended Vero Beach High School. The young couple were anxious to start a family – the family that, as well as Alex III, would include daughters Sandy, now the wife of citrus entrepreneur George Streetman, and Cynthia, who later married Alex III's partner Joe Beasock.

After reading several books about the real-estate business, Alex decided to try his luck as a Realtor. "At the time there were only three realty firms in all of Indian River County," he says. "In those days, you didn't need a license to go into the business. Deals were brokered with friends." Invited to the monthly meeting of the Vero Beach Board of Realtors, he recalls, "I ate lunch with the entire membership. It took a table for five to seat us!"

A few weeks before Christmas 1949, Alex MacWilliam Real Estate officially opened for business at the intersection of Route 60 and 13th Avenue, which is now the south-side parking lot of the downtown post office. At the time, even four real-estate firms seemed a lot, given the paucity of business. There were fewer than 1,000 homes in the area; inland lots on the beach sold

**"BUZZ IS THE FLAGPOLE –  
AND I AM THE FLAG!"**

Until this year, the MacWilliam agency had avoided the mergers and takeovers that are typically part of the real-estate business. In March, however, Charlotte Terry and her seven agents moved into the MacWilliam office on Ocean Drive and are now known as the Charlotte Terry Real Estate Group at Alex MacWilliam, Inc.

Charlotte, pictured here with Buzz, had worked for MacWilliam before opening her own buyer's-only agency in 1991 and had been looking for stability in today's volatile real-estate market. She believes she has found it at MacWilliam. "They have been around for 60 years, which in itself is quite an accomplishment," she says. "And Buzz and Joe are busy running the office rather than competing with agents in the field."

She pauses for a moment, then adds with a smile, "So far as my end of the business is concerned, you might say that Buzz is the flagpole – and I am the flag!"



Charlotte Terry and Buzz MacWilliam

for \$500-\$750 and oceanfront lots for \$15-\$30 a front foot. Agricultural land sold for \$5-\$10 an acre.

"The only two businesses that stayed open year-round on Ocean Drive were the Driftwood Inn and the Ocean Grill," Alex Jr. recalls. "North of the fishing pier there was nothing until you reached Winter Beach."

The changes Alex Jr. witnessed over the past six decades have been extraordinary by any standard. Back in 1949 there was no Multiple Listing Service and the county population was a mere 12,000. Today, the population has soared to an estimated 135,000 and the typical 2,000-square-foot home that sold for \$5,000 in 1949 now sells for \$200,000-\$300,000, even allowing for the recent drop in prices.

After 60 years in the business, how does Alex Jr. view the market meltdown caused by the "Great Recession"? "My guess is that real-estate values will start improving towards the end of 2010," he says. "It will then take about five years to get home sales back to something approaching the level we enjoyed before the collapse of 2008."

"There won't be much building for a while because of the huge backlog

of new homes, especially condos and townhouses. Vero Beach will continue to grow, but I don't anticipate it will become another Fort Lauderdale anytime in the foreseeable future."

**T**oday, Alex Jr. still has an office in the building at 2901 Ocean Drive he built in 1950, though he relinquished control in 1991 to his son, Alex "Buzz" MacWilliam III.

Under Buzz, the firm's marketing strategy has changed from traditional print and radio advertising to a mix dominated by the Internet. Properties are marketed online around the world, and agents who used to have a thorough knowledge of their local territories sometimes use a GPS system to find their way.

Real estate has grown from an industry that didn't like to share information to one where, because of computers, everything is available to everyone. MacWilliam and his sales agents now operate more than 20 websites.

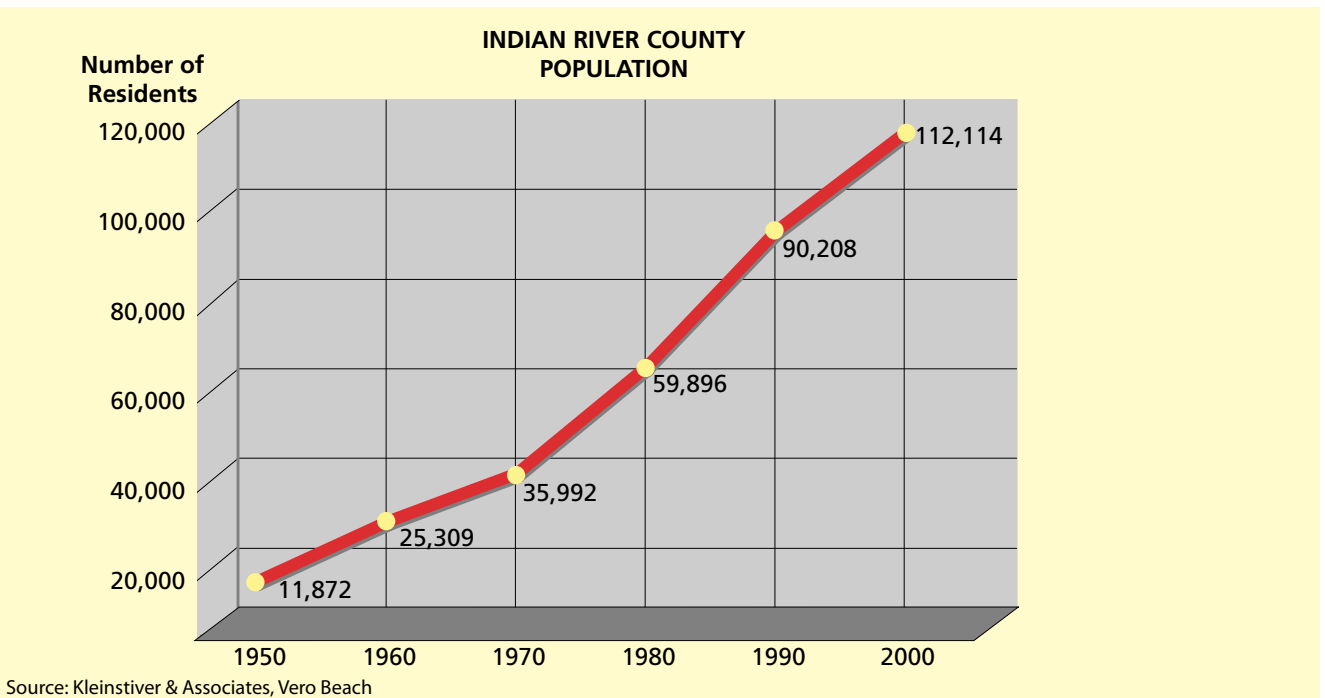
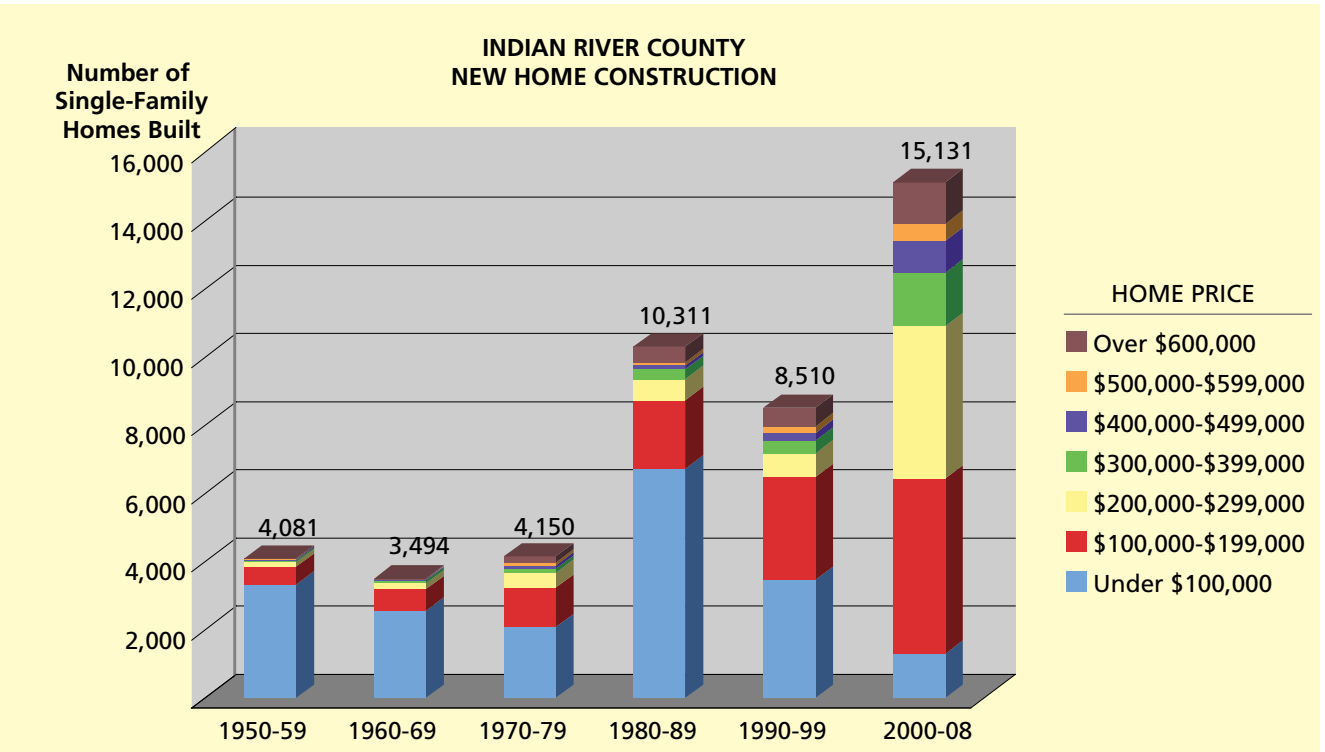
"As recently as six years ago less than 50 percent of home buyers began their search on the Web," says Buzz.

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"The latest figures show that today more than 90 percent of buyers start by going online."

Fortunately for Realtors, the use of the Internet seems to have had little effect on the real-estate business, since most people, having seen a property online, will ask an agent to get them into the house itself and negotiate on their behalf if they like it.

Now 50, Buzz, like his father, attended Vero Beach High, then earned a B.A. in Political Science at the University of Florida. It was while he was a small boy that he acquired his nickname, supposedly because when his sister Cynthia tried to pronounce the word "brother" it came out as "buzzer." Married since 1986 to the former Stephanie Olsen, he has two children, 20-year-old Alex IV ("We're beginning to sound like a royal dynasty!"), a sophomore at the University of Mis-



Mississippi, and 17-year-old Chandler, a junior at St. Edward's.

Buzz had originally planned to study law, but at the last minute changed his mind and joined his father's firm in 1981. Six months later his brother-in-law, Jerome (Joe) Beasock, would join him as a partner.

The two men had first met as teenagers at VBHS, which Joe began at-

tending when his family moved to the area in 1965. Like Buzz, he has fond memories of those "quiet" days in Vero Beach. "In the mid-'60s I delivered the *Press Journal* south of Beachland Boulevard on the island," he says. "In summer there were no more than 50 houses that took the paper. Even in winter, when the snowbirds returned, I never delivered more than 80."

Even after Joe married into the family, he continued working at Piper Aircraft until Alex Jr. suggested to his son-in-law that he join the family business. Joe agreed and ran MacWilliam's mainland office on Route 60 until last year, when it was decided that it made more sense economically to centralize the entire operation at the Ocean Drive office.

Joe's years on both sides of the Indian River have given him a keen insight into how properties on the island and mainland differ. "So far as real estate is concerned, they're two separate towns," he says. "As the recession ends, the beachside will recover more quickly because there were fewer foreclosures and the backlog is much smaller."

In the 18 years since Buzz took over, Alex MacWilliam has grown from 10 sales agents to more than 60, and sales revenues increased from \$20 million to more than \$165 million in 2005.

"2005 was the year business hit a peak," he says. "Joe and I were happy to be doing so well, but we also felt that the boom market was getting out of control and might lead to a meltdown, which of course is what happened."

"In the 1990s the growth had been steady – 3-4 percent a year. But in the early 2000s, prices began jumping 10 percent one month, another 10 percent the next. It was a form of madness that could not be sustained for long, and we became so concerned that we began advising our clients against buying houses that were clearly overpriced."

Currently, '09 sales are up over '08 about 20 percent, though sales prices remain low. Like his father, Buzz believes that the market will show a steady improvement starting in 2010, but does not expect a return to the kind of frenetic buying that occurred in the early years of the 21st century. "As the market recovers, I expect it to reflect the 1990s a lot more than the 2000s," he says. "Slow and steady, but heading in the right direction."

Vero Beach, Buzz points out, is a "discretionary" market. "People who buy and sell here rarely have to buy or sell right away. We're not like cities where people are constantly changing

jobs and have to move at the whim of their employers."

Buzz also notes a new trend in the demographics of buyers checking out the Vero Beach market: "At one time most of our clients were from the Northeast, but today at least one-third are from South Florida. These are the folk who are looking for a weekend getaway from high-stress cities like Miami and Fort Lauderdale, or for a home to retire to. Part of the surge is also due to the number of baby boomers reaching their 60s."

There is a third important segment, Buzz says. "This consists of locals who are thinking about downsizing – empty nesters and the like. There are plenty of people living in 4,000-square-foot homes who are looking at 2,000-square-foot homes. In a few cases, the opposite is true – people who want to upsize to accommodate their growing families."

A smaller group of clients fall into what might be called the "oops!" category. "These are the folk who visited Vero Beach, then purchased homes in Stuart or Naples. Two years later, they're back, saying 'We made a mistake, we want to live in Vero Beach!'"

Another small group is from overseas. "The Vero Beach market for foreign buyers is not large compared to several other Florida cities because we do not have an international airport within easy driving distance," Buzz explains. "For instance, there are direct charter flights from Germany to Naples, but nothing like that exists where Indian River County is concerned."

The change in demographics has also led to adjustments in the percentage of homes sold to full-time residents. "Around 40 percent of the homes we sell are for winter living only," says Buzz. "The other 60 percent are to buyers who plan to live here year-round. Ten years ago, it was the other way round."

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Will the influx of new hotels in Vero Beach – Caribbean Court, Costa d'Este, Marriott's Springhill Suites, the Vero Beach Hotel & Spa – mean that the city is gradually moving from a community of many part-time residents to a market dependent on tourism? Buzz doesn't think so.

"Sure, the number of hotel rooms has increased dramatically," he says, "but Vero Beach is still too small to accommodate a big influx of tourists. And we just don't have the scale of attractions you find in Orlando and Miami."

He remains confident, however, that the area will continue to appeal to large numbers of discerning home buyers. The respected website CNNMoney.com, he points out, recently placed Vero Beach at No.1 on the list of undervalued housing markets in the nation and projected a 64 percent increase in local home prices over the next five years. Buzz is a little skeptical about this prediction, but says that the optimism bodes well for Vero Beach.

"Generally speaking, we've had good government over the years, and because of that we have a lot to offer," he says. "Vero Beach is a scenic, laid-back town with beautiful beaches, plenty of golf and, compared to South Florida, minimal traffic."

One of its biggest attractions, he thinks, are the height restrictions pioneered by his grandfather. "Vero Beach's low-rise silhouette has tremendous appeal to folks coming from 20-story concrete canyons," he says, "whether they're in the Northeast or South Florida." ❁

*Many thanks to Suzan Phillips for contributing to this article.*



# SIXTY YEARS OF TRADITION

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