

Back Story: Real estate exec Mac Hamilton's first client was Mayo

BY WILLIAM MORRIS
Staff Writer

Mac Hamilton made his first real estate deal almost 50 years ago, on the day he turned 21.

He has been buying, selling, developing and managing property ever since, from Chicago to Atlanta to Houston. But it was in Rochester, Minnesota, that he stayed, managing property for the renowned Mayo Clinic and then, in 1979, launching his own company. Mayo was his first client at Hamilton Real Estate and continues to do business with him today.

Nearly 40 years later, he's still in Rochester, building, selling and leasing property all over southern Minnesota and beyond. Today Hamilton Real Estate is wrapping up an office building in Rochester, has apartments under construction in Owatonna, and is leasing and marketing the 492-acre former IBM Campus in his adopted city. But he's not among the developers working in the city's booming Destination Medical Center district.

Hamilton fears Rochester's apartment market is becoming overbuilt. The heart of Hamilton Real Estate's business, though, is still brokering and managing property in Rochester.

Finance & Commerce spoke with Hamilton about how he got his start in real estate, his life and which famous musical he acted in as a young man. The answers have been edited for clarity and length.

Q. How did you end up in this line of work?

A. My best friend from high school and I bought a triplex at 2223 Pleasant Ave. S. in Minneapolis on my 21st birthday. ... I could never analyze [stocks] properly, but real estate is something you can have some degree of control in, if you're hands-on and active in managing it; have some understanding of supply and demand and how they relate to the market.

Q. What was your first paying job, and what did you learn that applies to your current job?

A. When I was 12, I washed windows, swept and mopped floors and took out garbage from Fannie Farmer in Edina. It was a candy outlet. I think I made 85 cents an hour. I suppose [I was] just establishing a work ethic. That's literally the bottom floor, wash-



SUBMITTED PHOTO/HAMILTON REAL ESTATE
Mac Hamilton founded Hamilton Real Estate in Rochester after managing property for Mayo Clinic. Mayo became his first client.

John McMillan "Mac" Hamilton

Age: 70

Title: CEO of Hamilton Real Estate, Rochester

Education: B.A. in economics from Knox College in Galesburg, Illinois

Hometown: Edina

Residence: Rochester, Minnesota

Family: Wife, Janine; two daughters, Nichole and Danielle; four grandchildren

ing windows and taking out trash.

Q. What is your favorite property in Rochester that isn't yours and isn't related to your line of work?

A. The Mayo Gonda buildings because of what they mean to Rochester. [Mayo] understood how much more expensive it was getting to buy incremental land around the campus, so we started talking about how it might make sense to build vertically rather than horizontally. [Mayo recently announced plans to build an expansion atop the Gonda building.]

Q. If you were hosting first-time

visitors to the Rochester, where would you take them and why?

A. If you were a business client, I'd hop you in my car and we'd drive around the entire town and I'd tell you about the quadrants in town and demographics, where the growth is occurring and why I think that's occurring, and within about an hour you'd have a pretty good idea.

Q. What was the deal that got away?

A. One I mention is selling the Residences at City Hall. We were able to take the proceeds from that and purchase the 360-acre farm on West Circle Drive that we developed very profitably. ... It was just such a beautiful building. I'd like to continue to own it, and I don't.

Q. What was the deal you wished you turned away?

A. I've got a confidence level in my abilities in the field of real estate, but I think at one time I thought I would be a good entrepreneur regardless, and so another fellow and I bought a vending company that proved to be a very unpleasant experience at the end of the day. I found [I ought] to stick to my knitting and make my living in the real estate business.

Q. What are your favorite activities outside work?

A. I love my family. ... Each weekend we go up to Minneapolis and spend time with them, my grandkids, so that probably is my favorite thing to do. I pretend to play golf, not all that well, but I do enjoy the camaraderie of it, and occasionally I hit a good shot.

Q. What is one thing people would never guess about you?

A. When I was working with Real Estate Research Corp. in Chicago in 1970, I was dating this girl who said, "Why don't you come with me to audition for this play?" I was the original Teen Angel in the amateur cast of "Grease" before it went to New York and became a movie. Frankie Avalon took my part in the movie.

Q. What do you read to keep up with your job, as well as for pleasure?

A. For work, I like to read the Wall Street Journal, Kiplinger and Forbes. In reality, most of the reading I do is recreational. I like to read novels. I like Lee Childs and Steve Berry and Nelson DeMille and Daniel Silva.

Q. What are your words to live by?

A. Be honest with your business people. Try to know who you are and just be true to yourself and the people you deal with.