

Apartments FOR SALE

Harbor View / Cape Cheerful
17/19 & 197/199 Driftwood Way
Dutch Harbor, AK 99692

16- Total Apartments

- (8) 2-bedroom/1-bathroom 1,064 sf
- (7) 2-bedroom/1.5-bathroom 984 sf
- (1) 3-bedroom/2.5-bathroom 1,364 sf



Cape Cheerful – Lot 13 Cape Cheerful Subdivision

Lot 13 25,814 sf

Cape Cheerful
\$1,200,000



Combined price for both properties

\$2,145,000 / \$128 sf

Projected 2025 Net Operating Income: \$211,450

Harbor View Sale Announcement

Zelener Group is pleased to announce that Harbor View apartments is officially for sale. Having acquired Harbor View in 2013, we have proudly owned and managed this property for the past 11 years. Throughout this period, we have consistently invested in the property and its tenants, contributing to long-standing success and reputation in the community.

Property Highlights

- Capital Improvements:** Since 2013 over \$770,000 has been invested in capital improvements and upgrades, ensuring the buildings are appealing for tenants.
- Stabilized Tenant Base:** Harbor View boasts a roster of reliable, long-term Tenants, reinforcing a steady revenue stream.
- Current Financial Performance:** (NOI) 2024 was \$171,127; Projected (NOI) for 2025 is \$211,450.
- Ownership Structure:** Harbor View property is leased from the Ounalashka Native Corporation with 16 years left on the land lease, expires in 2041, with (2) 20-year options to extend.
- Vacancy:** Over the past 10-years the vacancy rate has averaged 5%, and as of Jan 2025 the current occupancy is 100%.

Strategic Sale Decision

After 11 years of successful operations in Dutch Harbor, we have decided to reduce our footprint in the region and diversify our real estate portfolio by pursuing new market opportunities. Although our Dutch Harbor portfolio has consistently outperformed investments in other markets, the decision is aligned with our broader growth and diversification strategy.

Investment Advantages

- Exceptional Returns:** The CAP rates and profitability from Harbor View have been highly rewarding. Comparable properties in other markets often sell for nearly double the cost.
- Operational Stability:** Despite the logistical challenges posed by Dutch Harbor’s remoteness and climate, we have established a highly reliable local management team supported by trusted contractors, leading to efficient and cost-effective operations.

Buyer Opportunities

Harbor View presents an ideal investment for investors familiar with the unique dynamics of the Dutch Harbor market.

- Support Transition:** To ensure a seamless ownership transition, Zelener Group offers to manage the property for 1-2 years, providing valuable continuity.
- Local Expertise:** Buyers will have the option to retain the skilled local management team already in place.

Economic Stability

Dutch Harbor's economy, driven by its vital role in the U.S. seafood supply chain, has remained stable for the last 15 years. While annual fish harvests may fluctuate, the region's strategic importance ensures long-term economic resilience.

Conclusion

Harbor View represents a valuable investment opportunity in a high-performing market. We invite interested parties to consider this well-maintained, profitable asset with significant upside potential and for a larger investment we are offering two additional properties also located in Dutch Harbor.

PROPERTY OVERVIEW

Dutch Harbor/Unalaska has experienced a housing shortage for several years. These four-plex units present a valuable opportunity for local businesses to address the issue by providing much-needed housing for their employees. By investing in this type of development, businesses can enhance employee satisfaction, support community growth, and strengthen the local economy.

CAPE CHEERFUL These spacious townhome-style apartments range from 984 to 1,384 square feet and feature two bedrooms with a full bathroom upstairs and a half bathroom downstairs. One unit in the complex offers a three-bedroom layout. The downstairs area includes a welcoming entryway, a half bathroom, a large storage room, and a kitchen and dining area that opens into a comfortable living room. These units offer ample storage, including an under-stair pantry. A large picture window provides stunning views of the bay and fills the space with natural light. The entryway is designed to provide plenty of room for removing boots and coats. Situated atop the bluff overlooking the Dutch Harbor airstrip, these apartments offer breathtaking views of Ballyhoo and Hog Island. The location, nestled at the end of Driftwood Way in a cul-de-sac, creates a cozy residential neighborhood feel. The school bus stop is conveniently located at the front of the buildings, making this an ideal setting for families.

HARBOR VIEW These spacious apartments, averaging 1,064 square feet, are part of two community-style four-plex buildings overlooking Dutch Harbor, with views of the bustling fishing and shipping activity. The kitchen features ample counter space, including a breakfast bar, making it perfect for casual dining. A generous pantry and abundant cupboard space make this kitchen a cook's dream. The breakfast bar opens to the living room, where a large picture window frames stunning views of the harbor. Each unit includes two bedrooms, one full bathroom, and a private laundry area. Newly renovated, these apartments are clean, modern, and well-maintained. The Harbor View apartments sit atop Standard Oil Hill, offering breathtaking views of Rocky Point, Dutch Harbor, and Mt. Ballyhoo. Nestled in a family-friendly residential neighborhood near the local Tribal Hall, they are also within a short walking distance of Sitka Spruce Park. Additionally, they're just a quick drive to the grocery store, hardware store, and several local restaurants—some close enough to walk to. Each apartment offers convenient parking, with well-maintained entryways and parking areas. A covered central entry area provides protection from the cold and rain, ensuring a warm welcome home.

RECENT UPGRADES TO THE BUILDINGS DETAILS Over the past 11 years, the buildings have undergone several significant upgrades. Each building has its own boiler, which was replaced in 2014. Many of the apartments have been recently remodeled, featuring new appliances, energy-efficient LED lighting throughout, vinyl plank flooring, and fresh paint. In 2018–2019, all windows were replaced with high-quality triple-pane windows to improve insulation and energy efficiency. In 2020, the heating oil tanks for all four apartment buildings were replaced, further enhancing the overall reliability and comfort of the properties.

All four apartment buildings are in excellent condition, have been well maintained, and have a strong tenant base. The majority of the apartments are occupied by local Dutch Harbor companies and are utilized as employee housing.

This property presents an ideal investment opportunity or could serve as a great option for a local company to house its employees while collecting additional income.

A brief summary of the capital improvements, upgrades, repairs, and remodels is listed below. Each building has its own heating system, with oil-fired boilers replaced in 2014. Many of the apartments have undergone full or partial remodels over the past five years. Each apartment comes equipped with a washer/dryer, range, refrigerator, and dishwasher; most appliances have been replaced within the last five years. In 2018-2019, all apartment windows were replaced with Ply-Gem triple-pane windows.

The property's land lease expires in 2041, with two 20-year options to extend. Note that all four buildings are located on three separate tax lots, which combine for a total of 54,605 square feet.

(3) Lots Land Size: 13,913 sf	Legal Description: Lot 18A, 18B, 13	Est. NOI 2025: \$211,457
14,878 sf	Plat 89-11 Cape Cheeful Subdivision,	
25,814 sf		Price per sf: \$128
	Tax Parcel: 04-03-320, 04-03-323,	
Apartment type: (8) 2/bd-1/ba	01-10-130	Listed Price: \$2,145,000
(7) 2/bd-1.5/ba		
(1) 3/bd-2.5/ba	Year Built: 1991-1992	Roof Type: Metal
Current Vacancy 0%	Heating Type: Heating Oil	Siding Type: Metal

Exterior Building Improvements	\$258,265
Apartment Improvements / Renovations	\$361,550
Boiler, Fuel Tanks & Electrical upgrades	\$107,698
Appliances & Furniture	\$45,099

Total \$772,612

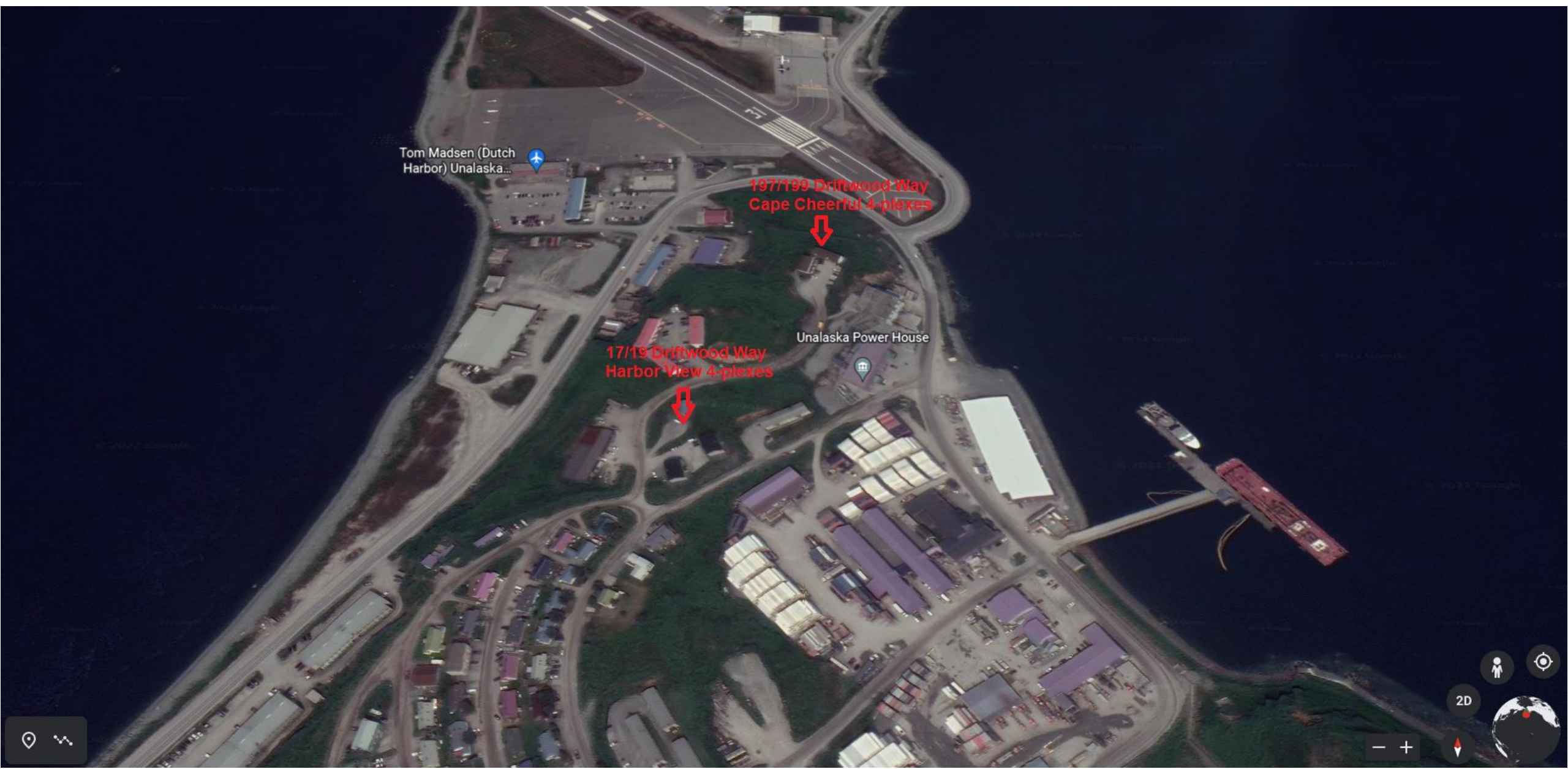
Apartments - Photos



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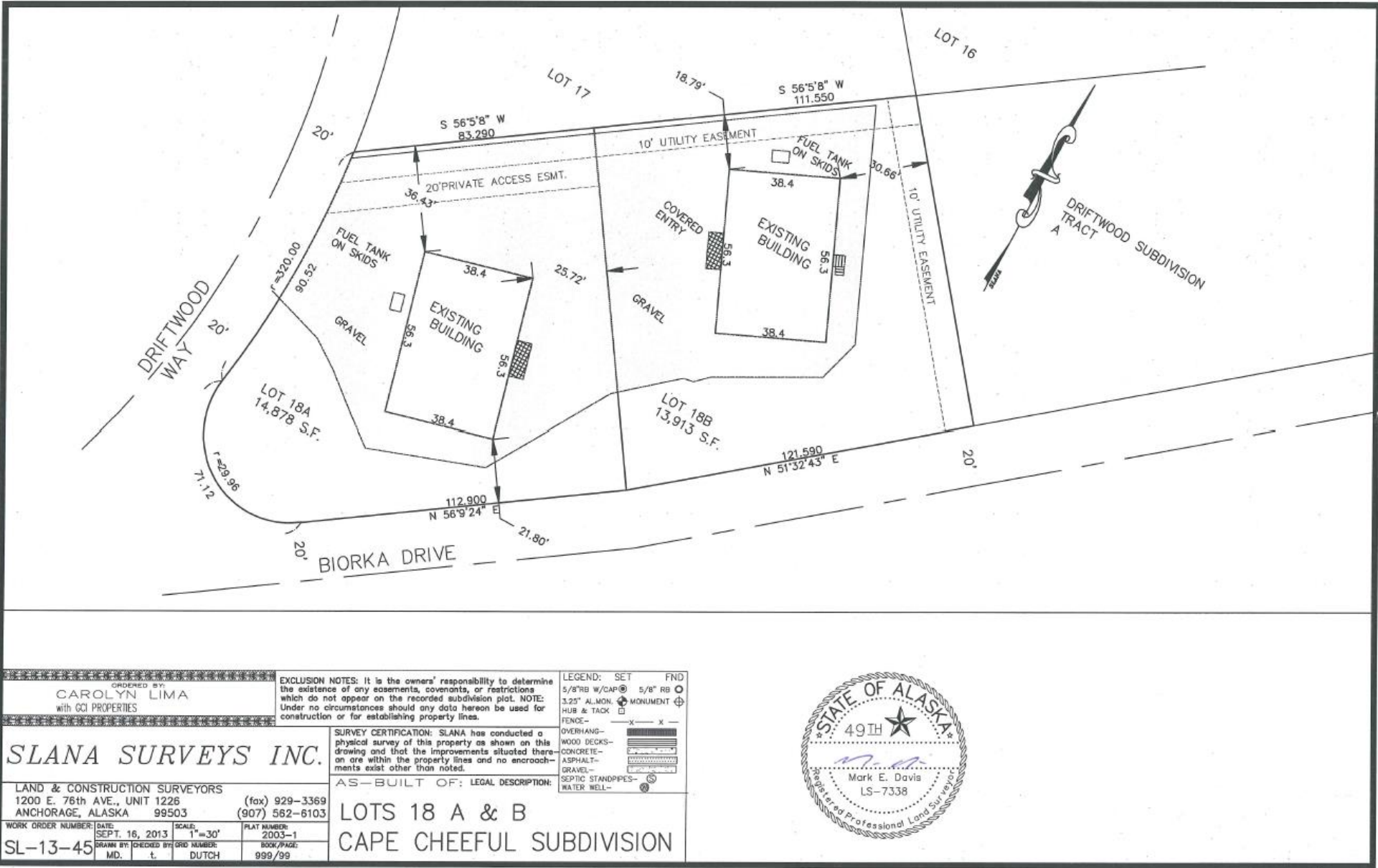


AERIAL PHOTO

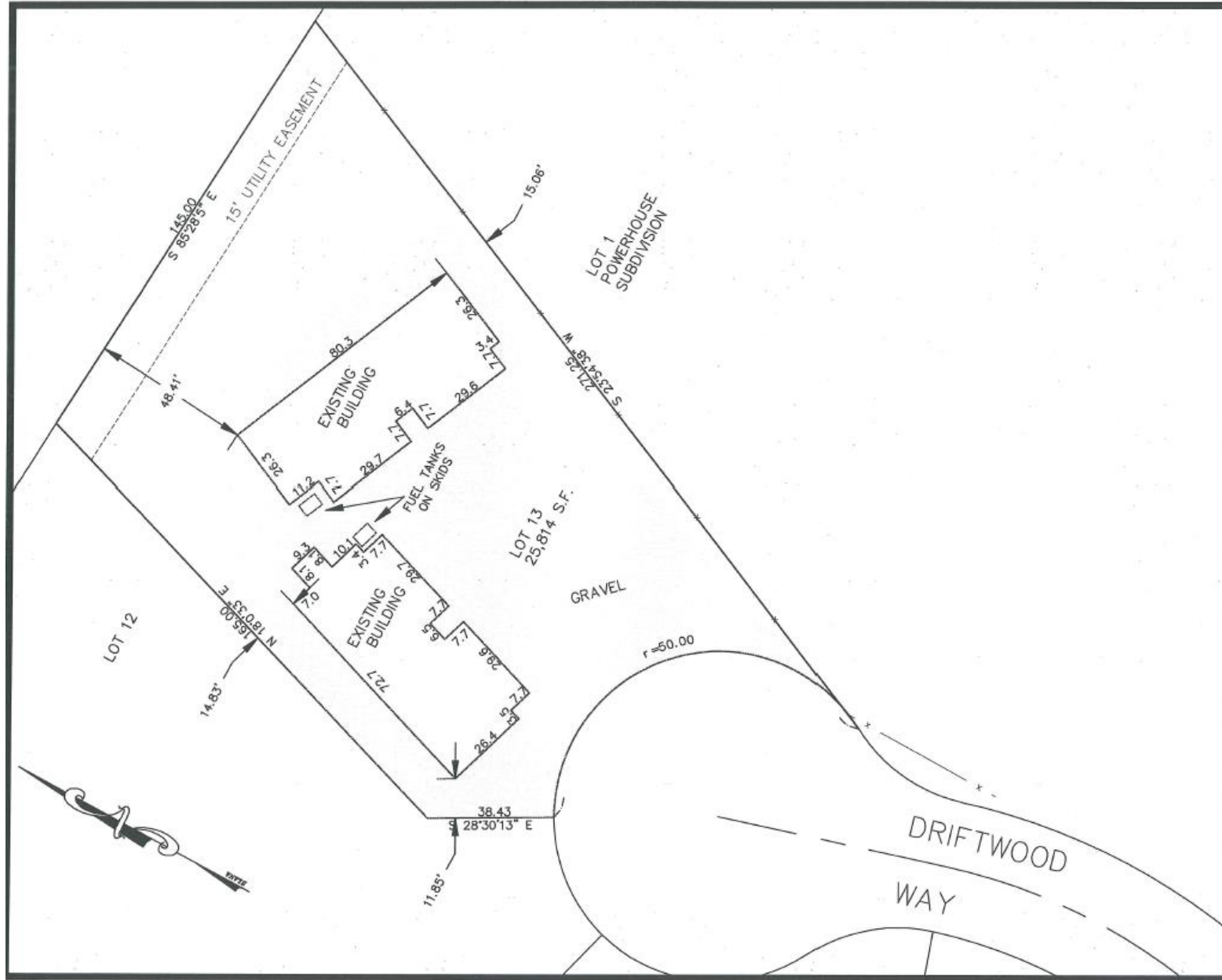


Harbor View

Land Survey



Land Survey



SLAMA SURVEYS INC.		AS-BUILT OF: LEGAL DESCRIPTION:	
LOT 13		CAPE CHEEFUL SUBDIVISION	
EXCLUSION NOTES: It is the owners' responsibility to determine the existence of any easements, covenants, or restrictions which do not appear on the recorded subdivision plat. NOTE: Under no circumstances should any data hereon be used for construction or for establishing property lines.		SURVEY CERTIFICATION: SLAMA has conducted a physical survey of this property as shown on this drawing and that the improvements situated thereon are within the property lines and no encroachments exist other than noted.	
LEGEND: SET		FIND	
5/8" RB W/CAP ⑤ 5/8" RB ⑥		3.25" ALUMN MONUMENT ⑦	
HUB & TACK ⑧		FENCE— X — X —	
OVERHANG—		WOOD DECK—	
CONCRETE—		ASPHALT—	
GRAVEL—		SEPTIC STANDPIPES— ⑨	
WATER WELL— ⑩		REGISTERED PROFESSIONAL	