Mississippi big-game hunter Fred Fortier stalked his share of Alaska bear and caribou, but in early 1990 he went after even bigger quarry.

Rummaging through the wreckage of Anchorage's recession-battered real estate market, he looked for the empty spaces, the ready-to-build tracts of foreclosed federal regulators and banks.

With the backing of a group of investors, he had the ammunition few in town did cash and the faith in the marketplace to spend it in Anchorage, appraisers and bankers said.

In less than a year, Eagle Harbor Land Co. Inc., with Fortier as its president, quietly became the largest owner of developed residential lots in Anchorage and Eagle River. The company's dominance in the market has enabled it to boost the price of buildable land in the city this year and could affect the price of lots for years to come, say builders, bankers and others in the real estate industry.

"I think Eagle Harbor owns probably every good piece of developed property in Anchorage and Eagle River," said Gary Kontul, head of The Alpha Group, which markets new homes.

"You look at the property that's available, find out who the people are who own it and most of the time it's Eagle Harbor," he said.

Fortier won't talk about Eagle Harbor’s activities. Neither will the company’s general manager, Robert D. Klein. Nor will present or former company officials contacted by the Anchorage Daily News.

EAGLE’S BUYING BINGE Anchorage’s market for vacant land was near the bottom when Eagle Harbor went on a shopping spree.

The company may even have been a little late getting into the market, said Paul Palmer, a real estate agent who helped Eagle Harbor acquire some of its land; sell those lots to builders.

The Federal Deposit Insurance Corp. ended up with thousands of repossessed buildings and tracts of land after it took over bad loans from the nine Alaska banks that failed during the late 1980s.

"Some of the better properties had already been picked over before Eagle Harbor came along," Palmer said.

Builders and investors had been buying up foreclosed land for several years, but no one went at it like Eagle Harbor, said Fred Ferrara, owner of Alaska Valuation Service Inc., a real estate appraisal firm.

Eagle Harbor and a sister company, Sunrise Development Corp., were incorporated on March 27, 1990, state records show. Eagle Harbor has a five-member board of directors, with three of those members controlling 37.5 percent of the company’s stock, according to the records. The firm has investors, general manager Klein said he wouldn’t say who or how many there are.

Sunrise has a three-member board, although none of those board members is listed as a shareholder.

Two related companies, Eagle Management Inc. and Eagle Crossing Inc. list Klein as their registered agent and were formed by some of Sunrise’s directors, state records show.

As of February, Eagle Harbor, its related companies and their investors held at least 550 residential lots and at least 310 acres of other land, according to an Ernst & Young document from the city, tax records and city planning supervisor Jerry Weaver.

In all, Eagle Harbor bought $10 million in real estate, estimated Jan Sieberts, head of commercial real estate at National Bank of Alaska, one of Eagle Harbor’s investors. The investment group assembled its land holdings from a variety of places including banks, developers, an Alaska Native corporation and the FDIC. In 1990, Ernst & Young and its investors bought about $2.5 million in foreclosed lots and raw undeveloped land from the FDIC, agency figures show.

"As far as the number of transactions, they were probably right up there as one of our major buyers. As far as dollar volume, they were more toward the middle," Kutlich, liquidator in charge of FDIC’s Anchorage office.
The land group picked up most of its FDIC lots in 1990 for under $10,000 each, agency records show. On the low end of the FDIC purchases, Eagle Harbor paid $20 for zero-lot-line plots in the Baranof Woods subdivision in Muldoon in 1990, according to those records. The most they paid that year for an FDIC property was $25 lots in South Anchorage's Concord Hills subdivision, agency documents show.

Landowners like Eagle Harbor are now selling small zero-lot-line lots to builders for about $32,000 and single-family-house lots for $42,000 to $65,000, said Mike Curry, a vice president with the Anchorage-corporation.

Sister company Sunrise Development picked up 270 undeveloped acres in Eagle River from Eklutna Inc., said Mike Curry, a vice president with the Anchorage-corporation.

Sunrise also discussed tying up an undisclosed amount of Eklutna land with options to purchase, but the deal did not go through, Curry said.

By February this year, Eagle Harbor and Sunrise owned a big chunk of Anchorage's developed residential land. MAJOR PLAYER Eagle Harbor isn't the only player in Anchorage's market for developed lots, but it is the biggest.

Eagle Harbor and its related companies controlled about one-third of the residential lots in Anchorage and Eagle River before it started selling them off to builders, according to company and city records.

Anchorage's five years of recession stopped almost all new land development, making the number of developed lots in town a limited commodity.

The lots out there mainly are those that developers started, or completed, before the real estate collapse began in 1986. Many of those properties ended up in foreclosure, often for a fraction of the original cost to put in water, sewer systems and electric lines, said builders, bankers and real estate agents.

An inventory of building lots compiled by Alaska Valuation Service in February and published by the city showed 1,532 existing and planned residential lots in Anchorage. That same month Eagle Harbor owned at least 550 lots, almost all of them zoned for single-family and zero-lot-line homes in February, according to property list obtained from the city.

Eagle Harbor's real dominance is in land zoned for the zero-lot-lines, small lots where Anchorage's lower-cost houses are built singly or in pairs. With nearly 40 percent of its inventory, Eagle Harbor held nearly three out of every four of these lots in Anchorage and Eagle River, according to the company's list and the city lot inventory.

"They pretty well controlled the zero-lot-lines, it looked like they were making every effort to do that," said Ferrara, whose Alaska Valuation Service did the lot inventory for Anchorage. Scarcity is the rule here, too, because Anchorage stopped allowing developers to apply for new zero-lot subdivisions at the beginning of 1987, said the city's WiG AME, BIG DEALS Eagle Harbor did the deal a lot of investors in town only dreamed of. "I wish I had the money" to do what they did, said Ken Gain, a real estate counselor.

But risks were high, bankers and developers said.

If Anchorage's economy falters and building slows, Eagle Harbor could be stuck paying taxes and making loan payments on its land inventory while it waits for the land group to sell off.

Who are these high rollers? Eagle Harbor won't say; it shuns publicity.

Repeated calls to Fortier at his home and office in Ripley, Miss., went unanswered. Last week, a woman who answered the phone at Ripley Insurance said he was out of town. Which country was he in? "Alaska," she replied.

Fortier did not respond to calls last week seeking an interview while he was in Anchorage.

"Eagle Harbor Land Company Inc. can see no benefit from any publicity," Klein, the general manager, wrote Tuesday to the Daily News. The Anchorage-based company has only one large building lot on its list that was sold to the Fortier-run Clearwater Development, said Klein.

"I thought he would be pretty merciless. You get a (mental) picture of a guy who buys a lot of real estate. But he's a gentleman. He does exactly what he says," Klein said.

But back in Ripley, about 80 miles from Memphis, Tenn., Fortier is known as the owner of Ripley Insurance, a big-game hunter and a member of a prominent family, said Kenny Goode, managing editor of the Southern Sentinel, a weekly newspaper published in Ripley.

"You don't see him around very much because he's always off hunting somewhere," Goode said.
A profile in the Northeast Mississippi Daily Journal describes Fortier's office walls as covered with photos of hunting trips from China to the Soviet Union, and with Alaska caribou and a Central American warthog. He combines business with pleasure, "shaking hands on real estate deals while stalking black bear in Alaska," Thomas wrote.

Fortier has ties to another prominent Alaska big game hunter and once-powerful developer, Robert Kubick. Kubick was chairman of Quadrant Companies and during the boom years of the 1980s, involved with apartment buildings, offices and residential land developments.

Kubick and Fortier were both members of the exclusive Boone and Crockett Club until Fortier resigned in March, said Harold Nesbitt, club director of publication conservation group for hunters was founded in 1887 by future President Teddy Roosevelt and his shooting partners. Membership is limited to 150 people, and have killed at least three big game animals, Nesbitt said.

Kimberly Kubick, 19, whose address is the same as Robert Kubick's in some public records, owns 12.5 percent of Eagle Harbor's stock, according to state records. Boyd of Key Bank credits Eagle Harbor for its ability to take big risks and reap the rewards.

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Robert Kubick could not be reached for comment.

Sunrise Development's director are Klein, president; Suzanne Dougery, vice president; and Judy Alexander, secretary-treasurer, state corporations records show.

Alexander is also listed as one of the incorporators of two related companies, Eagle Crossing Inc. and Eagle Management Inc., state corporation and property records show. Klein is listed as the registered agent for both companies.

A MARKET FORCE Eagle Harbor's holdings have made it a powerful force in the market. Although he wishes for cheaper lots, many in the real estate industry said Eagle Harbor has been a force in returning the land market, skewed by the recession, to a more normal state.

"Everybody came around," he said. "They said to the appraisers, Alaska Housing, the banks, the builders: "We think this land is valuable. We're not going to sell for less. Either everybody or else develop some more yourself or don't build anymore houses." "

Eagle Harbor, with its stockpile of foreclosed lots, managed to "change the mind-set of the industry," said builder Spinelli. "We're here to liquidate lots. We don't overanalyze every deal."

Eagle Harbor simply shopped the deals, picking up undervalued subdivisions, he said.

"If those people think this land is undervalued, we're going to leave that type of speculation" to the private sector, said Kutlich of the FDIC. "We're here to liquidate properties. We don't overanalyze every deal."

Taking the land out of FDIC control helped stimulate the building industry, said real estate agent Palmer.

"FDIC has a large number of lots they would only sell for cash. Eagle Harbor bought them and made them available to builders as needed."

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"They're a big player," said Boyd, the banker. "When you are a big player I don't want to say that they set the market but you have a large say."

Eagle Harbor is selling lots to builders with regular price escalators built in, and rising land prices contribute directly to housing price jumps, Kontul of The Alaska Development Corporation said.

Spinelli had to boost the prices of his houses, but said he doesn't mind paying the going rate for land. At the current prices, he's still buying land at less than the new subdivision.

This cheap land will run out in a year or so, builders and bankers said. Until then, the prices must rise slowly but steadily so buyers won't get sticker shock when pay the costs to develop new lots, developer Thornton said.

Developers will have to pay at least $20,000 per lot to bring water lines, sewer systems and electricity to new subdivisions, and that will drive up prices, bankers and developers said.

Eagle Harbor's edge in the market may be blunted soon, however; lot prices are getting high enough that some developers can now create new building lots at compete with the foreclosed stocks, said Palmer, the real estate broker.

When Anchorage's rebounding housing industry enters the next phase and starts developing new lots, Eagle Harbor and its related companies will be in the game.

The companies have at least 310 acres of undeveloped land in Eagle River, according to Eagle Harbor records and Weaver of the city. Sunrise has filed plans to develop 30 acres in South Anchorage.

Boyd of Key Bank credits Eagle Harbor for its ability to take big risks and reap the rewards.

"They bought it at the bottom, brought it up to what the market (price) should have been and were able to double or triple their money," he said.

"That's just good business."