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Marcus & Millichap
THE RHOADES GROUP



SHADOW HILLS APARTMENTS

1000 NE 3RD ST, PRINEVILLE, OR 97754

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INVESTMENT OVERVIEW

SHADOW HILLS APARTMENTS

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Shadow Hills Apartments presents a compelling multifamily investment opportunity in the heart of Central Oregon. Strategically located along Prineville's main thoroughfare, the property offers convenient access to shopping, dining, employment centers, and essential services. The community consists of 23 units across a well-maintained building, including nine one-bedroom/one-bath units, ten two-bedroom/one-bath units, and four three-bedroom/one-bath units. This diverse unit mix caters to a broad tenant base ranging from single professionals to families, supporting consistent occupancy and long-term demand.

The property has been thoughtfully maintained and enhanced to meet modern renter expectations. Most units feature designated off-street parking, modernized floor plans, luxury vinyl plank (LVP) flooring, dishwashers, updated baseboard heating, and window-mounted air conditioning. Controlled access entry and on-site security cameras further enhance resident safety and peace of mind. Over the past five years, ownership has executed a comprehensive capital improvement and rebranding program, including new signage, new exterior paint, selective siding repairs, parking lot resealing, replacement of air-conditioning units in multiple apartments, and interior renovations in over 70% of the units featuring updated flooring, appliances, and finishes.

With current rents estimated at 20% below market within a one-mile radius, Shadow Hills Apartments offers meaningful upside potential. The majority of value-add improvements have already been completed, allowing a new owner to benefit from stable in-place cash flow while capturing additional income through continued interior upgrades, rent optimization, and operational efficiencies. Positioned in a growing Central Oregon market, Shadow Hills represents an attractive opportunity for investors seeking a well-located asset with both stability and future growth.



Strong Upside Already Proven by Highest-Achieved Rents



Diverse Mix of 1, 2 and 3 Bedroom Flats, Most Units Attractive High Demand 2 Bedrooms



Extremely Low Vacancy on Highly Sought-After Location



Breathtaking Views of Central Oregon's Natural Beauty



Professionally Managed and Maintained with Pride in Ownership



Very Walkable and Bikeable Location



OFFERING PRICE
\$2,550,000

CAP RATE
6.28%

PRO FORMA CAP RATE
7.67%

PRINEVILLE, OREGON

Prineville, Oregon is the county seat of Crook County and a growing economic hub within Central Oregon. Historically rooted in timber and agriculture, the local economy has diversified meaningfully over the past decade. Major infrastructure investments by companies such as Meta (Facebook) and Apple have positioned Prineville as a regional data-center and technology support hub, while continued strength in construction, health care, retail, and public services supports employment stability. Pro-business local policies, enterprise zones, and public investment in infrastructure have helped attract new employers and capital to the area.

Population and workforce growth trends remain positive, supported by both local job creation and regional migration. Prineville has benefited from its proximity to Bend, Redmond, and the broader Central Oregon employment base, with a significant portion of residents commuting to higher-wage job centers while seeking more affordable housing options. Crook County has experienced steady population increases in recent years, outperforming many rural Oregon markets, as households are priced out of Bend's housing market and relocate east while maintaining access to its employment opportunities. Rising median household incomes and an expanding labor force continue to support strong demand for rental housing.

Quality of life further enhances Prineville's appeal. Residents enjoy access to outdoor recreation including the Ochoco National Forest, Crooked River, and Prineville Reservoir, combined with a small-town atmosphere and improving local amenities. Its strategic location within Central Oregon allows residents to balance affordability with connectivity to major employment centers, reinforcing Prineville's role as both a self-sustaining community and a commuter-friendly housing market. Together, economic diversification, population growth, and regional accessibility position Prineville as a stable and attractive multifamily investment market with long-term demand fundamentals.



23,504

ESTIMATED POPULATION
WITHIN 10 MILES (2025)



\$89,408

AVERAGE HOUSEHOLD INCOME
WITHIN 10 MILES (2025)



90+

RESTAURANTS AND BARS
WITHIN 10 MILES



9,515

ESTIMATED TOTAL HOUSEHOLDS
WITHIN 10 MILES (2025)

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