



COMPARABLE PROPERTY – PROOF OF CONCEPT

Searles Apartments: [Link to website](#)

A strong local comparable supporting rental demand in the Trona market is Searles Apartments, a professionally managed multifamily community located within the same submarket.



PROPERTY OVERVIEW

Searles Apartments is an established affordable housing community offering one- and two-bedroom units in Trona, California. The property operates under a structured leasing system and serves income-qualified tenants through a managed leasing process.



LEASING DEMAND & WAITLIST

The property maintains an **active waiting list for applicants**, requiring prospective tenants to apply and wait for unit availability prior to approval and move-in.

This demonstrates **proven rental demand within the immediate Trona submarket**, even in a rural location, and confirms that properly managed multifamily assets can achieve stabilized occupancy.



RENT POSITIONING (SECTION 8 UPSIDE)

Based on Housing Authority payment standards for San Bernardino County, **1-bedroom / 1-bath units (~550 SF)** may qualify for higher reimbursement levels under the Housing Choice Voucher Program.

- Estimated Section 8 payment range for 1-bedroom units:
Approximately \$900 – \$1,200+ per month (subject to approval and rent reasonableness)
- This represents a **significant upside compared to traditional market rents**, particularly when units are renovated and meet inspection standards.

While final approved rents are subject to Housing Authority review, this creates an opportunity to **capture premium rents supported by government-backed payments**.

LEASING PROCESS (COMPARABLE MODEL)

Searles Apartments follows a structured leasing system:

- Applicants submit an application
- Applicants are placed on a waiting list
- Income and eligibility are verified
- Approved applicants are scheduled for move-in

This reflects a **phased lease-up model**, where demand is present but absorbed over time.

INVESTMENT TAKEAWAY

The presence of a stabilized apartment community with a waiting list, combined with Section 8 payment potential, supports the viability of this investment strategy.

Key conclusions include:

- **Documented tenant demand exists in Trona**
- Section 8 can provide **above-market rental income potential**
- Government-backed payments offer **income stability**
- A renovated, well-managed asset can achieve **stronger rent positioning and long-term performance**

IMPORTANT CONTEXT

Investors should note:

- Final rents are subject to Housing Authority approval and rent reasonableness
- Lease-up will occur over time, not immediately
- Unit condition, management, and pricing strategy are critical to achieving top rents

Conclusion:

Searles Apartments provides a **real-world proof of concept**, while Section 8 payment standards introduce a **clear path to higher rental income potential**, making this a compelling value-add multifamily opportunity.

Gilberto Omar Garcia Jr - DRE 02199726

Rise Realty - GilbertoOmarGarcia@outlook.com - (951)-581-1118