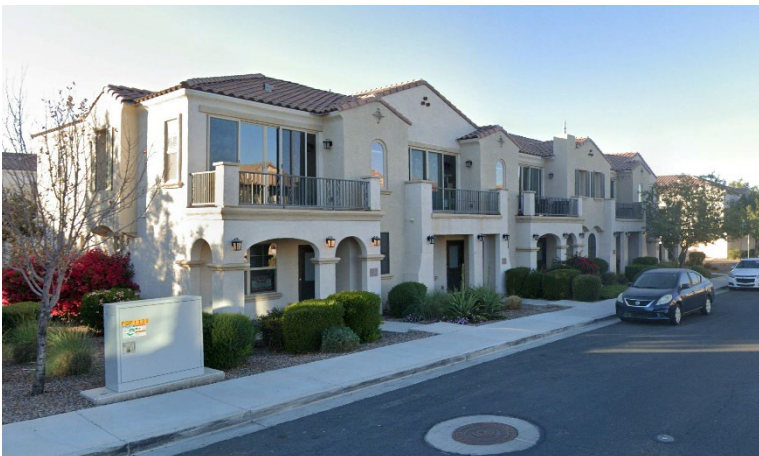


Housing Needs Assessment

Town of Gilbert, Arizona



Prepared For: Town of Gilbert
September 2025



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Table of Contents

Executive Summary	i
1.0 Background & Methodology	1
2.0 Demographic Characteristics of Gilbert Population	4
3.0 Gilbert Economy	10
4.0 Housing Market Dynamics	18
5.0 Housing Affordability Gap	35



Executive Summary

The Town of Gilbert commissioned the preparation of a comprehensive Housing Study and Needs Assessment to provide the community with an understanding of the housing market, its challenges, and the current and future housing needs. The purpose of the Assessment is to satisfy recent legislative requirements for cities to conduct a housing study and, as such, it evaluates existing housing affordability conditions in the Gilbert. The Town’s Economic Development Strategy identifies a strong connection between attainable housing and the ability to grow a pipeline of talent to support the growth of jobs in the community.

The Housing Needs Assessment also identifies the affordability gap for the community - the shortage of units that are needed to provide housing that is affordable for Gilbert’s residents at all income levels. Housing affordability is determined by using the standard that no more than 30% of a household’s income is devoted to housing costs¹.

The term “affordable housing” is often associated with housing for the lowest income households. The terms “workforce” or “attainable” housing is most often associated with the demand created by essential personnel such as police, firefighters, nurses, schoolteachers, and others providing services to the local population. No matter the wording, housing should be affordable to all households across all income spectrums.

Demographic Characteristics of Gilbert Population

According to the Arizona Office of Economic Opportunity (OEO), Gilbert had a population of 292,116 people within its municipal planning, including unincorporated areas, as of July 2024². The Town is the third largest municipality in Maricopa County surpassing Chandler in 2024. It is the fourth largest community in Arizona.

U.S. Census data indicates the population of Gilbert is young with a median age at 36.1 years and is highly educated. Nearly one-half of all Town residents age 25 and older have a bachelor’s degree or higher compared to 37.0% for Maricopa County. The median household income in

¹ The US Department of Housing and Urban Development defines “affordable housing” as housing for which the occupant is paying no more than 30% of gross income. “Attainable housing,” also referred to as Workforce Housing, is defined as housing that costs no more than 30% of the gross incomes of households earning 80% to 120% of the area median income (AMI).

² The OEO population figures represent the municipal planning area, not only the incorporated area. All other data sources for demographics are only for the incorporated area. The unincorporated areas within the Gilbert municipal planning encompass approximately 3.7 square miles out of 72.6 square miles.



Gilbert is among the highest in the county at \$122,445, which is 41% higher than the county median. The median household income of Gilbert renters of nearly \$92,000 is 48% above the median renter household income for the county.

Of the 94,016 households in Gilbert, 61.1% are married couples with another 6.8% considered cohabitating couples (Table 1). Approximately 32% are single person households where the spouse is not present, either through divorce, death of the spouse, never married, or another reason. Single female households account for 69% of all single person households and many female-headed households live with their children. Female households, with or without children, are the most at-risk groups for affordable housing since they depend largely on one income. Those living with children have a median household income of only \$66,200 compared to the Town median household income of \$122,445.

Table 1

Income By Household Type Town of Gilbert			
Households By Type	Households	%	Median Income
Total households	94,016		\$122,445
Married-couple household	57,483	61.1%	\$151,399
With children of the householder under 18 years	29,466	31.3%	\$152,736
Cohabiting couple household	6,440	6.8%	N/A
With children of the householder under 18 years	1,922	2.0%	N/A
Male householder, no spouse/partner present	11,185	11.9%	\$142,929
With children of the householder under 18 years	1,584	1.7%	\$156,307
Female householder, no spouse/partner present	18,908	20.1%	\$86,553
With children of the householder under 18 years	3,016	3.2%	\$66,214

Source: ACS 2023 1-year estimate

The Town of Gilbert is expected to grow to more than 302,000 people by 2030 and to more than 310,000 people by 2040. At the current average household size, Gilbert will grow by another 6,355 households through 2040. Assuming a 5% housing vacancy rate, the demand for housing will total 6,672 units between 2024 and 2040.

Gilbert Economy

Gilbert has a robust economy that is built on innovation and 21st Century industries. Targeted industries include Advanced Business Services; Aerospace and Aviation; Biotechnology, Life Sciences and Healthcare; Clean Technology; Finance and Insurance; ICT, Photonics and Optics; and Manufacturing. Supporting these industries are additional strengths in Retail Trade; Educational Services; Entertainment; and Accommodations & Food Services.



The list of major employers in the Town shows that the local economy has significant employment in health care, manufacturing, and business services. The town has two major health care centers and specialty services. The town's economy is well balanced and offers high quality job opportunities for local residents.

Gilbert's unemployment rate stood at 2.5% as of April 2025, below the state-wide average of 3.5%. This level of unemployment is an indicator of full employment both locally and across the state. Despite Gilbert's employment growth over the past decade, there is still substantial commuting by residents out of the Town. For instance, more than 109,000 working residents of the Town (69%) travel to other locations in the metro area for work. At the same time, 69,600 people travel to Gilbert for employment.

Gilbert is expected to see continued employment growth over the long term, increasing from 109,700 jobs today to 136,400 jobs by 2040. This growth will continue to create demand for affordable and market-rate housing for new residents and workers moving to the Town.

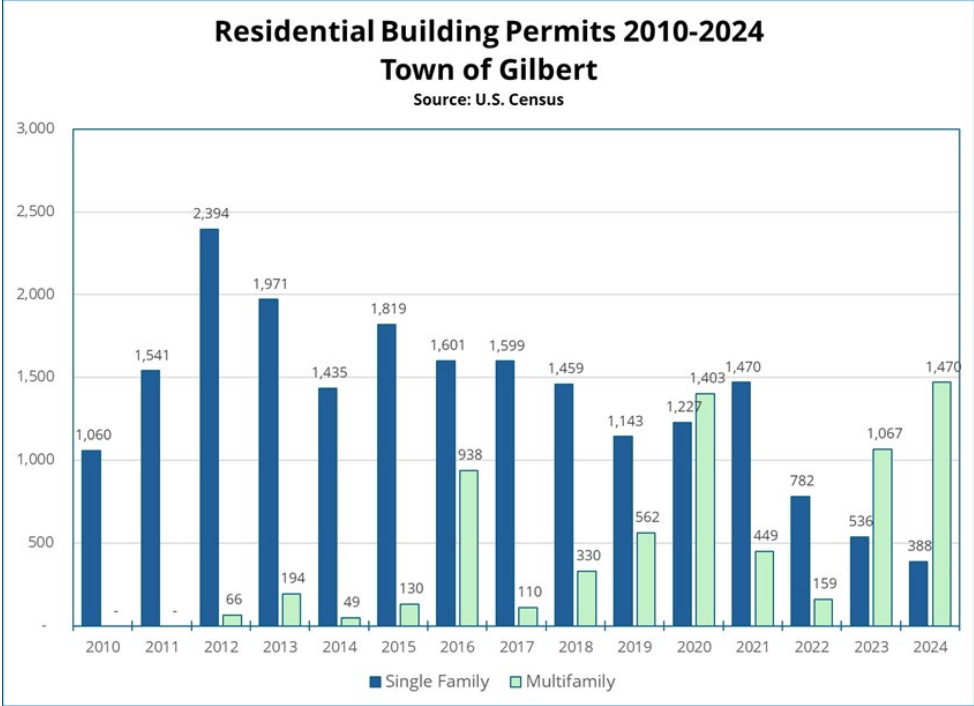
Housing Market Dynamics

Gilbert's housing inventory is comprised of 96,506 units according to the 2023 American Community Survey 1-year estimates. The town has a high percentage of single-family detached units (82.5%) and a lower percentage (12.8%) of multifamily units.

Overall residential building permit activity has been extremely strong over the past 15 years with an average of 1,823 units permitted each year (Chart 1). The mix of housing permits has changed over the past two years with multifamily permits exceeding single family permits. Single family permit activity has cooled over the last three years due in large part to the sharp rise in mortgage interest rates and home price appreciation, finishing 2024 at only 388 permits. However, through the first eight months of 2025, single family permits have increased by 27% to a total of 308 single family permits compared to the similar time period in 2024, but still well below historic trends.

Chart 1





Multifamily Market

The Town’s inventory of 63 apartment complexes totals 15,517 units at an average size of 246 units per complex. Included in the inventory are 950 units classified as Built-To-Rent (BTR) complexes which have been built in the last few years. The apartment inventory also includes three LIHTC complexes – Page Commons, The Groves, and San Clemente Power Ranch which total 671 units.

Average rents in Gilbert peaked at \$1,732 in 2022 but have since stabilized and slightly decreased due to new complexes being built. In 2021, rents had surged by 27% following the pandemic, but they have remained largely unchanged since then. One-bedroom and two-bedroom units account for 87% of all units in the town. While the overall vacancy rate stands at 9.9%, the market for units built before 2023 is stabilized at a vacancy rate of 6.9%. Newly built units show a higher vacancy rate of 39% which will decline over time as units are absorbed in the market.

The apartment pipeline for Gilbert of under construction and planned projects is extensive. According to RealData, 950 apartment units are under construction and another 4,938 units are in the planning stage.



Ownership Housing Market

The price of housing in Gilbert has increased dramatically over the past five years. Single family resale prices have risen by 72% since 2019 or an increase of \$252,000 from \$350,000 to \$602,000. The number of sales peaked in 2020 at 5,465 and have since fallen to 2,750 in 2024, a 50% decline. Prices increased by 29% in 2021 and by 17% in 2022 before declining slightly in 2023. Compared to Maricopa County, the median price of a new single-family home in Gilbert in 2024 was 49% above the county median.

Table 2

The affordable housing value for Gilbert is shown in Table 2 based on the Town median household income of approximately \$122,445. With a 10% down payment and a 6.50% loan, the maximum house value that the typical Gilbert household can afford is \$443,000. **In 2024, out of 3,843 home sales in Gilbert (single family, condo, and townhome units), only 635 homes (16.5%) sold for less than \$443,000. Only one new single-family home sold for less than \$500,000 in 2024.**

Affordable Housing Payment Estimator Town of Gilbert	
	Calculation
House value	\$443,000
Down payment	10%
Down payment	\$44,300
Mortgage amount	\$398,700
Interest rate	6.5%
Loan term in years	30
% of income devoted to mortgage payment	30.0%
Monthly loan payment (P & I)	\$2,520
Monthly property tax, insurance, PMI	\$536
Total monthly payment	\$3,056
Yearly income required	\$122,226
Sources: EDPCo, Freddie Mac	

In summary, the Gilbert housing market is very dynamic although it is being impacted by the current interest rate environment. Housing sales have slowed from prior years although home prices have not yet shown a decline. The pipeline of under construction and planned apartment complexes is lengthy although some of the planned projects could be delayed or terminated due to competition and the capital markets. But still, with more than 3,800 housing sales in 2024, Gilbert is shown to be a highly attractive location for homebuyers and renters.

Housing Affordability Gap

The housing affordability gap is the difference between the rents or housing values in a community and the ability of households to afford those rents or values. Affordability has become an issue over the past five years for many households across the state due to rents and values that have increased well above the rate of inflation. **Housing affordability affects low- and moderate-income households the most, including many essential occupations such as teachers, police, firefighters, nurses, and service workers.**



There has been much discussion about the term “affordable housing”. “Affordable” is often associated with housing for the lowest income households. “Workforce” or “attainable” housing is often associated with the demand from critical service providers or essential personnel such as police, firefighters, nurses, schoolteachers, and others.

Tables 3 and 4 outline the gross rent and owner costs as a percentage of household income. For renters, approximately 12,600 households or 45.8% of all renters in Gilbert are cost burdened. **Of those cost burdened households, 5,379 pay more than 50% of their income on housing or 19.6% of all renters. In addition, more than 10,500 owner households in Gilbert or 15.8% pay more than 30% of income on housing. Included in that statistic are 4,250 households who pay more than 50% of their income on housing (6.4% of all owners).** The percentage of total owners and renters in Gilbert who are burdened by housing costs is lower than the county and statewide averages likely due to the high household incomes found in the community.

Table 3

Gross Rent as % of Household Income						
	Gilbert		Maricopa County		Arizona	
	Households	%	Households	%	Households	%
Renter-occupied units	27,504		606,114		939,310	
Less than 10.0 percent	401	1.5%	18,014	3.0%	33,097	3.5%
10.0 to 14.9 percent	1,782	6.5%	34,797	5.7%	57,640	6.1%
15.0 to 19.9 percent	2,754	10.0%	59,920	9.9%	96,118	10.2%
20.0 to 24.9 percent	4,269	15.5%	75,492	12.5%	112,730	12.0%
25.0 to 29.9 percent	5,115	18.6%	69,897	11.5%	104,581	11.1%
30.0 to 34.9 percent	3,206	11.7%	53,821	8.9%	78,682	8.4%
35.0 to 39.9 percent	1,926	7.0%	43,922	7.2%	65,445	7.0%
40.0 to 49.9 percent	2,090	7.6%	66,457	11.0%	96,280	10.3%
50.0 percent or more	5,379	19.6%	151,854	25.1%	234,675	25.0%
Not computed	582	2.1%	31,940	5.3%	60,062	6.4%
Total Spending More Than 30%	12,601	45.8%	316,054	52.1%	475,082	50.6%
Total Spending More Than 50%	5,379	19.6%	151,854	25.1%	234,675	25.0%

Source: ACS 2023 1-year estimate

Table 4



Owner Housing Costs as % of Household Income						
	Gilbert		Maricopa County		Arizona	
	Households	%	Households	%	Households	%
Owner-occupied units	66,512		1,147,475		1,967,704	
Less than 10.0 percent	19,697	29.6%	302,711	26.4%	528,417	26.9%
10.0 to 14.9 percent	13,913	20.9%	201,685	17.6%	344,769	17.5%
15.0 to 19.9 percent	10,010	15.0%	180,535	15.7%	300,436	15.3%
20.0 to 24.9 percent	7,364	11.1%	130,305	11.4%	213,028	10.8%
25.0 to 29.9 percent	4,550	6.8%	77,194	6.7%	129,568	6.6%
30.0 to 34.9 percent	2,180	3.3%	52,700	4.6%	91,121	4.6%
35.0 to 39.9 percent	1,775	2.7%	36,354	3.2%	61,654	3.1%
40.0 to 49.9 percent	2,304	3.5%	47,686	4.2%	79,967	4.1%
50.0 percent or more	4,250	6.4%	105,049	9.2%	193,386	9.8%
Not computed	469	0.7%	13,256	1.2%	25,358	1.3%
Total Spending More Than 30%	10,509	15.8%	241,789	21.1%	426,128	21.7%
Total Spending More Than 50%	4,250	6.4%	105,049	9.2%	193,386	9.8%

Source: ACS 2023 1-year estimate

In summary, an estimated 23,110 households or 24.6% of all households in the town are burdened by housing costs, spending more than 30% of their income on housing. This number includes 12,601 renters and 10,509 owners. However, owners have more options to resolve their housing cost issue by selling their home and moving to a lower cost unit or renting. While these can be difficult decisions, owners have more options than renters to alleviate their cost burden.

The primary methodology for evaluating the affordable housing gap for Gilbert involves comparing household incomes for owners and renters from the U.S. Census to current housing market data collected for this study.

Tables 5 and 6 show apartment rents and housing prices along with the income required to afford a unit within each rent or price range. For the apartment market, assuming utilities on average cost \$150 per month, the total monthly cost for a unit ranges from \$1,350 to \$2,150. The income to rent a market-rate unit ranges from \$54,000 to \$86,000.

For the ownership market, a similar analysis was conducted for both resale and new homes. Prices range from about \$200,000 to more than \$1,000,000. A mortgage payment is estimated based on a 10% down payment and a 6.5% interest rate. An additional factor was added to the monthly required payment estimate for private mortgage insurance, property taxes, and home insurance. The required household income for a home in Gilbert ranges from about \$53,000 to \$266,000 for a \$1 million home.

Table 5



Required Household Income By Rent Range Town of Gilbert						
Rent Range	Units	%	Rent Range + Utilities		Required Income	
			Minimum	Maximum	Minimum	Maximum
Less than \$1,200	100	0.6%		\$1,350		\$54,000
\$1,200-\$1,300	1,516	9.8%	\$1,350	\$1,450	\$54,000	\$58,000
\$1,300-\$1,400	873	5.6%	\$1,450	\$1,550	\$58,000	\$62,000
\$1,400-\$1,500	421	2.7%	\$1,550	\$1,650	\$62,000	\$66,000
\$1,500-\$1,600	1,282	8.3%	\$1,650	\$1,750	\$66,000	\$70,000
\$1,600-\$1,700	4,119	26.5%	\$1,750	\$1,850	\$70,000	\$74,000
\$1,700-\$1,800	2,612	16.8%	\$1,850	\$1,950	\$74,000	\$78,000
\$1,800-\$1,900	1,710	11.0%	\$1,950	\$2,050	\$78,000	\$82,000
\$1,900-\$2,000	1,353	8.7%	\$2,050	\$2,150	\$82,000	\$86,000
\$2,000+	1,531	9.9%	\$2,150		\$86,000	
Total	15,517	100.0%				

Note: Required income estimate includes \$150/month for utilities.
Source: RealData

Table 6

Gilbert 2024 Housing Sales & Required Income								
Price Range	Attached Units	Single Family	Total Units	%	Total Pmt		Required Income	
					Min	Max	Min	Max
Less than \$200,000	3	1	4	0.1%		\$1,329		\$53,154
\$200,000-\$300,000	15	15	30	0.8%	\$1,329	\$1,993	\$53,154	\$79,732
\$300,000-\$400,000	130	113	243	6.3%	\$1,993	\$2,658	\$79,732	\$106,309
\$400,000-\$500,000	227	676	903	23.5%	\$2,658	\$3,322	\$106,309	\$132,886
\$500,000-\$600,000	15	834	849	22.1%	\$3,322	\$3,987	\$132,886	\$159,463
\$600,000-\$700,000	11	649	660	17.2%	\$3,987	\$4,651	\$159,463	\$186,040
\$700,000-\$800,000	1	420	421	11.0%	\$4,651	\$5,315	\$186,040	\$212,618
\$800,000-\$900,000	1	238	239	6.2%	\$5,315	\$5,980	\$212,618	\$239,195
\$900,000-\$1,000,000	1	133	134	3.5%	\$5,980	\$6,644	\$239,195	\$265,772
\$1,000,000+	-	360	360	9.4%	\$6,644		\$265,772	
Total	404	3,439	3,843	100.0%				

Source: RL Brown

The above market data was then compared to household incomes reported by the U.S. Census (Table 7). The results are as follows:

- For the ownership market, there is a 16,200 unit undersupply, or deficit, of homes for households earning up to \$100,000. As a rule of thumb, at today’s interest rates and a 10% down payment, those households can afford to purchase a home up to a value of \$365,000 or a home value to income ratio of 3.6. A surplus of ownership homes in Gilbert only starts above incomes of \$100,000.



- For the rental market, the 704 LIHTC units are allocated to households earning less than \$50,000. **The total cumulative undersupply of rental units for households with incomes below \$50,000 is approximately 4,700 units.** Beyond \$50,000 in household income, there is an adequate supply of rental units although there is a shortage of units at the high-income categories above \$100,000 in household income. This seems to indicate that households with higher incomes are able to rent units at rates well below 30% of their income.

Table 7

Affordable Housing Surplus/Deficit Town of Gilbert									
Income Range	Owners				Renters				Total Surplus (Deficit)
	Households	Units Available	Surplus (Deficit)	Cumulative Surplus (Deficit)	Households	Units Available	Surplus (Deficit)	Cumulative Surplus (Deficit)	
Less than \$25,000	2,443	-	(2,443)	(2,443)	2,115	-	(2,115)	(2,115)	(4,558)
\$25,000 to \$34,999	1,535	-	(1,535)	(3,978)	1,262	100	(1,162)	(3,277)	(2,697)
\$35,000 to \$49,999	2,908	-	(2,908)	(6,886)	1,996	604	(1,392)	(4,669)	(4,300)
\$50,000 to \$74,999	6,101	467	(5,634)	(12,520)	4,762	14,354	9,592	4,923	3,958
\$75,000 to \$99,999	6,892	3,166	(3,726)	(16,247)	5,998	12,446	6,448	11,371	2,722
\$100,000 to \$149,999	14,786	25,396	10,610	(5,636)	7,054	-	(7,054)	4,317	3,556
\$150,000 or more	31,847	37,483	5,636	-	4,317	-	(4,317)	-	1,319
Totals	66,512	66,512			27,504	27,504			

Source: RL Brown, ACS 2023 1-Year Data

Housing Gap Summary

The Gap Analysis Methodology indicates there is a deficit of more than 4,600 rental units for households earning less than \$50,000 in household income. These households show the most need among all renter households and families. For ownership units, the undersupply of housing units extends to those with incomes under \$100,000 and totals more than 16,200 units. This indicates the need to target ownership housing efforts to households in the \$75,000 to \$100,000 income range.

In addition, Gilbert is expected to grow by 18,492 people between 2024 and 2040, creating demand for at least 6,541 new housing units (Table 8). Rental housing demand for households earning less than \$50,000 in income, some of which will be in the form of subsidized units for low- and moderate-income households, is estimated at 857 units through 2040. Another 1,655 units of ownership housing will be needed by 2040 for workforce households who earn between \$50,000 and \$100,000.



Table 8

Forecasted Housing Demand By Income Town of Gilbert			
Income Range	Households	%	Housing Target
Less than \$25,000	320	4.9%	Rental Housing
\$25,000 to \$34,999	196	3.0%	Rental Housing
\$35,000 to \$49,999	340	5.2%	Rental Housing
Sub-Total	857	13.1%	Rental Housing
\$50,000 to \$74,999	759	11.6%	Ownership Housing
\$75,000 to \$99,999	896	13.7%	Ownership Housing
Sub-Total	1,655	25.3%	Ownership Housing
\$100,000 to \$149,999	1,517	23.2%	Market Rate Housing
\$150,000 to \$199,999	961	14.7%	Market Rate Housing
\$200,000 or more	1,550	23.7%	Market Rate Housing
Sub-Total	4,029	61.6%	Market Rate Housing
Total	6,541		

Sources: ACS 2023 1-Yr Data, HUD CHAS Data, AZ OEO

Housing gap summary:

Existing housing deficit

Renters earning less than \$50,000: 4,669 households
 Owners earning less than \$100,000: 16,247 households

Future housing demand

Renters earning less than \$50,000: 857 households
 Owners earning between \$50,000 and \$100,000: 1,655 households

In total, Gilbert needs 23,428 housing units that are affordable to households earning less than \$100,000.

Table 9 shows Maricopa County median wages for a variety of occupations, some of which are considered critical service jobs such as firefighters, teachers, paramedics, and police officers. The average Gilbert apartment rent is \$1,703 per month and virtually no units are available below a rent of \$1,200 per month. Additionally, only 19% of all apartment units are priced below \$1,500 creating a supply/demand imbalance at the lower end of the market, particularly for single earner households.



Table 9

Housing Affordability By Occupation			
Occupation	Maricopa County 2023 Median Wage	Monthly Affordable Housing Cost (30% of Income)	Monthly Affordable Rent (Less Utilities)
Retail Salespersons	\$34,765	\$869	\$769
Receptionists and Information Clerks	\$37,241	\$931	\$831
Restaurant Cooks	\$38,009	\$950	\$850
Nursing Assistants	\$40,662	\$1,017	\$917
Pharmacy Technicians	\$45,985	\$1,150	\$1,050
Waiters and Waitresses	\$46,683	\$1,167	\$1,067
Construction Laborers	\$46,907	\$1,173	\$1,073
Paramedics	\$49,599	\$1,240	\$1,140
Elementary School Teachers	\$51,230	\$1,281	\$1,181
Firefighters	\$55,698	\$1,392	\$1,292
Middle School Teachers	\$59,143	\$1,479	\$1,379
Secondary School Teachers	\$63,077	\$1,577	\$1,477
Police and Sheriff's Patrol Officers	\$87,261	\$2,182	\$2,082
Registered Nurses	\$89,704	\$2,243	\$2,143

Prepared by the Arizona Office of Economic Opportunity in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics, April 2024



1.0 Background and Methodology

The Town of Gilbert commissioned the preparation of a comprehensive Housing Needs Assessment to provide the community with an understanding of the housing market, its challenges, and the current and future housing needs. The purpose of the Assessment is to satisfy recent legislative requirements for cities to conduct a housing study and, as such, it evaluates existing housing affordability conditions in Gilbert. The Town’s Economic Development Strategy identifies a strong connection between attainable housing and the ability to grow a pipeline of talent to support the growth of jobs in the community.

Several key steps were required to prepare this Needs Assessment. Independent research within this report focused on historical and current housing trends, local demographics, and economic factors such as industry employment and commuting trends.

The Housing Needs Assessment also identifies the affordability gap for the community - the shortage of units that are needed to provide affordable housing for all segments of the population. Recommendations and strategies for Town leadership to consider to address the housing gap are also outlined in this report.

Affordability is determined by using the standard that no more than 30% of a household’s income is devoted to housing costs³. The U.S. Census provides an estimate of the number of cost-burdened owner and renter households that are paying more than 30% of their income on housing. This essentially identifies the size of the housing gap. To determine the affordability gap, data from a variety of sources are evaluated including the U.S. Census, the American Community Survey, and private data vendors which are subscribed to by this firm.

A primary data source for this Assessment is the American Community Survey (ACS) one-year estimates for 2023 available for cities with a population of more than 65,000 people. Population and employment estimates and forecasts are sourced from the Arizona Office of Economic Opportunity (OEO). Additional data sources include private vendors Costar, RealData, Lightcast, and RL Brown Reports.

Additional research was conducted for this study on recent State legislation enacted to promote affordable housing in the State’s municipalities. Over the last decade, and particularly within the

³ The US Department of Housing and Urban Development defines “affordable housing” as housing for which the occupant is paying no more than 30% of gross income. “Attainable housing,” also referred to as Workforce Housing, is defined as housing that costs no more than 30% of the gross incomes of households earning 80% to 120% of the area median income (AMI).



last five years, housing affordability has become a significant challenge for communities across the country and the state. In order to address affordability in Arizona, the State legislature addressed housing affordability through a series of bills aimed at increasing the shortage of affordable housing, particularly for workforce families. A summary of those bills follows including an overview of the Town of Gilbert's efforts to meet those requirements.

- HB 2297 applies to municipalities of 150,000 population and larger and addresses adaptive reuse by stipulating that up to 10% of commercial sites could be redeveloped for multifamily purposes without requiring any approval process that may require a public hearing. Additional standards for the reuse of the property are outlined in the bill.
- HB 2720 applies to municipalities of 75,000 population and larger and requires the adoption of regulations to permit an accessory dwelling unit on any lot or parcel subject to certain conditions.
- HB 2721 applies to municipalities of 75,000 population and larger. The "Missing Middle Housing" bill requires municipalities to incorporate into their development regulations that duplexes, triplexes, fourplexes, and townhomes are permitted within zoned single family residential areas within one mile of the municipality's central business district. The bill also stipulates that these residential uses may comprise 20% of any new developments of ten acres or more.
- SB 1162 has two major requirements. The first requirement outlines that municipalities must establish procedures to process zoning applications within certain timeframes. The second requires municipalities to publish a housing needs assessment beginning January 1, 2025, and then every five years thereafter. The bill applies to municipalities with a population of more than 30,000 people.

The Town of Gilbert Land Development Code has been amended to address adaptive reuse (HB 2297), ADU requirements (HB 2720), and the timeframe for processing zoning applications (SB 1162). The staff of the Development Services Department is currently addressing the most recent State legislation including:

- HB 2721 which addresses the development of duplexes, triplexes, fourplexes, and townhomes as permitted uses in certain situations.
- HB 2447 which requires, among other things, (1) the review and approval of site plans, development plans, and preliminary and final plats without a public hearing and (2) review of design plans based on objective standards without a public hearing. The term "Objective" is defined in the statute as not influenced by personal interpretation, taste or feelings of a municipal employee and verifiable by reference to an adopted benchmark, standard or criterion available and knowable by the applicant or proponent.



- SB 1543 known as the “Axon” bill which allows hotels and multifamily uses as ancillary uses in light industrial districts for international headquarters campuses without a public hearing (for cities between 200,000 and 500,000 in population).
- SB 1529 which requires a municipality to establish pre-approved housing design plans or a pre-approved housing design plan program.

The most impactful statutes that will affect affordable housing in Gilbert are HB 2721 and HB 2447. HB 2721 will provide for a greater mix of housing types in new developments and within residential zoning districts near a community’s central business district. While Gilbert has a limited residential land supply, some properties may still be able to be developed with a mix of townhomes, duplexes, and other housing types. HB 2447 makes a distinction between legislative acts of a city/town council and administrative acts of a community’s staff. Zoning is a legislative act requiring public hearings. However, once zoning is established, development of a property is subject to the community’s standards and requirements. These final project approvals are, according to HB 2447, administrative actions that do not require another round of public hearings. The statute also stipulates that review of development plans shall be subject to objective standards, eliminating subjective requirements that are not in written form.

Overall, the recent actions by the State Legislature are intended to eliminate or minimize some of the barriers to affordable housing including lengthy hearing processes, subjective design requirements, lengthy or arbitrary staff review timelines, limitations on adaptive reuse of commercial buildings, and limitations on density and housing types (Missing Middle housing). The accessory dwelling unit requirements may help to expand housing opportunities at the local level. The success of the new State statutes will only be determined if cities and towns are willing to make the commitment to address housing affordability.

Most of the legislative bills are tied to a deadline for meeting the State requirements. Gilbert will meet those timeline requirements.



2.0 Demographic Characteristics of Gilbert Population

2.1 Population Attributes

According to the Arizona Office of Economic Opportunity (OEO), Gilbert had a population of 292,116 people within its municipal planning, including unincorporated areas, as of July 2024⁴. The Town is the third largest municipality in Maricopa County surpassing Chandler in 2024. It is the fourth largest community in Arizona. Since 2010, Gilbert has grown at a compounded annual rate of 2.3%, surpassed only by some of the fastest growing cities on the periphery of the metro area such as Buckeye, Queen Creek, Goodyear, and Surprise.

Maricopa County Population Change 2010 - 2024								
Place	2010	2015	2020	2021	2022	2023	2024	2010-2024 Change
Apache Junction*	295	335	395	399	400	402	403	108
Avondale	76,418	81,321	89,480	90,755	92,324	94,830	96,803	20,385
Buckeye	51,377	64,034	93,629	101,987	106,316	109,729	113,349	61,972
Carefree	3,362	3,504	3,692	3,708	3,721	3,723	3,738	376
Cave Creek	5,000	5,006	4,924	5,021	5,173	5,239	5,259	259
Chandler	236,678	252,564	277,116	280,189	282,891	285,231	286,342	49,664
El Mirage	31,825	34,080	35,927	36,101	36,275	36,536	36,958	5,133
Fountain Hills	22,486	22,952	23,857	23,906	23,972	24,075	24,163	1,677
Gila Bend	1,919	1,915	1,892	1,893	1,893	1,893	1,894	(25)
Gilbert	209,458	240,340	268,728	273,796	277,486	280,391	292,116	82,658
Glendale	226,866	237,423	248,686	250,585	254,005	257,962	260,878	34,012
Goodyear	65,566	78,175	96,789	101,662	106,090	111,508	116,694	51,128
Guadalupe	5,502	5,514	5,326	5,329	5,333	5,329	5,327	(175)
Litchfield Park	5,487	6,101	6,881	6,957	7,012	7,023	7,016	1,529
Mesa	439,875	465,366	505,447	510,792	516,429	521,074	524,892	85,017
Paradise Valley	12,808	12,867	12,671	12,707	12,700	12,749	12,781	(27)
Peoria*	155,053	168,512	191,849	195,585	199,424	202,183	203,065	48,012
Phoenix	1,448,683	1,520,158	1,611,162	1,630,195	1,657,035	1,682,053	1,697,696	249,013
Queen Creek*	26,159	33,694	51,260	56,321	60,338	64,485	68,109	41,950
Scottsdale	217,285	228,230	241,718	243,528	244,959	248,542	249,935	32,650
Surprise	117,720	127,195	144,246	149,710	155,384	160,273	165,916	48,196
Tempe	162,010	168,318	181,580	181,548	187,354	194,205	193,336	31,326
Tolleson	6,543	6,890	7,262	7,309	7,315	7,322	8,627	2,084
Wickenburg	6,354	6,448	6,622	6,687	6,779	6,798	6,785	431
Youngtown	6,166	6,713	7,056	7,060	7,060	7,060	7,161	995
Unincorporated Balance of County	283,188	298,743	318,509	323,689	328,763	334,405	337,004	53,816
Maricopa Total	3,824,083	4,076,400	4,436,704	4,507,419	4,586,431	4,665,020	4,726,247	902,164

Note: * Maricopa County population only
Source: Arizona Office of Economic Opportunity

⁴ The OEO population figures represent the municipal planning area, not only the incorporated area. All other data sources for demographics are only for the incorporated area. The unincorporated areas within the Gilbert municipal planning encompass approximately 3.7 square miles out of 72.6 square miles.



Population estimates only include permanent residents of the communities and do not account for the seasonal population. The following table provides an estimate of the seasonal population for 2023. According to the U.S. Census, Gilbert has 807 seasonal housing units, likely increasing the population of the Town by approximately 2,300 persons for six to nine months of the year. Seasonal residents provide important economic benefits to the Town by increasing retail sales and paying property taxes for their residences. However, for Gilbert the impact of seasonal residents is minimal with the percentage of seasonal housing units well below the statewide average. Short term rentals could be included in the seasonal housing estimates, but the Census does not enumerate or identify them.

Seasonal Housing Units & Seasonal Population			
	Gilbert	Maricopa County	Arizona
Housing Units			
Seasonal Units	807	15,010	182,078
Total Units	96,506	1,913,863	3,239,474
% Seasonal Units	0.8%	0.8%	5.6%
Potential Seasonal Population			
2023	2,348	38,576	455,195
Source: ACS 2023 1-year estimate; EDPCo			

The population of Gilbert is young with a median age at 36.1 years. Its average household size is larger across both owner and renter households.

Age & Average Household Size			
	Gilbert	Maricopa County	Arizona
Median Age	36.1	37.8	39.3
Average household size			
Average household size	2.91	2.57	2.50
Owner-occupied unit	3.09	2.66	2.57
Renter-occupied unit	2.49	2.40	2.34
Source: ACS 2023 1-year estimate			

Gilbert’s relatively young population is influenced by a larger percentage of the population under the age of 20 compared to county and state averages. The largest age cohort in Gilbert is those between the ages of 20-65 or prime workforce age representing 60.6% of the population. The percentage of residents over 65 (10.5%) is much smaller than the county or statewide averages. In fact, the percentage of people in the state over the age of 65 is 1.8 times higher than the Gilbert percentage. A large, young population is important for the employers looking for an available workforce. However, a young population often has certain housing needs, particularly for those households that are just forming families with limited incomes.



Population by Age						
	Gilbert		Maricopa County		Arizona	
	Persons	%	Persons	%	Persons	%
Total	280,171		4,585,871		7,431,344	
Under 5 years	17,086	6.1%	252,941	5.5%	391,142	5.3%
5 to 9 years	21,746	7.8%	276,933	6.0%	435,723	5.9%
10 to 14 years	22,595	8.1%	292,495	6.4%	454,506	6.1%
15 to 19 years	14,977	5.3%	312,163	6.8%	501,122	6.7%
20 to 24 years	21,222	7.6%	306,338	6.7%	498,597	6.7%
25 to 29 years	16,647	5.9%	334,014	7.3%	506,283	6.8%
30 to 34 years	18,913	6.8%	338,054	7.4%	520,705	7.0%
35 to 39 years	23,089	8.2%	313,340	6.8%	475,102	6.4%
40 to 44 years	24,042	8.6%	301,080	6.6%	467,226	6.3%
45 to 49 years	17,716	6.3%	275,915	6.0%	424,460	5.7%
50 to 54 years	20,824	7.4%	285,406	6.2%	438,405	5.9%
55 to 59 years	13,690	4.9%	260,113	5.7%	412,511	5.6%
60 to 64 years	13,551	4.8%	274,166	6.0%	467,831	6.3%
65 to 69 years	9,159	3.3%	222,856	4.9%	423,759	5.7%
70 to 74 years	7,869	2.8%	206,975	4.5%	384,473	5.2%
75 to 79 years	6,639	2.4%	157,812	3.4%	305,244	4.1%
80 to 84 years	3,934	1.4%	97,778	2.1%	185,157	2.5%
85 years and over	1,709	0.6%	77,492	1.7%	139,098	1.9%
Under 20 years	76,404	27.3%	1,134,532	24.7%	1,782,493	24.0%
65 years+	29,310	10.5%	762,913	16.6%	1,437,731	19.3%

Source: ACS 2023 1-year estimate

The educational attainment of Gilbert residents is well above the state and county averages. Nearly one-half of all Town residents age 25 and older have a bachelor’s degree or higher compared to 33.5% for the state and 37.0% for the county. Graduation rates for Gilbert are also exemplary at 97.2%. Combined with the young age of Gilbert residents, the educational attainment of the population is a significant asset for the economic growth of the community.

Educational Attainment						
	Gilbert		Maricopa County		Arizona	
	Persons	%	Persons	%	Persons	%
Population 25 years and over	177,782		3,145,001		5,150,254	
Less than 9th grade	2,607	1.5%	149,761	4.8%	238,234	4.6%
9th to 12th grade, no diploma	2,425	1.4%	168,106	5.3%	308,931	6.0%
High school graduate (includes equivalency)	28,636	16.1%	690,863	22.0%	1,202,651	23.4%
Some college, no degree	39,439	22.2%	687,695	21.9%	1,203,684	23.4%
Associate's degree	18,590	10.5%	286,356	9.1%	470,638	9.1%
Bachelor's degree	52,871	29.7%	710,721	22.6%	1,051,136	20.4%
Graduate or professional degree	33,214	18.7%	451,499	14.4%	674,980	13.1%
High school graduate or higher	172,750	97.2%	2,827,134	89.9%	4,603,089	89.4%
Bachelor's degree or higher	86,085	48.4%	1,162,220	37.0%	1,726,116	33.5%

Source: ACS 2023 1-year estimate



Of the 94,016 households in Gilbert, 61.1% are married couples with another 6.8% considered cohabitating couples. Approximately 32% are single person households where the spouse is not present, either through divorce, death of the spouse, never married, or another reason. Single female households account for 69% of all single person households and many female-headed households live with their children. Female households, with or without children, are the most at-risk groups for affordable housing since they depend largely on one income. Those living with children have a median household income of only \$66,200 compared to the Town median household income of \$122,445.

Income By Household Type Town of Gilbert			
Households By Type	Households	%	Median Income
Total households	94,016		\$122,445
Married-couple household	57,483	61.1%	\$151,399
With children of the householder under 18 years	29,466	31.3%	\$152,736
Cohabiting couple household	6,440	6.8%	N/A
With children of the householder under 18 years	1,922	2.0%	N/A
Male householder, no spouse/partner present	11,185	11.9%	\$142,929
With children of the householder under 18 years	1,584	1.7%	\$156,307
Female householder, no spouse/partner present	18,908	20.1%	\$86,553
With children of the householder under 18 years	3,016	3.2%	\$66,214
Source: ACS 2023 1-year estimate			

Household incomes in Gilbert are among the highest in the county. The median household income for the town of \$122,445 is 41% higher than the county household median income. The median household income for homeowners is even higher at more than \$145,000. Median household income for Gilbert has increased by 23% from 2018 through 2023 although the statewide median household income has increased by more than 30% over the same timeframe. The median household income of Gilbert renters of nearly \$92,000 is 48% above the median renter income for the county.



Households By Income						
	Gilbert		Maricopa County		Arizona	
	Households	%	Households	%	Households	%
Occupied Units	94,016		1,753,589		2,907,014	
Less than \$10,000	1,128	1.2%	84,172	4.8%	159,886	5.5%
\$10,000 to \$14,999	1,128	1.2%	40,333	2.3%	84,303	2.9%
\$15,000 to \$24,999	2,350	2.5%	80,665	4.6%	171,514	5.9%
\$25,000 to \$34,999	2,820	3.0%	96,447	5.5%	194,770	6.7%
\$35,000 to \$49,999	4,889	5.2%	178,866	10.2%	313,958	10.8%
\$50,000 to \$74,999	10,906	11.6%	277,067	15.8%	485,471	16.7%
\$75,000 to \$99,999	12,880	13.7%	238,488	13.6%	392,447	13.5%
\$100,000 to \$149,999	21,812	23.2%	336,689	19.2%	523,263	18.0%
\$150,000 to \$199,999	13,820	14.7%	184,127	10.5%	267,445	9.2%
\$200,000 or more	22,282	23.7%	238,488	13.6%	313,958	10.8%
Mean income	\$150,348		\$116,757		\$104,620	
Median income	\$122,445		\$87,048		\$77,315	
Homeowner Median	\$145,035		\$104,070		\$90,601	
Renter Median	\$91,770		\$61,806		\$55,554	

Source: ACS 2023 1-year estimate

2.2 Population Forecast

Population estimates and projections have been gathered from the Maricopa Association of Governments (MAG) and the Arizona Office of Economic Opportunity (AZ OEO). The MAG forecasts were adopted by the Arizona State Demographer’s Office as official state forecasts. The latest forecasts were published by MAG in June 2023 utilizing official 2022 state estimates of municipal population as the base year. However, since 2022, Gilbert increased more in population than anticipated by MAG. Therefore, the MAG forecast used for this analysis has benchmarked to the official 2024 population estimate prepared by AZ OEO.

The Town of Gilbert has grown at a compounded average annual rate of 2.4% since 2010. The estimated increase in population over that time is 82,658 people or about 5,900 people per year on average. Based on an average household size of 2.91 people, the housing demand to satisfy the population growth averages about 2,030 units per year.

The adjusted population forecast for Gilbert prepared by AZ OEO now suggests it will grow to more than 302,000 people by 2030 and to more than 310,000 people by 2040. The town is forecasted to capture about 1.7% of Maricopa County’s growth through 2040. At the current average household size, Gilbert will grow by another 6,355 households. At a 5% housing vacancy rate, the demand for housing will total 6,672 units between 2024 and 2040.



Population Forecast 2024-2040	
Town of Gilbert	
Year	Population
2020	268,728
2021	273,796
2022	277,486
2023	280,391
2024	292,116
2025	294,961
2030	302,175
2035	306,646
2040	310,608
Change in Population 2024-2040	18,492
% Change in Population 2024-2040	6.3%
Capture of County Population 2024-2040	1.7%
Change in Households 2024-2040	6,355
Housing Demand 2024-2040 (Units)	6,672
Note: Housing demand includes a 5% vacancy rate.	
Sources: AZ Office of Economic Opportunity, U.S. Census	



3.0 Gilbert Economy

The strengths and weaknesses of a local economy can be illustrated by a very simple metric known as the “Location Quotient” or LQ. LQ compares the percentage of jobs in each industry in a community to a larger economy, such as the state. An LQ over 1.0 indicates that a particular industry has a greater presence in the local economy compared to the state – hence a strength of the local area. An LQ less than 1.0 shows the potential weaknesses of an economy.

Gilbert has a robust economy that is built on the industry clusters with the highest LQs of Construction, Arts, Entertainment & Recreation, and Other Services. Construction has the highest LQ of 1.66 meaning that its employment base has 66% more employees in that industry compared to the state. A variety of industry clusters also have LQs above 1.00 including Retail Trade, Educational Services, Health Care, Entertainment, Accommodations & Food Services, and Government. Manufacturing is just below the 1.0 LQ at 0.99. Services provided in the Heritage District show up as significant elements of the local economy.

Location Quotient Town of Gilbert						
NAICS	Industry Cluster	Gilbert		Arizona		Location Quotient
		Employees	%	Employees	%	
11	Agriculture, Forestry, Fishing and Hunting	110	0.1%	25,613	0.7%	0.17
21	Mining, Quarrying, and Oil and Gas Extraction	81	0.1%	14,819	0.4%	0.21
22	Utilities	5	0.0%	13,403	0.4%	0.01
23	Construction	11,315	12.1%	263,612	7.3%	1.66
31	Manufacturing	5,182	5.6%	201,516	5.6%	0.99
42	Wholesale Trade	1,705	1.8%	122,538	3.4%	0.54
44	Retail Trade	10,001	10.7%	360,188	10.0%	1.07
48	Transportation and Warehousing	984	1.1%	160,520	4.5%	0.24
51	Information	785	0.8%	52,958	1.5%	0.57
52	Finance and Insurance	3,057	3.3%	188,546	5.2%	0.63
53	Real Estate and Rental and Leasing	2,168	2.3%	79,253	2.2%	1.06
54	Professional, Scientific, and Technical Services	4,023	4.3%	204,078	5.7%	0.76
55	Management of Companies and Enterprises	163	0.2%	43,867	1.2%	0.14
56	Administrative & Waste Management & Remediation	5,750	6.2%	275,634	7.7%	0.81
61	Educational Services	2,728	2.9%	94,564	2.6%	1.11
62	Health Care and Social Assistance	13,569	14.6%	479,288	13.3%	1.09
71	Arts, Entertainment, and Recreation	2,425	2.6%	65,278	1.8%	1.43
72	Accommodation and Food Services	9,176	9.8%	317,485	8.8%	1.12
81	Other Services (except Public Administration)	6,338	6.8%	165,289	4.6%	1.48
90	Government	13,644	14.6%	469,500	13.0%	1.12
	Total	93,209		3,597,946		

Source: Lightcast



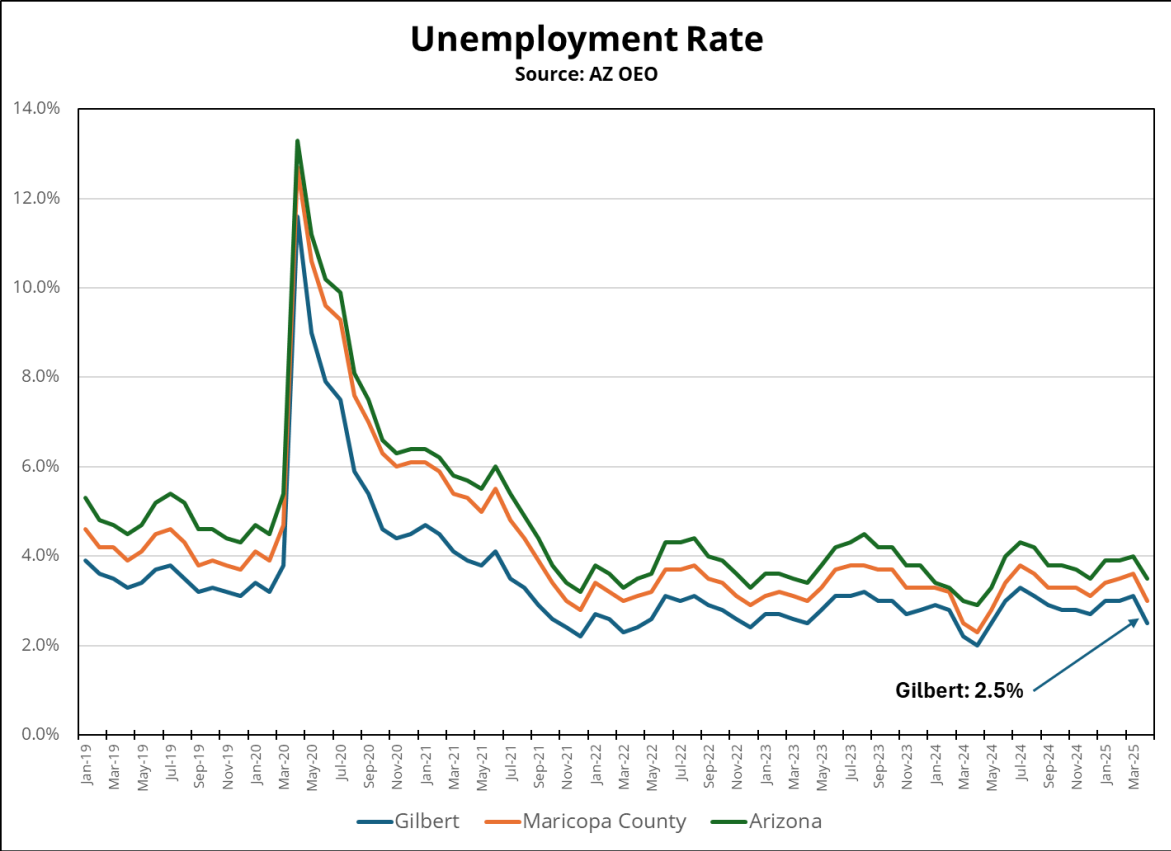
The list of major private employers in the Town shows that the local economy has significant employment in health care, manufacturing, and business services. The town has two major health care centers and specialty services. Northrop Grumman has two facilities, and Deloitte has a major operations center in the Rivulon business park. The town’s economy is well balanced and offers high quality job opportunities for local residents. The list below does not include the largest public employers in the town that include the Gilbert Unified School District with 3,400 employees working within Town limits, the Town of Gilbert with 1,721 employees, the Higley Unified School District with 1,360 employees working within Town limits.

Town of Gilbert Major Private Employers			
Employer	Business Unit	Employees	Cluster
Banner Health	Banner Gateway Medical Center	1,649	Health Care
Dignity Health	Mercy Gilbert Medical Center	987	Health Care
Northrop Grumman	Northrop Grumman Gilbert Space Sys.	922	High Tech Manufacturing & Development
Deloitte		860	Business Services
Silent Aire		778	Metal Inputs & Transportation Related Manuf.
Banner Health	Banner Health Home Care	485	Health Care
Northrop Grumman		452	High Tech Manufacturing & Development
Walmart	Walmart and Sams Club	408	Retail
Ability 360		382	Health Care
BH Drywall Stucco		375	Construction
Isagenix International		363	Business Services
Costco	Store 644	358	Retail
Walmart		343	Retail
RK Building Supplies		333	Construction
Costco	Store 481	311	Retail
Banner Health	Banner Health MD Anderson	300	Health Care
Topgolf		293	Hospitality, Tourism, & Recreation
Earnhardt Auto Center	Earnhardt Dodge	291	Retail
American Furniture Warehouse		264	Retail
San Tan Auto Partners		258	Retail
Caretaker		250	Business Services
Hunter Contracting		249	Construction
Hospice of the Valley	Hospice of the Valley Seco	244	Health Care
Fry's Food Stores	Fry's Store #670	244	Retail

Source: Lightcast, Town of Gilbert

Gilberts’s unemployment rate stood at 2.5% as of April 2025, below the state-wide average of 3.5%. This level of unemployment is an indicator of full employment both locally and across the state. Unemployment in the Town has been very stable since the end of 2021 and the recovery from the pandemic. Historically, the Town’s unemployment level tracks with state levels but is usually at least one percentage point lower. The Town’s unemployment rate hit 11.6% in April 2020 but recovered to 4.6% by October 2021.





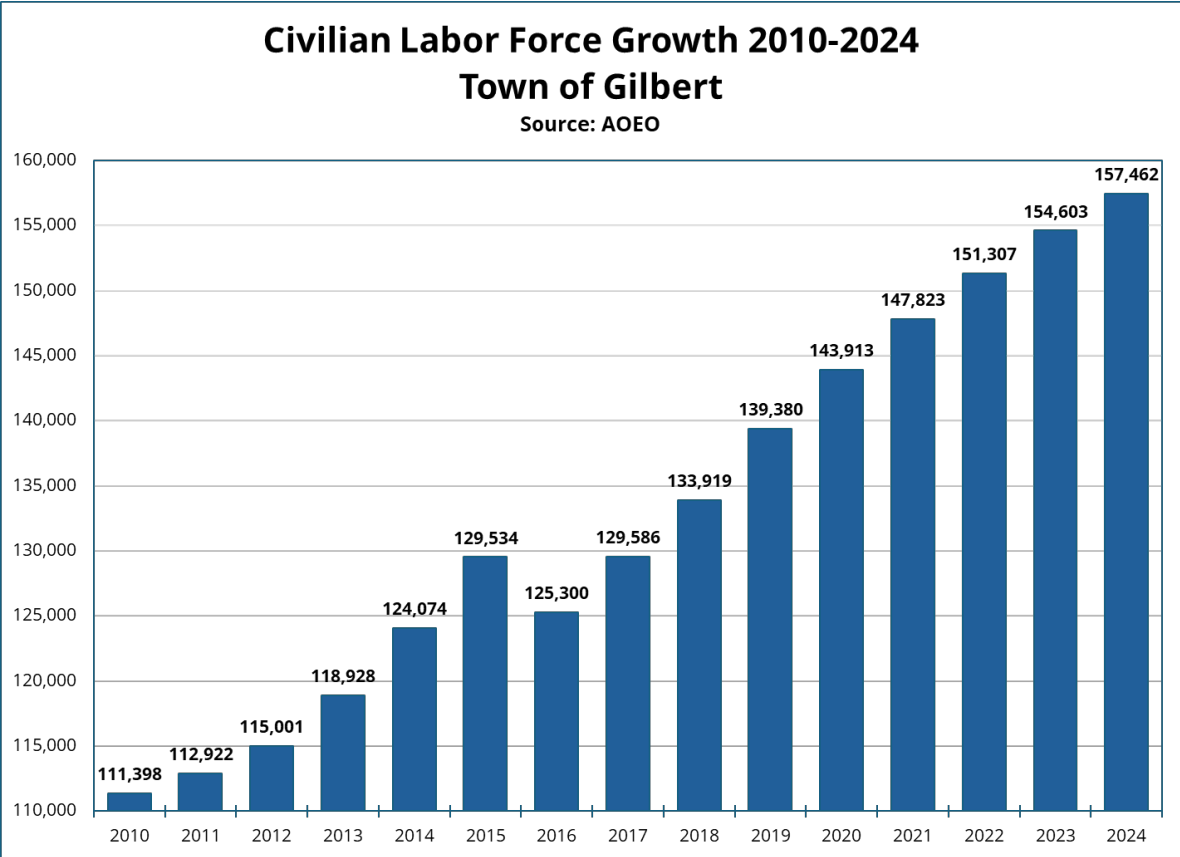
The labor force participation rate for Gilbert of 73.0% shows a healthy economy and is well above the county and state average. Labor force participation is often correlated with educational attainment. Gilbert’s highly educated population is consistent with its high labor force participation rate. Age and retirement trends can reduce the labor force participation rate which is declining across the country as baby boomers retire. The percentage of the Gilbert population over the age of 65 stands at 10.3% compared to 19.3% for the state. The participation rate across the U.S. today stands at 62.5% down from 67.2% in 2000.

The labor force participation rate is a useful measurement for employers. The higher the rate is, the healthier the economy. This means more people are working and contributing to the economy with their wages which translates into more retail sale tax revenue for a community. Additionally, a higher labor force participation rate may mean there are more people actively seeking employment than in the past, and employers could have more hiring options for open positions.



Labor Force Participation 2023			
	Gilbert	Maricopa County	Arizona
Population 16 year and over	208,814	3,698,830	6,049,109
Civilian Labor Force	152,478	2,406,294	3,648,728
Employment	148,438	2,317,644	3,493,543
Unemployment	4,040	88,650	155,185
Labor Force Participation Rate	73.0%	65.1%	60.3%
Source: ACS 2023 1-year estimate			

The town’s labor force has increased by 41% since 2010 according to the Arizona Office of Economic Opportunity and has kept pace with the town’s population growth which grew by 39% over the last 14 years. The spike in the labor force in 2015 is unexplained and could be an anomaly in the data since the labor force should follow Gilbert’s population growth. Even taking into account the impact of the Great Recession which ended in 2009, the labor force continued to grow, providing the workforce for Gilbert’s economic progress.



3.1 Commuting

In order for an economy to operate efficiently, it must have employees to provide for the daily needs of its residents as well as the employment needs of its businesses. The availability of affordable housing for those workers is essential without forcing those employees to commute long distances to work. Affordable housing is essentially an important economic development issue for Gilbert’s continued growth and financial wellbeing.

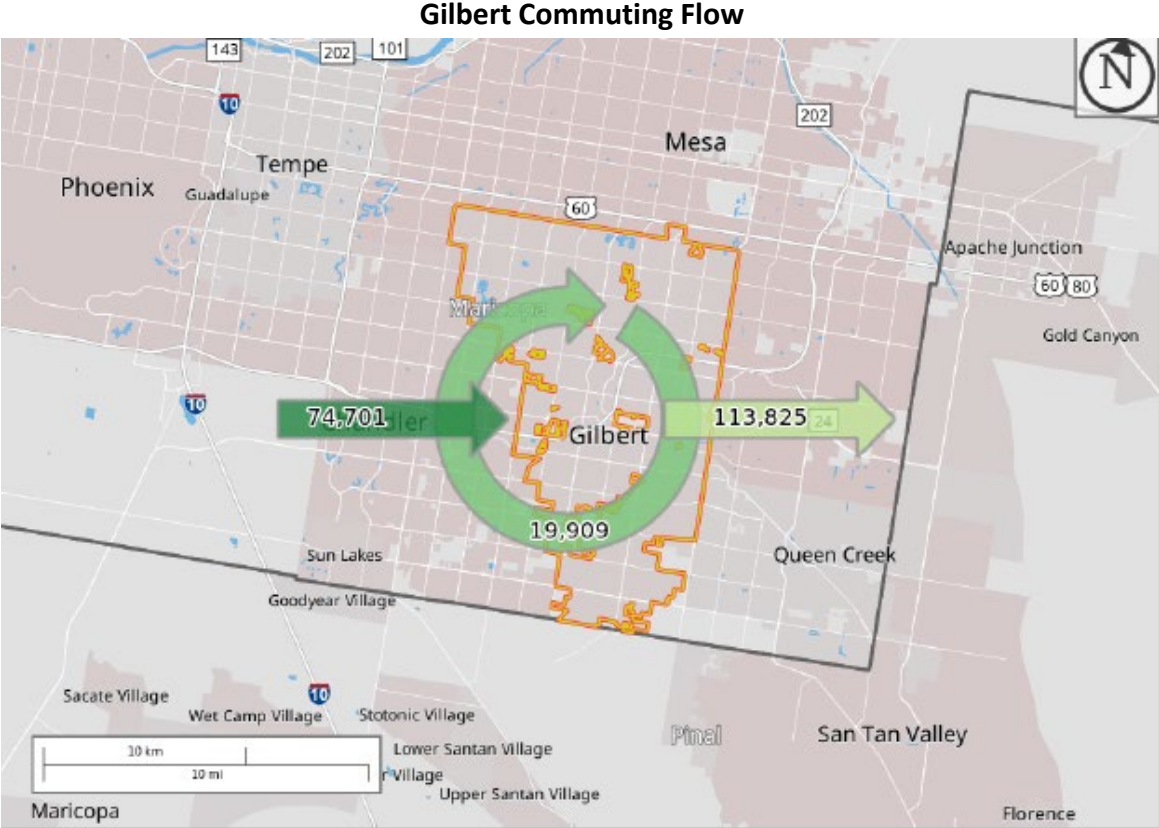
According to the U.S. Census, the average commute time for Gilbert employees is 28.1 minutes, just slightly longer than the average commute for Maricopa County workers at 27.1 minutes. The shortest commute time in the Valley is Scottsdale at 21.2 minutes.

Despite Gilbert’s employment growth over the past decade, data from the U.S. Census indicates there is still substantial commuting by residents out of the Town. For instance, the data suggests that nearly 114,000 working residents of the Town travel to other locations in the metro area for work. In other words, 85% of the Town’s labor force leaves the community each day for work. At the same time, 74,700 people travel to Gilbert for employment. Another 19,909 persons live and work in the Town. The top locations for workers leaving Gilbert for work include Phoenix, Tempe, Mesa, and Chandler, all mostly in the Southeast Valley of Maricopa County. The top cities for workers commuting into Gilbert for employment include Mesa, Phoenix, Chandler, and the San Tan Valley. A balanced housing market in the town could help to reduce commuting for some of these workers.

Town of Gilbert Commuting					
Where Employees Working in Gilbert Live			Where Residents of Gilbert are Working		
Community	Jobs	%	Community	Jobs	%
Gilbert	19,909	21.0%	Phoenix	30,928	23.5%
Mesa	17,490	18.8%	Gilbert	19,909	14.5%
Phoenix	10,556	11.5%	Tempe	18,674	14.3%
Chandler	9,418	9.9%	Mesa	18,457	14.0%
San Tan Valley	4,580	4.8%	Chandler	18,001	12.7%
Queen Creek town	3,690	3.8%	Scottsdale	8,670	6.6%
Tempe	2,952	3.5%	Queen Creek	1,842	1.3%
Scottsdale	2,268	2.4%	Tucson	1,568	1.3%
Tucson	1,617	1.6%	Glendale	1,173	0.9%
Glendale	1,560	1.5%	Peoria	566	0.4%
All Other Locations	20,570	21.2%	All Other Locations	13,946	10.5%
Total All Jobs	94,610	100.0%	Total All Jobs	133,734	100.0%

Source: US Census On The Map 2023





3.2 Employment Forecast

An important indicator of the health of a local economy is the jobs-to-population ratio. According to MAG, the ratio for Maricopa County in 2025 was forecasted at 0.51 meaning there was one job for every two residents. Most newly developing cities have much lower jobs-to-population ratios since most development occurring in those communities is residential in character. In 2025, the estimated jobs-to-population ratio for Gilbert is 0.36.

Between 2025 and 2040, the jobs-to-population ratio for Gilbert is forecasted to increase over time to 0.44 by 2040. What this means is that Gilbert’s employment base is forecasted to expand more quickly than its population. Given that Gilbert is poised to reach resident buildout over the next ten years, much of the remaining land is reserved for non-residential development, i.e. retail, office, and industrial uses to support economic and employment growth. MAG forecasts a compounded annual growth rate for employment at 1.5% through 2040 compared to only 0.6% for population.



Note: the MAG population forecast for Gilbert varies slightly from the forecast prepared by the Office of Economic Opportunity. For the purposes of this analysis those differences are not material and do not change the discussion of the jobs-to-population ratio.

Town of Gilbert Employment Forecast 2025-2040					
Gilbert	2020	2025	2030	2035	2040
Total Jobs	98,141	109,746	122,724	129,364	136,363
Change in Jobs		11,605	12,978	6,640	6,999
Total Population	272,379	286,632	301,630	306,572	311,594
Change in Jobs		14,253	14,998	4,942	5,022
Jobs-to-Population Ratio	0.36	0.38	0.41	0.42	0.44
Maricopa County					
Total Jobs	2,139,200	2,464,300	2,677,400	2,863,800	3,028,000
Change in Jobs		325,100	213,100	186,400	164,200
Total Population	4,436,700	4,841,700	5,200,400	5,497,700	5,762,700
Change in Jobs		405,000	358,700	297,300	265,000
Jobs-to-Population Ratio	0.48	0.51	0.51	0.52	0.53
Source: MAG 2023 Forecast					

An employment forecast by industry cluster or sector is not available from any sources. However, the Arizona Office of Economic Opportunity (OEO) has prepared a forecast by industry from 2023 through 2033 for Maricopa County excluding the city of Phoenix. While Gilbert may attract employers that are different from the county-wide growth trend, the forecast will still provide some guidance on the strongest industrial sectors through 2033.

The following table is ranked by the numeric change in employment by sector. Health Care is expected to have the largest increase in employment with more than 72,000 new jobs and a 38.1% increase. Retail Trade (part of Trade, Transportation, and Utilities Sector) is expected to continue to grow along with Leisure and Hospitality, Construction, and Accommodation and Food Services. Most of these services are modest wage jobs. High wage jobs in sectors such as Manufacturing, Professional, Scientific, and Technical Services, and Finance and Insurance are all expected to show significant growth ranging from 15% to 21% through 2033. Several of the high growth sectors fit with Gilbert’s existing economic strengths.



2023 - 2033 Maricopa County Industry Employment Projections Excluding City of Phoenix					
NAICS Code ¹	Industry Title	2023 Estimates	2033 Projections	Change	% Change
620000	Health Care and Social Assistance	190,589	263,114	72,525	38.1%
400000	Trade Transportation and Utilities	254,599	295,657	41,058	16.1%
700000	Leisure and Hospitality	168,888	202,083	33,195	19.7%
230000	Construction	96,284	122,894	26,610	27.6%
720000	Accommodation and Food Services	134,655	158,742	24,087	17.9%
440000	Retail Trade	158,653	181,759	23,106	14.6%
300000	Manufacturing	86,526	103,707	17,181	19.9%
540000	Professional, Scientific, and Technical Services	74,411	90,393	15,982	21.5%
520000	Finance and Insurance	81,816	94,297	12,481	15.3%
480000	Transportation and Warehousing	41,853	50,989	9,136	21.8%
710000	Arts, Entertainment, and Recreation	34,233	43,341	9,108	26.6%
610000	Educational Services	96,670	105,615	8,945	9.3%
420000	Wholesale Trade	45,993	54,761	8,768	19.1%
810000	Other Services (Except Government)	37,504	43,725	6,221	16.6%
550000	Management of Companies and Enterprises	19,025	23,318	4,293	22.6%
900000	Government	23,757	26,350	2,593	10.9%
530000	Real Estate and Rental and Leasing	26,172	28,425	2,253	8.6%
500000	Information	23,719	25,047	1,328	5.6%
210000	Mining	790	974	184	23.3%
220000	Utilities	8,100	8,148	48	0.6%
100000	Natural Resources and Mining	10,041	8,866	(1,175)	-11.7%
110000	Agriculture, Forestry, Fishing and Hunting	9,251	7,892	(1,359)	-14.7%
	Total	1,382,661	1,650,688	268,027	19.4%

¹ The North American Industry Classification System (NAICS) system is a federal statistical standard used by federal and state agencies for the collection, analysis and publication of statistical data related to the US Economy.

Data sources: U.S. Bureau of Labor Statistics' Current Employment Statistics (CES) and Quarterly Census of Employment and Wages (QCEW) industry employment.
Base period estimates use non-benchmarked data; some industries may result in significant revisions in comparison to more recent CES estimates.

Based on the above forecasts, Gilbert is expected to capture a significant percentage of employment growth in the Southeast Valley over the long term. This growth will continue to create demand for affordable and market-rate housing for new residents and workers moving to the Town.



4.0 Housing Market Dynamics

Gilbert's housing inventory is comprised of 96,506 units according to the 2023 American Community Survey 1-year estimates with virtually all of those units (99.2%) occupied on a year-round basis by permanent residents. Gilbert has very few seasonal housing units compared to the state at 5.6%. The estimated 2,300 seasonal residents are not counted in the official population estimate for the town, but they do bring some benefits to the community in terms of retail sales taxes and other economic impacts.

Seasonal Housing Units & Seasonal Population			
	Gilbert	Maricopa County	Arizona
Housing Units			
Total Units	96,506	1,913,863	3,239,474
Seasonal Units	807	15,010	182,078
% Seasonal Units	0.8%	0.8%	5.6%
Potential Seasonal Population			
2023	2,348	38,576	455,195
Source: ACS 2023 1-year estimate; EDPCo			

Gilbert has a high percentage of single-family detached units (82.5%) and a lower percentage of multifamily units compared to the state and Maricopa County. The Census reports only 12.8% of all housing units in Gilbert are considered apartments or multifamily (buildings with five or more units in a building) compared to 20.7% across Maricopa County and 16.5% statewide. Moreover, Gilbert's inventory of single attached units, duplexes, triplexes, and fourplexes are also well below county averages. Those units only account for 4.4% of total units compared to near 10% for the county and state. Gilbert has few mobile homes within its housing inventory.



Units in Structure						
	Gilbert		Maricopa County		Arizona	
	Units	%	Units	%	Units	%
Total:	96,506		1,913,863		3,239,474	
1, detached	79,652	82.5%	1,235,462	64.6%	2,093,142	64.6%
1, attached	2,168	2.2%	104,365	5.5%	162,660	5.0%
2	795	0.8%	21,115	1.1%	41,679	1.3%
3 or 4	1,257	1.3%	74,377	3.9%	108,578	3.4%
5 to 9	2,290	2.4%	77,024	4.0%	108,426	3.3%
10 to 19	3,447	3.6%	83,721	4.4%	119,961	3.7%
20 to 49	1,999	2.1%	55,952	2.9%	85,301	2.6%
50 or more	4,625	4.8%	179,079	9.4%	220,557	6.8%
Multifamily Units	12,361	12.8%	395,776	20.7%	534,245	16.5%
Mobile home	230	0.2%	79,796	4.2%	287,171	8.9%
Boat, RV, van, etc.	43	0.0%	2,972	0.2%	11,999	0.4%

Source: ACS 2023 1-year estimate

Recent multifamily development is not reflected in the U.S. Census data yet. According to data sources, 1,450 apartment units were completed in 2023 and 2024.

An estimated 2,490 units in Gilbert are considered vacant or 2.6% of the total inventory, lower than the state and Maricopa County. Vacant units are classified in several ways including units that are in the process of being sold or rented and those used for seasonal or recreational purposes. Seasonal housing comprises 32.4% of all vacant units, a lower ratio than found across the state. Some of the vacant seasonal units could be short-term rentals, but the Census does not track this type of rental housing.

Housing Vacancy Status						
	Gilbert		Maricopa County		Arizona	
	Units	%	Units	%	Units	%
Total Housing Units	96,506		1,913,863		3,239,474	
Total Occupied Units	94,016	97.4%	1,753,589	91.6%	2,907,014	89.7%
Total Vacant Units	2,490	2.6%	160,274	9.1%	332,460	11.4%
For rent	735	29.5%	51,789	32.3%	73,174	22.0%
Rented, not occupied	138	5.5%	6,119	3.8%	9,513	2.9%
For sale only	295	11.8%	10,959	6.8%	18,723	5.6%
Sold, not occupied	103	4.1%	4,247	2.6%	7,443	2.2%
For seasonal, recreational, or occasional use	807	32.4%	54,208	33.8%	153,171	46.1%
For migrant workers	0	0.0%	476	0.3%	832	0.3%
Other vacant	412	16.6%	32,476	20.3%	69,604	20.9%

Source: ACS 2023 1-year estimate; EDPCo



Gilbert has a high percentage of owner-occupied units and a lower percentage of renter-occupied units (including apartments, townhomes, and single-family homes) relative to the statewide average. This trend is consistent with newly developing areas of the county.

Tenure						
	Gilbert		Maricopa County		Arizona	
	Units	%	Units	%	Units	%
Total:	94,016		1,753,589		2,907,014	
Owner occupied	66,512	70.7%	1,147,475	65.4%	1,967,704	67.7%
Renter occupied	27,504	29.3%	606,114	34.6%	939,310	32.3%
Source: ACS 2023 1-year estimate						

Homeownership has been robust in the town, although declining from its early years since 2000. Homeownership now stands at 70.7%, above the Arizona average.

Homeownership			
	Gilbert	Maricopa County	Arizona
2000	84.9%	67.5%	68.0%
2010	73.3%	64.5%	66.0%
2015	72.3%	59.2%	61.9%
2020	75.3%	63.0%	65.3%
2023	70.7%	65.4%	67.7%
Source: Decennial Census 2000, 2010, & 2020; ACS 1-year estimate			

The inventory of occupied single-family housing in the town totals 94,016 units according to the 2023 U.S. Census with a total of 78,164 single family homes. Approximately 17.8% of those homes or 13,939 single family homes are rented. Also, out of 27,504 units in the town that are rented, more than one-half of rentals are single family homes compared to the average of 32% for the state. This may be indicative of the price of single-family housing which is beyond the reach of many families and forces them to rent instead. Investors are sometimes cited as contributing to the rising cost of housing because they often are cash buyers who do not require appraisals or inspections.



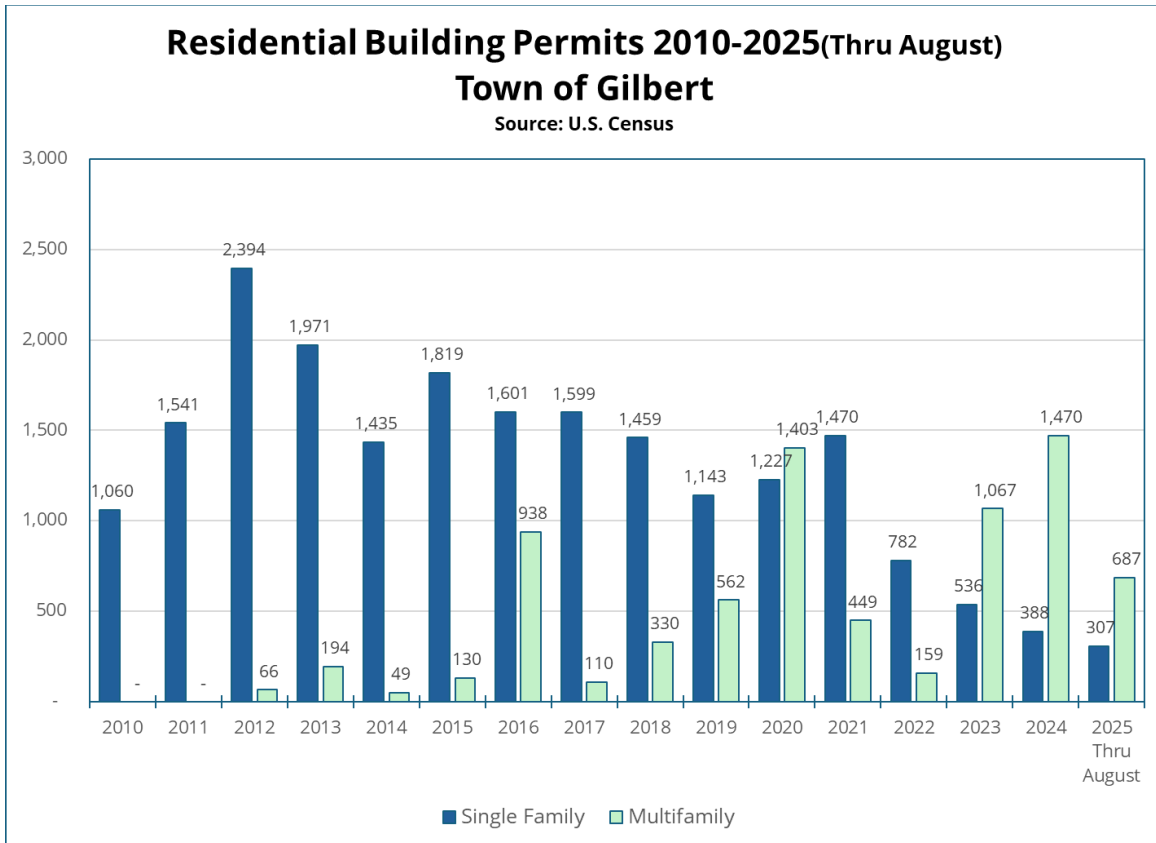
Tenure by Occupied Units in Structure						
	Gilbert		Maricopa County		Arizona	
	Units	%	Units	%	Units	%
Total	94,016		1,753,589		2,907,014	
Owner-occupied housing units:	66,512	70.7%	1,147,475	65.4%	1,967,704	67.7%
1, detached	64,225	96.6%	980,451	85.4%	1,621,546	82.4%
1, attached	1,454	2.2%	69,360	6.0%	101,444	5.2%
2	-	0.0%	1,667	0.1%	3,142	0.2%
3 or 4	140	0.2%	13,141	1.1%	15,985	0.8%
5 to 9	-	0.0%	10,668	0.9%	12,585	0.6%
10 to 19	248	0.4%	5,182	0.5%	6,251	0.3%
20 to 49	-	0.0%	4,391	0.4%	5,692	0.3%
50 or more	287	0.4%	9,849	0.9%	11,113	0.6%
Mobile home	115	0.2%	50,992	4.4%	180,725	9.2%
Boat, RV, van, etc.	43	0.1%	1,774	0.2%	9,221	0.5%
Renter-occupied housing units:	27,504	29.3%	606,114	34.6%	939,310	32.3%
1, detached	13,939	50.7%	188,112	31.0%	306,627	32.6%
1, attached	714	2.6%	27,281	4.5%	48,720	5.2%
2	795	2.9%	16,078	2.7%	32,656	3.5%
3 or 4	1,117	4.1%	52,921	8.7%	81,489	8.7%
5 to 9	2,290	8.3%	57,059	9.4%	82,019	8.7%
10 to 19	2,986	10.9%	62,026	10.2%	92,114	9.8%
20 to 49	1,999	7.3%	39,953	6.6%	64,311	6.8%
50 or more	3,549	12.9%	147,002	24.3%	183,872	19.6%
Mobile home	115	0.4%	14,484	2.4%	44,724	4.8%
Boat, RV, van, etc.	-	0.0%	1,198	0.2%	2,778	0.3%

Source: ACS 2023 1-year estimate

Overall residential building permit activity has been extremely strong over the past 15 years with an average of 1,823 units permitted each year. The mix of housing permits has changed over the past two years with multifamily permits exceeding single family permits. Single family permit activity has cooled over the last three years due in large part to the sharp rise in mortgage interest rates and home price appreciation, finishing 2024 at only 388 permits. Comparatively, in 2021 there were 1,470 single family permits. However, multifamily and build-to-rent products have taken up the slack with permits for 1,067 units in 2023 and another 1,470 units permitted in 2024. Through the first eight months of 2025, single family permits have increased by 27% to a total of 308 units, still well below historic trends.

Based on this construction activity, Gilbert is well on pace to meet or exceed the Office of Economic Opportunity's population growth forecast over the next five years and likely beyond. But housing affordability remains an issue for the town.





4.1 Multifamily Inventory

An inventory of traditional apartment complexes was conducted for this study. The inventory was prepared for complexes with 50 or more units from RealData for the end of 2024. The inventory outlined in the following table may not include all apartment units in smaller apartment developments but is the best information available.

The Town’s inventory of 63 apartment complexes totals 15,517 units largely comprised of medium sized (100 to 300 units) complexes at an average size of 246 units with the largest being 840 units in size. Included in the inventory are 950 units classified as Built-To-Rent (BTR) complexes which have been built in the last few years. BTRs are typically single or duplex units, mostly single story, and built at a density of about 11–12 units per acre. BTR complexes typically have a rent premium of 20% over traditional apartment complexes because of the lower density and higher land cost per unit. Comparatively, traditional two to four-story apartment complexes are built at densities greater than 20 units per acre. The average rent for the Gilbert market is \$1,703 per month with a 9.9% vacancy rate. The apartment inventory also includes three LIHTC complexes – Page Commons, The Groves, and San Clemente Power Ranch which total 704 units.



Town of Gilbert Housing Needs Assessment

Town of Gilbert Apartment Inventory								
Complex	Address	Type	Units	Yr. Const.	Avg. Rent	Avg. SF	Rent/SF	Vac. Rate
Williams Gateway	5850 S Power Rd	Garden	72	1982	\$1,261	565	\$2.23	1.0%
Vantage Point	960 N Gilbert Rd	Garden	80	1984	\$1,490	822	\$1.81	4.0%
Olive East	65 E Olive Ave	Garden	120	1984	\$1,386	932	\$1.49	8.0%
Gilbert Greens	1101 N Gilbert Rd	Garden	164	1985	\$1,365	709	\$1.93	7.0%
Sahara-Playa Palms	2300 W San Angelo St	Garden	840	1985	\$1,285	860	\$1.49	9.0%
Espiral	125 E Guadalupe Rd	Garden	225	1986	\$1,728	881	\$1.96	4.0%
Cortland Heritage District	275 W Juniper Ave	Garden	459	1986	\$1,380	695	\$1.98	4.0%
Orchard on Gilbert	950 N Gilbert Rd	Garden	130	1986	\$1,374	620	\$2.22	2.0%
Avana Gilbert	3225 E Baseline Rd	Garden	341	1988	\$1,498	941	\$1.59	2.0%
Alcove at the Islands	1300 W Warner Rd	Garden	272	1989	\$1,579	868	\$1.82	6.0%
Serena Shores Val Vista Lk	4101 E Baseline Rd	Garden	240	1997	\$1,746	1,083	\$1.61	4.0%
Desert Mirage	1333 W Guadalupe Rd	Garden	258	1998	\$1,664	985	\$1.69	3.0%
Cambria	130 W Guadalupe Rd	Garden	174	2000	\$1,840	1,022	\$1.80	3.0%
Sterling, The	1303 W Juniper Ave	Garden	107	2000	\$1,784	1,115	\$1.60	4.0%
Sonoma Landing	4776 E Guadalupe Rd	Garden	220	2001	\$1,687	955	\$1.77	8.0%
Reserve Gilbert Town Ctr	351 E Civic Center Dr	Garden	147	2002	\$1,662	963	\$1.73	5.0%
Groves, The	2990 S Power Rd	LIHTC	268	2003	\$1,281	1,070	\$1.20	3.0%
San Clemente Power Ranch	7640 S Power Rd	LIHTC	336	2005	\$1,232	934	\$1.32	1.0%
Page Commons	170 N Oak St	LIHTC	100	2005	\$614	668	\$0.92	0.0%
Azul at Spectrum	3134 S Market St	Garden	360	2006	\$1,584	924	\$1.72	39.0%
Borrego at Spectrum	3004 S Market St	Garden	264	2006	\$1,609	931	\$1.73	11.0%
MAA Lyon's Gate	3301 E Ray Rd	Garden	312	2006	\$1,670	959	\$1.74	2.0%
Highlands at Spectrum	1456 E Pecos Rd	Garden	284	2006	\$1,543	915	\$1.69	4.0%
Painted Trails	4255 E Pecos Rd	Garden	196	2007	\$1,608	959	\$1.68	6.0%
MAA Sky View	4632 E Germann Rd	Garden	232	2007	\$1,652	971	\$1.70	3.0%
Trails at SanTan	2505 E Williams Field Rd	Garden	314	2008	\$1,652	979	\$1.69	9.0%
SanTan By Baron	2910 S Greenfield Rd	Garden	315	2009	\$1,697	982	\$1.73	4.0%
Redstone at SanTan Village	19253 Coronado Rd	Garden	382	2013	\$1,607	997	\$1.61	6.0%
Higley Park	3389 E Liberty Ln	Single Family	150	2013	\$2,256	1,774	\$1.27	0.0%
Liv Northgate	455 S Recker Rd	Garden	254	2014	\$1,844	1,042	\$1.77	13.0%
San Privada	1480 E Pecos Rd	Garden	296	2014	\$1,852	1,203	\$1.54	7.0%
Highland Grvs-Morrisn Rch	105 N Beebe St	Garden	228	2014	\$1,740	964	\$1.80	5.0%
Liv Northgate II	455 S Recker Rd	Garden	148	2016	\$1,864	1,057	\$1.76	13.0%
Vistara at SanTan Village	1725 S Coronado Rd	Garden	366	2016	\$1,555	997	\$1.56	4.0%
Cadia Crossing	230 E Civic Center Dr	Garden	256	2017	\$1,735	1,034	\$1.68	5.0%
Keller at Town Square	150 E Warner Rd	BTR	152	2017	\$1,960	940	\$2.09	7.0%
District Lofts	170 Cullumber Ave	Garden	172	2017	\$1,704	907	\$1.88	8.0%
Town Commons	1000 S Gilbert Rd	Garden	306	2017	\$1,949	992	\$1.96	4.0%
Flats at SanTan	2550 S Santan Village Pky	Garden	319	2017	\$1,794	924	\$1.94	7.0%
Vivace at Gateway Place	4500 E Ray Rd	Garden	250	2019	\$1,991	1,238	\$1.61	9.0%
BB Living at Val Vista	3936 S Decatur Dr	Townhome	217	2019	\$2,399	1,816	\$1.32	6.0%
Village at Hampton Court	1555 S Val Vista Dr	BTR	56	2020	\$2,252	1,210	\$1.86	0.0%
Aiya	2350 S Wade Dr	Garden	360	2020	\$1,716	875	\$1.96	4.0%
Elevation SanTan	2045 E Boston St	Garden	297	2020	\$1,691	865	\$1.95	8.0%
Acero Cooley Station	3939 E Vest Ave	Garden	182	2020	\$1,830	984	\$1.86	10.0%
Curve at Gilbert	445 E Germann Rd	Garden	356	2021	\$1,601	877	\$1.82	6.0%
Soltra at SanTan Village	1690 S Santan Village Pky	Garden	380	2021	\$1,718	933	\$1.84	8.0%
Gateway at Cooley Station	4210 E Williams Field Rd	Garden	276	2021	\$1,758	1,026	\$1.71	5.0%
Wyatt, The	1233 S Gilbert Rd	Garden	216	2021	\$1,655	981	\$1.69	6.0%
Tyler, The	3150 E Ray Rd	Garden	320	2021	\$2,217	907	\$2.44	10.0%
Acero Val Vista	1500 E Melrose St	Garden	328	2021	\$1,923	971	\$1.98	7.0%
Crossing at Cooley Station	3700 E Williams Field Rd	Garden	408	2021	\$1,857	1,082	\$1.72	1.0%
Enclave at Madera Parc	331 S Cooper Rd	Single Family	51	2022	\$2,390	1,790	\$1.34	4.0%
Skyline at Cooley Station	4377 E Haskell St	Garden	49	2022	\$1,728	963	\$1.79	0.0%
Elevation at the Village	1935 S Santan Village Pky	Garden	214	2022	\$1,691	830	\$2.04	10.0%
Alta Cooley Station	2550 S Recker Rd	Garden	248	2022	\$1,872	958	\$1.95	22.0%
Quintana at Cooley Station	2515 S Verde Dr	Garden	191	2023	\$1,614	599	\$2.69	54.0%
Town Germann	4111 S Silverado St	Garden	209	2023	\$2,391	1,248	\$1.92	22.0%
Album Cooley Station	2660 S Recker Rd	Garden	204	2023	\$2,064	975	\$2.12	15.0%
Villas on Ash	1381 N Gilbert Rd	BTR	165	2023	\$2,105	1,018	\$2.07	17.0%
Moxie	1400 N Cooper Rd	Garden	205	2024	\$1,678	847	\$1.98	94.0%
Novel Val Vista	1727 E Pecos Rd	Garden	317	2024	\$1,910	811	\$2.36	42.0%
Bungalows at SanTan Village	2120 E Ray Rd	BTR	159	2024	\$2,321	973	\$2.38	21.0%
Totals/Averages			15,517		\$1,703	966	\$1.79	9.9%

Source: RealData



The apartment vacancy rate for Gilbert at 9.9% is elevated above the normal stabilized rate for the market of about 7%. This is likely due to the construction of new units, including BTR units, still in lease up.

The three affordable complexes were completed in 2003 and 2005. The Town has a financial interest in the Page Commons property which is reserved for seniors and intends to maintain its affordability for the long term. San Clemente and The Groves were built under the 4% LIHTC bond program and have affordability commitments for 50 years.

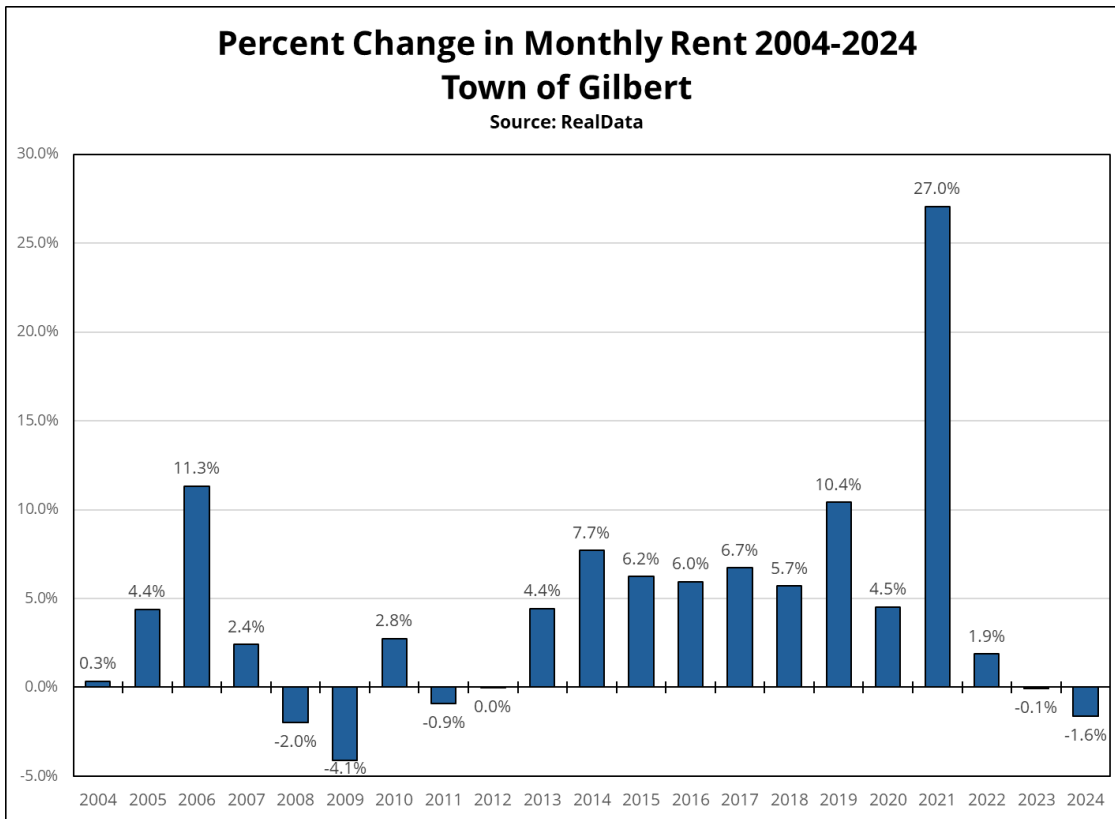
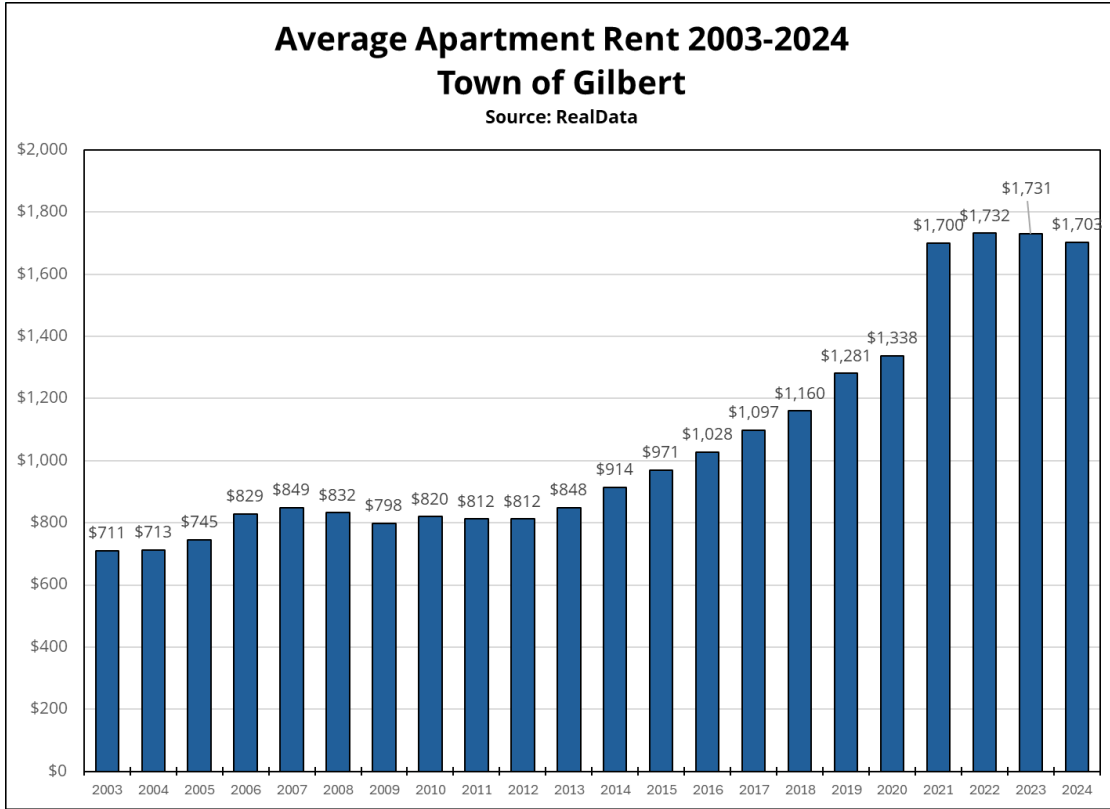
Gilbert Affordable Housing Complexes							
Year	Project Name	Address	Low-Mod Units	Market Units	Total Units	Average Rent	Vacancy Rate
LIHTC Complexes							
2005	Page Commons	Oak Street and Park Ave.	100	-	100	\$614	0.0%
LIHTC Bond Complexes							
2005	San Clemente	Power & Germann	303	33	336	\$1,232	1.0%
2003	The Groves	2990 S Power Rd.	268	-	268	\$1,281	3.0%
Total Bond Complexes			571	33	604	\$1,254	1.9%
Total Affordable Complexes			671	33	704	\$1,163	1.6%

Source: AZ Dept. of Housing

In addition to the LIHTC complexes above, the town has partnered with non-profit housing agencies to provide affordable housing. ARM Save the Family has 22 rental homes in Gilbert purchased in partnership through the Town’s Home Fund allocation. However, the current cost of housing makes it difficult to find units to purchase. Newtown CDC has five homes in Gilbert in their Community Land Trust homeownership program. The Town also uses CDBG funds for home repairs, services for the homeless, and neighborhood improvements. The Town also owns several vacant parcels that may be suitable as affordable or workforce housing sites.

Average rents for apartments in Gilbert grew to a peak of \$1,732 in 2022 but have since flattened and moderated slightly with the influx of newly built complexes. After the Great Recession, rents started rising above the rate of inflation. Between 2013 and 2020, rents rose at an average annual rate of 6.5%. In 2021, however, rents rose by 27% following the pandemic which started in early 2020. Rents have since not moved to any extent.





Compared to the Maricopa County apartment market, apartment rents in Gilbert are 10.2% higher than the county average. In particular, rents for units in Gilbert built before 2023 are 11.2% higher than the county average. The following chart also shows that rent for complexes built in 2023 and 2024 are 19% higher than units built before 2023, reflecting the rising cost of land, construction, and labor that apartment developers experienced in the last few years. While the overall vacancy rate stands at 9.9%, the market for units built before 2023 is stabilized at 6.9%. Newly built units show a higher vacancy rate of 39% which will decline over time as units are absorbed in the market.

Apartment Market Dynamics Town of Gilbert & Maricopa County					
	Units	Average Rent	Average Unit SF	Average Rent/SF	Vacancy Rate
Chandler					
Total Market Q4 2024	15,517	\$1,703	966	\$1.76	9.9%
Built before 2023	14,067	\$1,673	972	\$1.74	6.9%
Built 2023-2024	1,450	\$1,996	916	\$2.22	39.1%
Maricopa County					
Total Market Q4 2024	393,458	\$1,545	859	\$1.82	10.9%
Built before 2023	353,180	\$1,505	847	\$1.80	7.1%
Built 2023-2024	40,278	\$1,897	962	\$2.01	44.3%
Source: RealData					

The following table depicts the inventory of apartments in Gilbert by bedroom size and required income for each unit size. One-bedroom and two-bedroom units account for 87% of all units in the town. Three and four-bedroom units are found in a number of complexes across the town, particularly in BTR complexes and some of the single-family rental properties such as Higley Park and Enclave at Madera Parc.

Apartment Unit Composition Gilbert Apartment Market					
	Units	Average Sq. Ft.	Average Rent	Average Rent/SF	Required Income
Studio	383	591	\$1,266	\$2.14	\$56,630
1-Bedroom	6,035	754	\$1,384	\$1.83	\$61,350
2-Bedroom	7,457	1,054	\$1,631	\$1.55	\$71,260
3-Bedroom	1,500	1,376	\$2,095	\$1.52	\$89,780
4-Bedroom	142	2,051	\$2,585	\$1.26	\$109,420
Total	15,517	966	\$1,703	\$1.76	\$74,120
Overall Vacancy Rate:	9.9%				
Source: RealData					



BTR complexes have become very popular across the metro area because of the privacy of the units, their lower density, and amenity packages. However, their rents typically carry a premium of more than 20% above traditional two to four-story apartment complexes. BTRs are popular with families and retired households.

Gilbert Build-To-Rent Complexes					
	Units	Average Sq. Ft.	Average Rent	Average Rent/SF	Required Income
1-Bedroom	142	665	\$1,554	\$2.34	\$68,160
2-Bedroom	223	989	\$1,892	\$1.91	\$81,690
3-Bedroom	445	1,535	\$2,223	\$1.45	\$94,910
4-Bedroom	140	2,049	\$2,578	\$1.26	\$109,120
Total	950	1,353	\$2,098	\$1.55	\$89,900
Overall Vacancy Rate:		9.2%			
Source: RealData					

The apartment pipeline for Gilbert of under construction and planned projects is extensive. According to RealData, 950 units are under construction and another 4,938 units are in the planning stage. Because of various financial and construction considerations, it is unknown whether the planned projects will be built. However, many are currently proceeding through the Town’s permit and approval process.



Apartment Pipeline Town of Gilbert			
Under Construction			
Project	Units	Address	Delivery
Tuscany at Gabriella Pointe	760	3453 E Warner Road	2025
Stillwater Atwood at Rivulon	352	527 E Pecos Road	2025
Modera Higley Commons	276	3071 E Ray Rd	2025
Higley	261	1811 N Higley Road	2025
Havenly Gilbert, The	157	4445 E Warner Road	2025
Alta 87	257	1225 N Arizona Avenue	2025
Morrison Ranch Multifamily	231	3340 E Warner Road	2026
Total	2,294		
Planned Projects			
Project	Units	Address	Planning Stage
Val Vista & Knox	130	1187 S Val Vista Drive	Pre-Application Screen
Residences at the Reserve	150	345 E Germann Road	Pre-Application Screen
South Anchor-Heritage District	200	40 W Elliot Road	Development/Design Review Approval Pending
Modera Gabriella Pointe	335	12661 S Higley Road	Development/Design Review Approval Pending
Trax at Cooley Station	568	3727 E Williams Field Rd	Preliminary Plan Approval
Residences at the Ranch	739	3970 S Power Road	Preliminary Plan Approval
Lumberyard Multifamily, The	285	375 N Neely Street	Preliminary Plan Approval
Heritage Park	288	442 N Gilbert Road	Preliminary Plan Approval
Fred's Place	93	4110 E Williams Field Rd	Preliminary Plan Approval
Bella Stora Parcel C	324	NWC Power Rd & Williams Field Rd	Preliminary Plan Approval
Bella Stora Parcel B	367	NWC Power Rd & Williams Field Rd	Preliminary Plan Approval
Woodcrest Village West	232	4050 S Ranch House Parkway	Final Plan Approval
Verity II	106	2714 S Recker Road	Final Plan Approval
Verity I	207	2464 S Verde Drive	Final Plan Approval
Gilmore, The	302	NWC Val Vista Road & Germann Rd	Final Plan Approval
District at Cooley Station Parcel 26	612	NWC Williams Field Rd & Recker Rd	Final Plan Approval
Total	4,938		

Source: RealData

In total, the apartment market in Gilbert appears healthy although vacancy rates stand at nearly 10%. A stabilized apartment market is typically considered to be a 7% vacancy rate which allows for turnover in occupancy and the introduction of new residents. Vacancy rates below 7% often suggest a shortage of rental units which could cause rents to rise due to strong demand, further increasing the cost of housing for households that cannot afford to purchase a home. The current apartment market in Gilbert is far from this scenario with an abundance of available apartment units in the pipeline that will likely take some time to fully absorb.

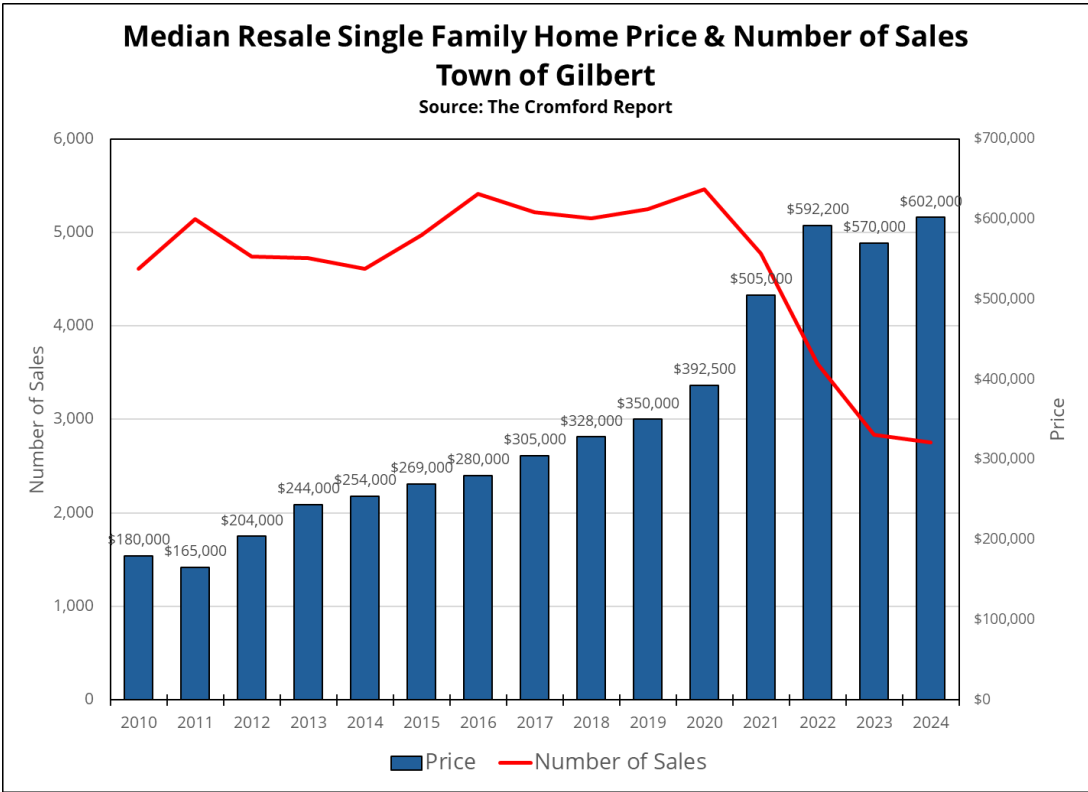
The apartment market is subject to significant fluctuations in vacancy as markets reach a shortage of units, often followed by overbuilding. Once the market is overbuilt, construction usually slows and the cycle repeats. The 2,294 units currently under construction will increase the town’s apartment inventory by about 15%. Planned units, if all are built, will increase the inventory by another 28% over a period of years.

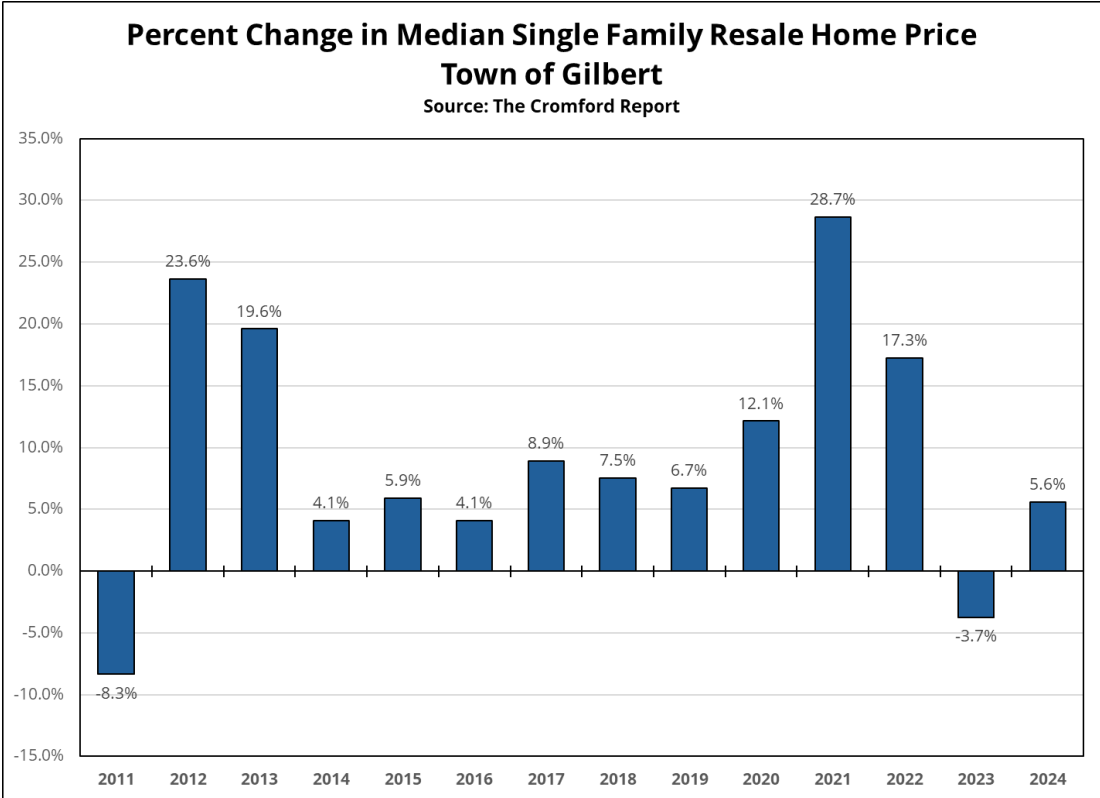


Over the last ten years, the average annual leasing rate (also known as absorption) of apartment units in Gilbert was approximately 650. Between 2021 and 2023, absorption increased to more than 1,000 units per year. In order to return the market to a stabilized vacancy rate, 450 existing units must be absorbed along with the 2,294 units under construction. Total absorption required to return the market to a 7% vacancy rate is estimated at about 2,550 units. At the long-term average annual absorption rate of 650 units per year, Gilbert is probably looking at 3.9 years to absorb all existing vacant and under construction apartment units, not including units that are in the Town’s entitlement process. Based on this analysis, rents are expected to remain stable with potentially small annual increases. Major reductions in rents are not expected given the increase in expenses to maintain and operate complexes including the recent rise in insurance costs.

4.2 Ownership Housing Market

The price of housing in Gilbert has increased dramatically over the past five years. Single family resale prices have risen by 72% since 2019. That’s an increase of \$252,000 from \$350,000 to \$602,000. The number of sales peaked in 2020 at 5,465 but have since fallen to 2,750 in 2024, a 50% decline largely due to perceived high mortgage interest rates and rising prices and construction costs. Prices increased by 29% in 2021 and by 17% in 2022 before declining slightly in 2023.

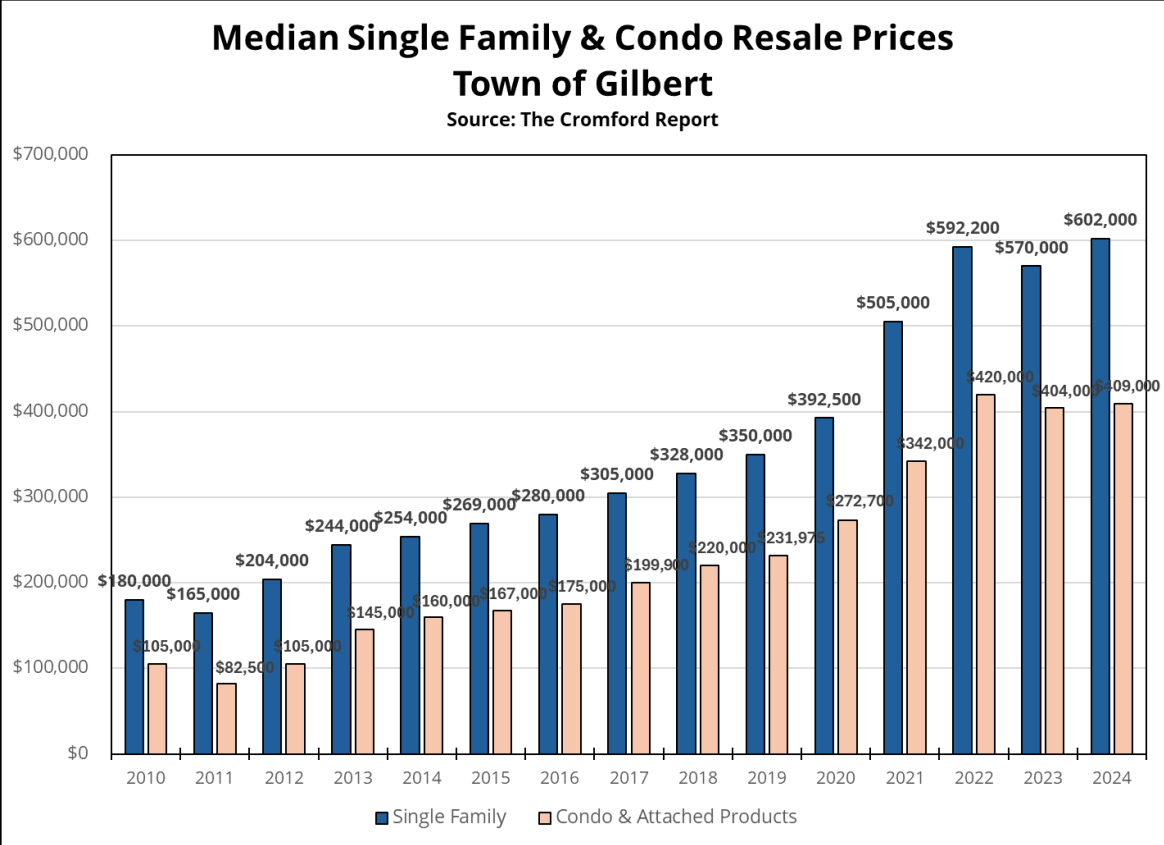




Historically, mortgage rates have varied quite widely, but current rates in the 6% range are within the long-term average which stands at 7.71% since 1971. Between 2010 and 2019, following the Great Recession, mortgage rates averaged 4.09%. But the country has also experienced long periods of high rates. Between 1979 and 1989, mortgage rates were above 10% on average and hit 18% in 1981. The issue with mortgage rates is that the public became accustomed to rates at or below 4% and then in the 2% range after the pandemic in 2020 and 2021. However, combined with rising prices that grew by 29% in one year (2021), mortgage rates in the 6% range make homeownership beyond the reach of many households. Most experts in the homebuilding industry believe that if mortgage rates decline to the 5% range, the housing market will rebound as more households are able to enter the market.

Condo and townhome resale properties are still somewhat affordable with a median price of \$409,000 in 2024. This means that one-half of all units sold for less than the median price. Unfortunately, there are few condo or townhome unit sales in an average year. Between 2019 and 2024, there was an average of 300 sales per year. By comparison, an average of 4,112 single family sales per year occurred between 2019 and 2024, although sales were down to 2,750 in 2024.



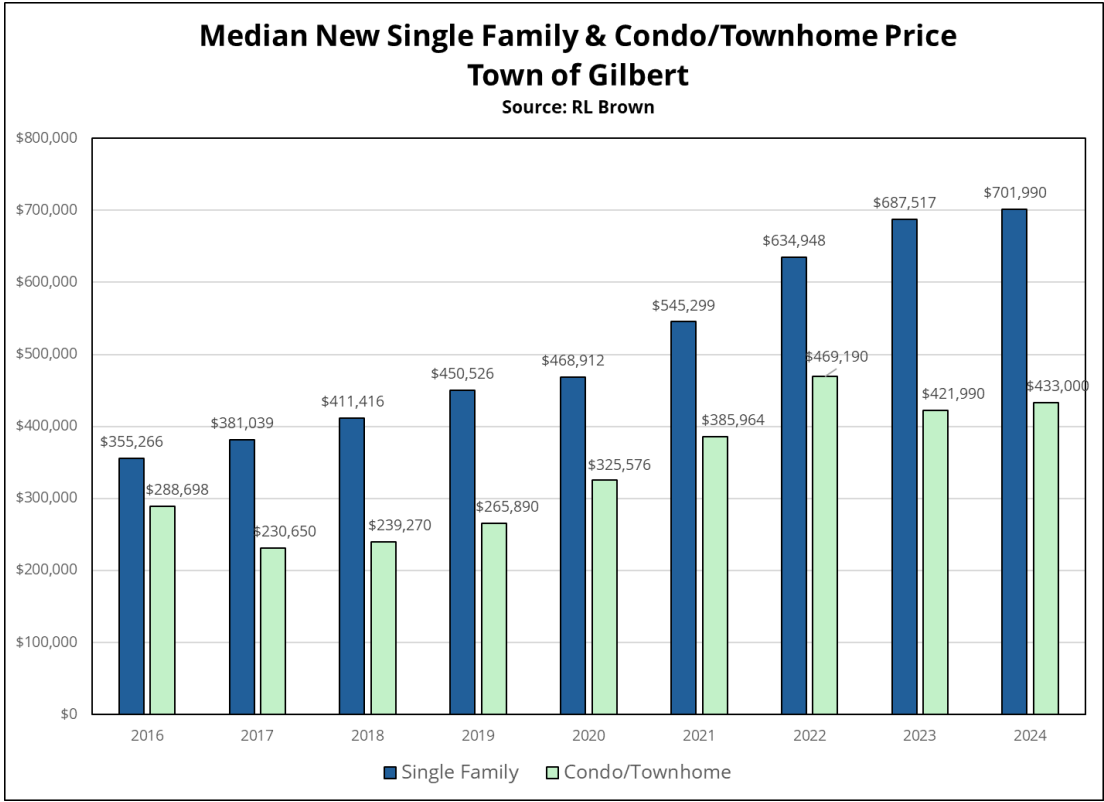
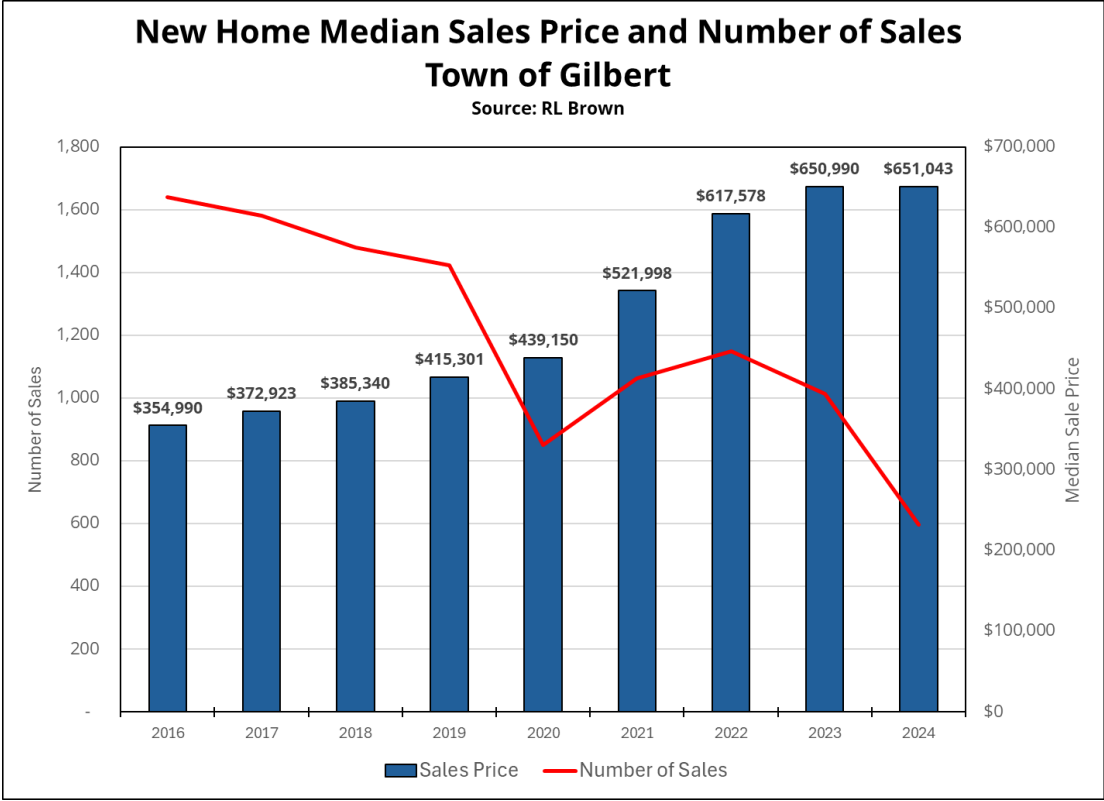


New home median sale prices (single family, condo, and townhomes units) also increased, rising by over \$178,000 between 2020 and 2022. Prices rose again in 2023 to \$650,990. The number of new home sales is down 56% from 2022 to 598 sales in 2024. Annual sales prior to the pandemic ranged from 1,422 to 1,641.

The median price of a single-family home in Gilbert reached more than \$700,000 in 2024. Prior to the pandemic, the median price of a single-family home was \$450,526. Since then, the median price has increased by 64% or more than \$250,000. However, sales of new single-family homes decreased significantly from over 1,000 in 2022 to 439 in 2024.

Condo and townhome prices also increased to a height of \$469,000 in 2022 before declining to \$433,000 in 2024. The decline in prices may be related to the type and number of condos and townhomes on the market. Only 159 condo/townhome sales occurred in 2024.





Compared to Maricopa County, the median price of a new single-family home in Gilbert was 49% above the county median. The median price of attached units (condos and townhomes) in Gilbert was lower than the county median. In particular, the average price of an attached unit in Gilbert was 39% below the county average. The county price is driven by sales in Scottsdale and parts of Phoenix where most units are being constructed.

2023 & 2024 New Housing Sales Town of Gilbert & Maricopa County						
	Single Family			Attached Units		
	Sales	Median Price	Average Price	Sales	Median Price	Average Price
Gilbert						
2023	817	\$687,517	\$788,168	195	\$421,990	\$436,142
2024	439	\$701,990	\$783,767	159	\$433,000	\$434,624
Maricopa County						
2023	19,124	\$465,395	\$541,799	813	\$440,272	\$614,235
2024	20,294	\$469,990	\$542,168	748	\$462,350	\$711,796
Source: RL Brown						

The affordable housing value for Gilbert is shown in the adjacent table based on the Town median household income of approximately \$122,445. With a 10% down payment and a 6.50% loan, the maximum house value that the typical Gilbert household can afford is \$443,000. **In 2024, out of 3,843 home sales in Gilbert (single family, condo, and townhome units), only 635 homes (16.5%) sold for less than \$443,000. Only one new single-family home sold for less than \$500,000 in 2024.**

Affordable Housing Payment Estimator Town of Gilbert	
	Calculation
House value	\$443,000
Down payment	10%
Down payment	\$44,300
Mortgage amount	\$398,700
Interest rate	6.5%
Loan term in years	30
% of income devoted to mortgage payment	30.0%
Monthly loan payment (P & I)	\$2,520
Monthly property tax, insurance, PMI	\$536
Total monthly payment	\$3,056
Yearly income required	\$122,226
Sources: EDPCo, Freddie Mac	

Some relief may be available in the future for homebuyers if interest rates decline. For instance, at a reduced interest rate of 5%, the household earning the Gilbert median household income would be able to afford a home worth \$508,000. The current interest rate environment makes it difficult for first time buyers to afford a home.



The resale market in Gilbert offers some opportunities for first-time home buyers or workforce households to enter the ownership market. However, the size of the market for homes under \$300,000 is extremely limited relative to the size of the market. Only 34 sales were recorded in 2024 under \$300,000 and only 277 recorded under \$400,000. The following chart shows the number of sales in 2024 by price range and the income required to afford a unit based on a 6.5% interest rate, a 10% down payment, and additional expenses for property taxes, private mortgage insurance, and property insurance.

Gilbert 2024 Housing Sales & Required Income								
Price Range	Attached Units	Single Family	Total Units	%	Total Pmt		Required Income	
					Min	Max	Min	Max
Less than \$200,000	3	1	4	0.1%		\$1,329		\$53,154
\$200,000-\$300,000	15	15	30	0.8%	\$1,329	\$1,993	\$53,154	\$79,732
\$300,000-\$400,000	130	113	243	6.3%	\$1,993	\$2,658	\$79,732	\$106,309
\$400,000-\$500,000	227	676	903	23.5%	\$2,658	\$3,322	\$106,309	\$132,886
\$500,000-\$600,000	15	834	849	22.1%	\$3,322	\$3,987	\$132,886	\$159,463
\$600,000-\$700,000	11	649	660	17.2%	\$3,987	\$4,651	\$159,463	\$186,040
\$700,000-\$800,000	1	420	421	11.0%	\$4,651	\$5,315	\$186,040	\$212,618
\$800,000-\$900,000	1	238	239	6.2%	\$5,315	\$5,980	\$212,618	\$239,195
\$900,000-\$1,000,000	1	133	134	3.5%	\$5,980	\$6,644	\$239,195	\$265,772
\$1,000,000+	-	360	360	9.4%	\$6,644		\$265,772	
Total	404	3,439	3,843	100.0%				

Source: RL Brown

In summary, the Gilbert housing market is very dynamic although it is being impacted, similar to most other parts of the state and the country, by rapidly rising prices and interest rates which have increased in the last few years. Housing sales have slowed from prior years although home prices have not yet shown a decline. The apartment market is very active and monthly rents for the newest complexes are among the highest in the county. The pipeline of under construction and planned apartment complexes is lengthy although some of the planned projects could be delayed or terminated due to competition and capital markets. With more than 3,800 housing sales in 2024, Gilbert is shown to be a highly attractive location for homebuyers and renters.



5.0 Housing Affordability Gap

The housing affordability gap is the difference between the rents or housing values in a community and the ability of households to afford those rents or values. Affordability has become an issue over the past five years for many households due to rents and values that have increased well above the rate of inflation. At the same time, wages have not kept pace. **Housing affordability affects low- and moderate-income households the most, including many essential occupations such as teachers, police, firefighters, nurses, and service workers.**

There has been much discussion about the term “affordable housing”. “Affordable” is often associated with housing for the lowest income households. “Workforce” or “attainable” housing is often associated with the demand from critical service providers or essential personnel such as police, firefighters, nurses, schoolteachers, and others. In the context of this study, the term “affordable” will apply to all households that are burdened by housing costs or those that can’t find housing due to its cost relative to household income. Affordable housing refers to a continuum of housing demand that affects people from the lowest income levels to those earning above the area median income (AMI). A healthy economy and housing market should address all these demand sectors.

Households are considered burdened by the cost of housing if rent and other housing costs total more than 30% of total household income. For a homeowner, the cost of housing typically includes a mortgage, property taxes, and insurance. For a renter, the cost of housing is rent and utilities. The U.S. Department of Housing and Urban Development also recognizes households that pay more than 50% of income towards housing known as an “severely cost burdened.” Across the country, approximately 29% of all households are considered cost burdened and about 13.4% are severely burdened.

Gilbert has a significant inventory of conventional apartment complexes totaling 15,517 units (complexes with 50 units or more) including new build-to-rent complexes (BTRs) and low-income tax credit projects. The average monthly rent across the town is \$1,703 with a 9.9% vacancy rate. About 70% of all apartment units in the town have average rents below \$1,800 per month which is affordable to households earning up to \$78,000. The heart of the market is rents from \$1,500 to \$1,900 per month where 63% of all units are positioned. The income required to rent a unit at \$1,300 to \$1,900 per month ranges from approximately \$58,000 to \$82,000. The only units affordable to households earning less than \$50,000 are the 704 units in LIHTC complexes.



Gilbert 2024 Apartment Market Rents & Required Income								
Rent Range	Units		Rent Range		Rent + Utilities		Require Income	
			Minimum	Maximum	Minimum	Maximum	Minimum	Maximum
Less than \$1,200	100	0.6%		\$1,200		\$1,350		\$54,000
\$1,200-\$1,300	1,516	9.8%	\$1,200	\$1,300	\$1,350	\$1,450	\$54,000	\$58,000
\$1,300-\$1,400	873	5.6%	\$1,300	\$1,400	\$1,450	\$1,550	\$58,000	\$62,000
\$1,400-\$1,500	421	2.7%	\$1,400	\$1,500	\$1,550	\$1,650	\$62,000	\$66,000
\$1,500-\$1,600	1,282	8.3%	\$1,500	\$1,600	\$1,650	\$1,750	\$66,000	\$70,000
\$1,600-\$1,700	4,119	26.5%	\$1,600	\$1,700	\$1,750	\$1,850	\$70,000	\$74,000
\$1,700-\$1,800	2,612	16.8%	\$1,700	\$1,800	\$1,850	\$1,950	\$74,000	\$78,000
\$1,800-\$1,900	1,710	11.0%	\$1,800	\$1,900	\$1,950	\$2,050	\$78,000	\$82,000
\$1,900-\$2,000	1,353	8.7%	\$1,900	\$2,000	\$2,050	\$2,150	\$82,000	\$86,000
\$2,000+	1,531	9.9%	\$2,000		\$2,150		\$86,000	
Total	15,517	100.0%						

Note: Required income estimate includes \$150/month for utilities.
Source: RealData

For-sale housing in Gilbert is expensive relative to incomes and metro Phoenix averages. The median price of a single-family resale home was \$585,000 in 2024. Condo and townhome resale units are still relatively affordable at a median price of \$397,500. However, that segment of the market only accounts for 6.4% of total housing sales. In the new home market, the median price of a single-family home in 2024 was \$702,000; new attached homes and condos had a median price of \$433,000. The lowest priced new homes in Gilbert, 21 attached or condo units, sold between \$380,000 and \$400,000 in 2024. The lowest priced new single-family home sale in Gilbert in 2024 was \$512,000.

2024 Housing Market Town of Gilbert			
	Median Price	Average Price	Number of Sales
Resale Homes			
Single Family	\$585,000	\$689,939	2,999
Condo/TH	\$397,500	\$410,263	245
New Homes			
Single Family	\$701,990	\$784,271	439
Condo/TH	\$432,745	\$434,846	160
Total Market			
Single Family	\$610,000	\$701,903	3,439
Condo/TH	\$416,495	\$419,851	404

Source: RL Brown



Based on a 10% downpayment and a 6.5% interest rate, the required income to purchase a home, including single-family, condo, or townhome units, ranges from a low of \$53,000 to more than \$265,000 for a \$1 million home. Only 7.2% of all sales in 2024 occurred for a price under \$400,000. Another 73.7% of sales occurred between \$400,000 and \$800,000. At today’s interest rates, these homes require a minimum income of about \$106,000 to a maximum of \$212,000. Approximately 83% of the homes in this price range are resales.

Gilbert 2024 Housing Sales & Required Income								
Price Range	Attached Units	Single Family	Total Units	%	Total Pmt		Required Income	
					Min	Max	Min	Max
Less than \$200,000	3	1	4	0.1%		\$1,329		\$53,154
\$200,000-\$300,000	15	15	30	0.8%	\$1,329	\$1,993	\$53,154	\$79,732
\$300,000-\$400,000	130	113	243	6.3%	\$1,993	\$2,658	\$79,732	\$106,309
\$400,000-\$500,000	227	676	903	23.5%	\$2,658	\$3,322	\$106,309	\$132,886
\$500,000-\$600,000	15	834	849	22.1%	\$3,322	\$3,987	\$132,886	\$159,463
\$600,000-\$700,000	11	649	660	17.2%	\$3,987	\$4,651	\$159,463	\$186,040
\$700,000-\$800,000	1	420	421	11.0%	\$4,651	\$5,315	\$186,040	\$212,618
\$800,000-\$900,000	1	238	239	6.2%	\$5,315	\$5,980	\$212,618	\$239,195
\$900,000-\$1,000,000	1	133	134	3.5%	\$5,980	\$6,644	\$239,195	\$265,772
\$1,000,000+	-	360	360	9.4%	\$6,644		\$265,772	
Total	404	3,439	3,843	100.0%				

Source: RL Brown

5.1 Housing Affordability Gap Methodology

There are two methods to evaluate the affordability gap for Gilbert. The first uses data directly from the U.S. Census that shows the number of households spending more than 30% of income on housing. The second method can be used when detailed housing data is available for the market area. That is the case for Gilbert which will be outlined in this section.

Gap Analysis Methodology 1

The following table outlines the renter housing cost burden for Gilbert totaling approximately 12,601 households or 45.8% of all renters. **Of those cost burdened households, 5,379 pay more than 50% of their income on housing or 19.6% of all renters. These households are considered severely rent burdened.** On a percentage basis, these estimates are below the county and statewide averages because of the high-income households attracted to Gilbert.



Gross Rent as % of Household Income						
	Gilbert		Maricopa County		Arizona	
	Households	%	Households	%	Households	%
Renter-occupied units	27,504		606,114		939,310	
Less than 10.0 percent	401	1.5%	18,014	3.0%	33,097	3.5%
10.0 to 14.9 percent	1,782	6.5%	34,797	5.7%	57,640	6.1%
15.0 to 19.9 percent	2,754	10.0%	59,920	9.9%	96,118	10.2%
20.0 to 24.9 percent	4,269	15.5%	75,492	12.5%	112,730	12.0%
25.0 to 29.9 percent	5,115	18.6%	69,897	11.5%	104,581	11.1%
30.0 to 34.9 percent	3,206	11.7%	53,821	8.9%	78,682	8.4%
35.0 to 39.9 percent	1,926	7.0%	43,922	7.2%	65,445	7.0%
40.0 to 49.9 percent	2,090	7.6%	66,457	11.0%	96,280	10.3%
50.0 percent or more	5,379	19.6%	151,854	25.1%	234,675	25.0%
Not computed	582	2.1%	31,940	5.3%	60,062	6.4%
Total Spending More Than 30%	12,601	45.8%	316,054	52.1%	475,082	50.6%
Total Spending More Than 50%	5,379	19.6%	151,854	25.1%	234,675	25.0%
Source: ACS 2023 1-year estimate						

For owner occupants, the housing cost burden is also lower than the county and statewide averages. **However, more than 10,500 households in Gilbert or 15.8% pay more than 30% of income on housing. Included in that statistic are 4,250 households who pay more than 50% of their income on housing (6.4% of all owners).** It should be noted that homeowners typically have more options than renters to address their housing burden. For instance, an owner could sell the home and move to a less costly unit if one is available. Similarly, homeowners could have voluntarily increased their housing costs by taking out a second mortgage or home equity loan on the home. These factors all affect the housing burden of homeowners while renters have more limited opportunities to reduce their housing burden beyond seeking a less costly rental unit, if one can be found.



Owner Housing Costs as % of Household Income						
	Gilbert		Maricopa County		Arizona	
	Households	%	Households	%	Households	%
Owner-occupied units	66,512		1,147,475		1,967,704	
Less than 10.0 percent	19,697	29.6%	302,711	26.4%	528,417	26.9%
10.0 to 14.9 percent	13,913	20.9%	201,685	17.6%	344,769	17.5%
15.0 to 19.9 percent	10,010	15.0%	180,535	15.7%	300,436	15.3%
20.0 to 24.9 percent	7,364	11.1%	130,305	11.4%	213,028	10.8%
25.0 to 29.9 percent	4,550	6.8%	77,194	6.7%	129,568	6.6%
30.0 to 34.9 percent	2,180	3.3%	52,700	4.6%	91,121	4.6%
35.0 to 39.9 percent	1,775	2.7%	36,354	3.2%	61,654	3.1%
40.0 to 49.9 percent	2,304	3.5%	47,686	4.2%	79,967	4.1%
50.0 percent or more	4,250	6.4%	105,049	9.2%	193,386	9.8%
Not computed	469	0.7%	13,256	1.2%	25,358	1.3%
Total Spending More Than 30%	10,509	15.8%	241,789	21.1%	426,128	21.7%
Total Spending More Than 50%	4,250	6.4%	105,049	9.2%	193,386	9.8%

Source: ACS 2023 1-year estimate

The housing affordability gap for Gilbert under this methodology is 23,110 renter and owner households, or approximately 24.6% of total households. Renters are the most cost-burdened households in the town on a percentage basis at 45.8% of all renters compared to 15.8% of all owners. The housing burden at different incomes is outlined below.

- Housing cost burden falls on the lowest income households. There are 1,154 renter households earning less than \$20,000 who are burdened by rent (representing all renters at this income category) and 1,052 owner households similarly burdened. These households are most appropriately housed in public housing units, typically owned by a government entity or non-profit, with rents set at 30% of the household’s income. Gilbert has limited resources for this income group beyond 22 units owned and managed by ARM of Save the Family and housing choice vouchers that may be available from local agencies.
- There are 3,859 renter households in the town earning between \$20,000 and \$50,000 per year and 93% of them, or 3,679 households, are burdened by housing costs. This group could be served by Low Income Housing Tax Credit projects or other government subsidized housing programs targeting 30%-60% AMI households. Project income limits under the program range to \$67,300 for a four-person family at 60% of area median income (AMI). Gilbert only has three tax credit apartment communities offering subsidized rent to this target population totaling 704 units including 100 units that are



reserved for seniors. Additional complexes are needed to address the needs of this population.

- The third group of renter households, representing 4,725 households, earn between \$50,000 and \$75,000. About 77% of these households are burdened by housing costs. Most of these households would likely qualify for workforce housing units targeting 60%-100% AMI. Market rate apartments are affordable to households earning between \$50,000 and \$75,000. The maximum rent households in this income range can afford is \$1,700 per month. Alternatively, a portion of households at the higher end of the range could be candidates for homeownership assistance programs. With interest rate relief, a portion of these households could potentially purchase a resale home in the low \$300,000 range. However, only 0.9% of homes sold in 2024 in Gilbert for less than \$300,000. Additionally, only 21 new homes, all attached or condo units, sold for less than \$400,000 in Gilbert in 2024. Newtown CDC, a Tempe-based nonprofit organization, owns several homes in Gilbert under their Community Land Trust program (CLT) which provides ownership opportunities for first time buyers earning less than 80% of median income. In 2025, a family of four earning less than \$89,750 could qualify to purchase a home.
- The final group of 17,184 renter households earn \$75,000 or more with 24% burdened by housing costs. The new market rate apartments are affordable to this group of households. There are also options among new and resale homes that would be affordable, especially if mortgage interest rates decline. At today's interest rates, a \$400,000 home requires an income of about \$110,000 with a 10% down payment.



Renter-Occupied Households Paying More Than 30% of Income Towards Housing Costs by Income Range						
Income	Gilbert		Maricopa County		Arizona	
	Households	%	Households	%	Households	%
Renter-occupied housing units:	27,504		606,114		939,310	
Less than \$20,000:	1,154		66,825		123,271	
Paying more than 30% on housing	1,154	100.0%	62,217	93.1%	113,961	92.4%
\$20,000 to \$34,999:	1,863		64,467		120,984	
Paying more than 30% on housing	1,825	98.0%	59,878	92.9%	108,639	89.8%
\$35,000 to \$49,999:	1,996		83,639		127,505	
Paying more than 30% on housing	1,854	92.9%	73,755	88.2%	102,044	80.0%
\$50,000 to \$74,999:	4,725		116,686		178,029	
Paying more than 30% on housing	3,642	77.1%	79,594	68.2%	102,004	57.3%
\$75,000 or more:	17,184		242,557		329,459	
Paying more than 30% on housing	4,126	24.0%	40,610	16.7%	48,434	14.7%
Negative income or no cash rent	582		31,940		60,062	
Total Paying More Than 30% of Income	12,601	45.8%	316,054	52.1%	475,082	50.6%
Source: ACS 2023 1-year estimate						

Owner households are also burdened by housing costs but typically have more options to resolve their situation. About 17% of owner households, more than 12,300 households, spend more than 30% of their income on housing. The households that are most burdened are those with incomes of less than \$20,000.

Owner-Occupied Households Paying More Than 30% of Income Towards Housing Costs by Income Range						
Income	Gilbert		Maricopa County		Arizona	
	Households	%	Households	%	Households	%
Owner-occupied housing units	66,512		1,147,475		1,967,704	
Less than \$20,000:	1,127		60,056		137,911	
30 percent or more	1,052	93.3%	53,061	88.4%	110,294	80.0%
\$20,000 to \$34,999:	2,382		75,452		164,247	
30 percent or more	2,055	86.3%	42,617	56.5%	83,590	50.9%
\$35,000 to \$49,999:	2,908		92,196		181,132	
30 percent or more	1,783	61.3%	41,574	45.1%	69,885	38.6%
\$50,000 to \$74,999:	6,101		158,488		300,247	
30 percent or more	2,461	40.3%	54,192	34.2%	88,055	29.3%
\$75,000 or more:	53,525		748,027		1,158,809	
30 percent or more	3,158	5.9%	50,345	6.7%	74,304	6.4%
Zero or negative income	469		13,256		25,358	
Total Paying More Than 30% of Income	10,509	15.8%	241,789	21.1%	426,128	21.7%
Source: ACS 2023 1-year estimate						

Many owner households may have equity in their homes even though they are burdened by housing costs. Since they already own homes, they may not be able to qualify for low- and



moderate-income homeownership programs. However as the incomes of these households rise, many may be able to participate in the market if moderate income products can be developed. Much of the effort to address affordable housing will likely focus on renter households.

At-Risk Households

As noted previously in this report, a further source of demand for affordable housing is households that are separated, divorced, never married, or where a spouse has died. These households have much lower incomes compared to married couple families. In particular, households headed by a single female have a median household income at about \$66,200 when they live with their own children compared to all households with a median household income of \$122,445. Single male householders have much higher incomes above \$143,000. Households headed by single females living with children may be an important focus of affordable housing efforts in Gilbert.

Income By Household Type Town of Gilbert			
Households By Type	Households	%	Median Income
Total households	94,016		\$122,445
Married-couple household	57,483	61.1%	\$151,399
With children of the householder under 18 years	29,466	31.3%	\$152,736
Cohabiting couple household	6,440	6.8%	N/A
With children of the householder under 18 years	1,922	2.0%	N/A
Male householder, no spouse/partner present	11,185	11.9%	\$142,929
With children of the householder under 18 years	1,584	1.7%	\$156,307
Female householder, no spouse/partner present	18,908	20.1%	\$86,553
With children of the householder under 18 years	3,016	3.2%	\$66,214

Source: ACS 2023 1-year estimate

In summary, an estimated 23,110 households or 24.6% of all households in the town are burdened by housing costs, spending more than 30% of their income on housing. This number includes 12,601 renters and 10,509 owners. As noted previously, owners have more options to resolve their housing cost issue by selling their home and moving to a lower cost unit or renting. While these can be difficult decisions, owners can alleviate their cost burden; renters have fewer options.

Gilbert has a limited inventory of affordable units that include only three LIHTC complexes and some scattered affordable housing units, some of which are directed at homeownership for



households earning up to 80% of area median income. The lack of affordable units in the community leaves a substantial under supply relative to the more than 23,000 owner and renter households with a high-cost burden.

Gap Analysis Methodology 2

The second methodology for evaluating the affordable housing gap for Gilbert involves comparing household incomes for owners and renters from the U.S. Census to current housing market data collected for this study. Home prices and rents for 2024 are provided in earlier sections of this report. The primary assumption of this methodology is that the collected market data is representative of the entire ownership and rental housing market in Gilbert for 2024.

The following are charts of apartment rents and housing prices along with the income required to afford a unit within each rent or price range. For the apartment market, assuming utilities on average cost \$150 per month, the total monthly cost for a unit ranges from \$1,350 to \$2,150. The income to rent a market-rate unit ranges from \$54,000 to \$86,000.

For the ownership market, a similar analysis was conducted for both resale and new homes. Prices range from about \$200,000 to more than \$1,000,000. A mortgage payment is estimated based on a 10% down payment and a 7.0% interest rate. An additional factor was added to the monthly required payment estimate for private mortgage insurance, property taxes, and home insurance. The required income for a home in Gilbert ranges from about \$56,000 to \$280,000 for a \$1 million home.



Required Household Income By Rent Range Town of Gilbert						
Rent Range	Units	%	Rent Range + Utilities		Required Income	
			Minimum	Maximum	Minimum	Maximum
Less than \$1,200	100	0.6%		\$1,350		\$54,000
\$1,200-\$1,300	1,516	9.8%	\$1,350	\$1,450	\$54,000	\$58,000
\$1,300-\$1,400	873	5.6%	\$1,450	\$1,550	\$58,000	\$62,000
\$1,400-\$1,500	421	2.7%	\$1,550	\$1,650	\$62,000	\$66,000
\$1,500-\$1,600	1,282	8.3%	\$1,650	\$1,750	\$66,000	\$70,000
\$1,600-\$1,700	4,119	26.5%	\$1,750	\$1,850	\$70,000	\$74,000
\$1,700-\$1,800	2,612	16.8%	\$1,850	\$1,950	\$74,000	\$78,000
\$1800-\$1,900	1,710	11.0%	\$1,950	\$2,050	\$78,000	\$82,000
\$1,900-\$2,000	1,353	8.7%	\$2,050	\$2,150	\$82,000	\$86,000
\$2,000+	1,531	9.9%	\$2,150		\$86,000	
Total	15,517	100.0%				

Note: Required income estimate includes \$150/month for utilities.
Source: RealData

Gilbert 2024 Housing Sales & Required Income										
Price Range	Attached Units	Single Family	Total Units	%	Loan Pmt		Total Pmt		Required Income	
					Min	Max	Min	Max	Min	Max
Less than \$200,000	3	1	4	0.1%		\$1,198		\$1,399		\$55,949
\$200,000-\$300,000	15	15	30	0.8%	\$1,198	\$1,796	\$1,399	\$2,098	\$55,949	\$83,924
\$300,000-\$400,000	130	113	243	6.3%	\$1,796	\$2,395	\$2,098	\$2,797	\$83,924	\$111,899
\$400,000-\$500,000	227	676	903	23.5%	\$2,395	\$2,994	\$2,797	\$3,497	\$111,899	\$139,873
\$500,000-\$600,000	15	834	849	22.1%	\$2,994	\$3,593	\$3,497	\$4,196	\$139,873	\$167,848
\$600,000-\$700,000	11	649	660	17.2%	\$3,593	\$4,191	\$4,196	\$4,896	\$167,848	\$195,822
\$700,000-\$800,000	1	420	421	11.0%	\$4,191	\$4,790	\$4,896	\$5,595	\$195,822	\$223,797
\$800,000-\$900,000	1	238	239	6.2%	\$4,790	\$5,389	\$5,595	\$6,294	\$223,797	\$251,772
\$900,000-\$1,000,000	1	133	134	3.5%	\$5,389	\$5,988	\$6,294	\$6,994	\$251,772	\$279,746
\$1,000,000+	-	360	360	9.4%	\$5,988		\$6,994		\$279,746	
Total	404	3,439	3,843	100.0%						

Source: RL Brown

The above market data was then compared to household incomes reported by the U.S. Census. The results are as follows:

- For the ownership market, there is an undersupply or deficit of homes for households earning up to \$100,000 of 16,200 units. As a rule of thumb, at today's interest rates and a 10% down payment, those households can afford to purchase a home up to a value of \$350,000 or a home value to income ratio of 3.5. At lower interest rates, the ratio increases to above 4.0. A surplus of ownership homes in Gilbert only starts above incomes of \$100,000.



**Affordable Housing Surplus/Deficit
Town of Gilbert**

Income Range	Owners				Renters				Total Surplus (Deficit)
	Households	Units Available	Surplus (Deficit)	Cumulative Surplus (Deficit)	Households	Units Available	Surplus (Deficit)	Cumulative Surplus (Deficit)	
Less the \$25,000	2,443	-	(2,443)	(2,443)	2,115	-	(2,115)	(2,115)	(4,558)
\$25,000 to \$34,999	1,535	-	(1,535)	(3,978)	1,262	100	(1,162)	(3,277)	(2,697)
\$35,000 to \$49,999	2,908	-	(2,908)	(6,886)	1,996	604	(1,392)	(4,669)	(4,300)
\$50,000 to \$74,999	6,101	467	(5,634)	(12,520)	4,762	14,354	9,592	4,923	3,958
\$75,000 to \$99,999	6,892	3,166	(3,726)	(16,247)	5,998	12,446	6,448	11,371	2,722
\$100,000 to \$149,999	14,786	25,396	10,610	(5,636)	7,054	-	(7,054)	4,317	3,556
\$150,000 or more	31,847	37,483	5,636	-	4,317	-	(4,317)	-	1,319
Totals	66,512	66,512			27,504	27,504			

Source: RL Brown, ACS 2023 1-Year Data

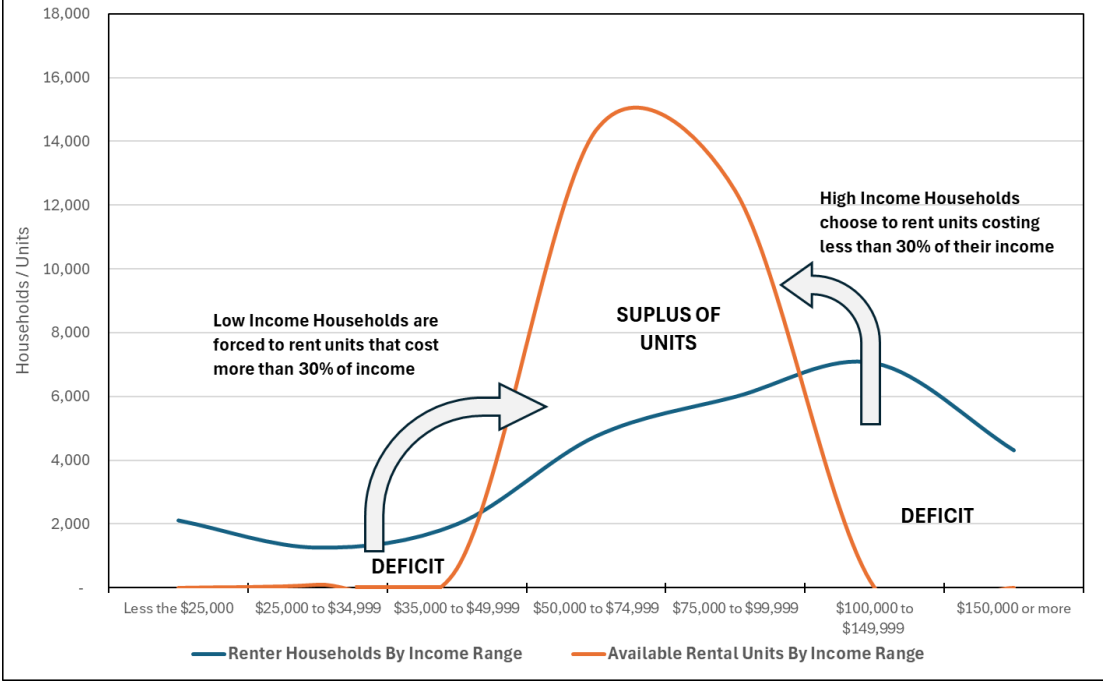
- For the rental market, the 704 LIHTC units are allocated to households earning less than \$50,000. **The total cumulative undersupply of rental units for households with incomes below \$50,000 is approximately 4,700 units.** Beyond \$50,000, there is an adequate supply of rental units although there is a shortage of units at the high-income categories above \$100,000. This seems to indicate that households with higher incomes are able to rent units at rates well below 30% of their income. For instance, a renter with an income of \$100,000 could conceivably qualify to lease a unit at a rent of \$2,500. However, the market does not have many units available at that rate other than those units with four bedrooms or some of the new build-to-rent units.

The interpretation of the above analysis is shown in the following charts which compare household incomes to available units. For renters, there is a housing shortage of units at the high- and low-income ranges. For the low-income households below \$50,000, they must rent units that are expensive relative to their incomes where there is a surplus of units. That surplus begins at \$50,000 in household income. At the same time, the availability of units for households earning more than \$100,000 is also limited, so they too must rent units where there is a surplus of units. The surplus of units falls in the income categories of \$50,000 to \$100,000 where rents range from \$1,200 to \$1,700 per month. In the end, due to the shortage of units, renters are forced into a narrow range of available units which creates high demand relative to supply.



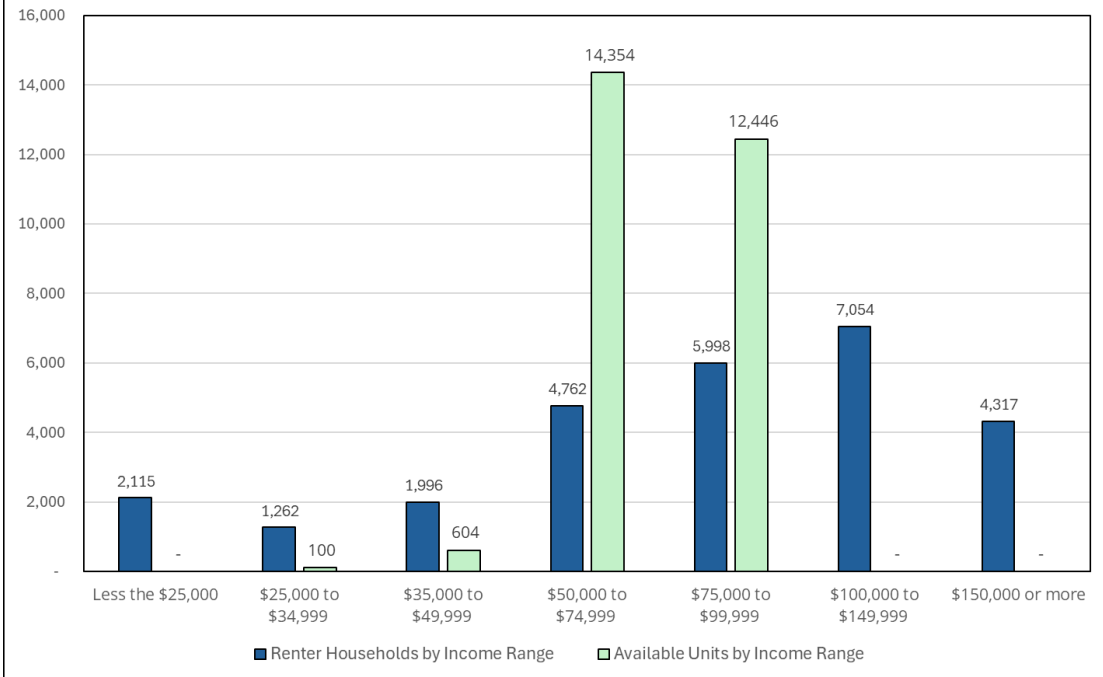
Gilbert Renter Households & Available Units 2024

Source: Real Data, ACS2023 1-Year Data , Elliott D. Pollack & Co.

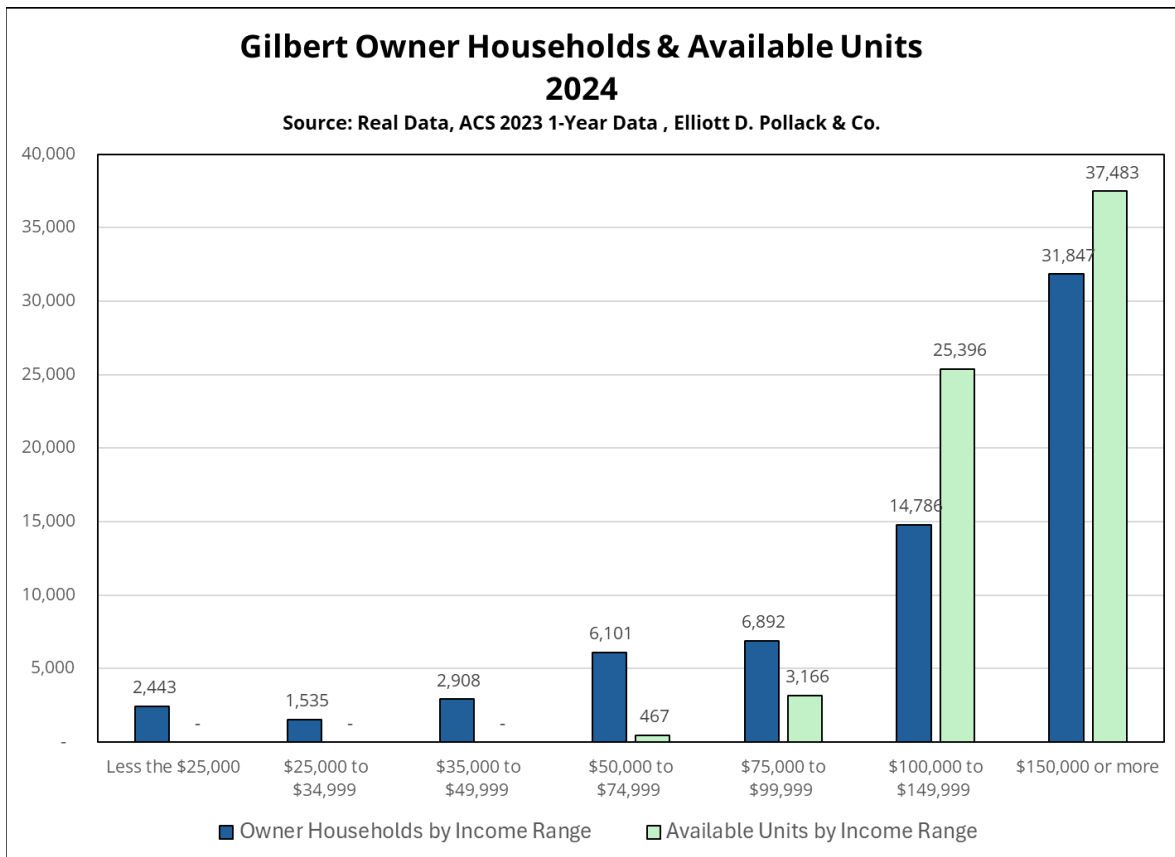


Gilbert Renter Households & Available Units 2024

Source: Real Data, ACS 2023 1-Year Data , Elliott D. Pollack & Co.



The situation in the homeownership market is skewed because of the high price of housing and does not reflect a normal bell curve. There are few options for homeownership below \$75,000 in income and what options exist are primarily in the resale market. The surplus of units available to households with more than \$100,000 in income suggests most households are purchasing homes at a monthly cost of less than 30% of income.



Housing Gap Summary

Gap Analysis Methodology 1 suggests there is an estimated 23,110 households, or 24.6% of all households in the town, burdened by housing costs, spending more than 30% of their income on housing. This number includes 12,601 renters and 10,509 owners. Affordability is primarily affecting renter households with incomes below \$50,000 where more than 96% of all households are rent burdened. For homeowners, the most affected households are those earning less than \$35,000. Gilbert limited inventory of affordable units puts a strain on the lowest income households.



Gap Analysis Methodology 2 is more specific and indicates there is a deficit of more than 4,600 rental units for households earning less than \$50,000 in income. These households show the most need among all renter households and families. For ownership units, the undersupply of housing units extends to those with incomes under \$100,000 and totals more than 16,200 units. This may indicate the need to target ownership housing efforts to households in the \$75,000 to \$100,000 income range. These households could afford housing units ranging from \$320,000 to over \$400,000 if interest rates decline from their current highs.

5.2 Affordability Guidelines

HUD income limits are based on area median family income (AMFI) for Greater Phoenix which is calculated for 2025 at \$109,600. This means a family of four qualifies for an LIHTC complex at an income of \$67,320 (60% of AMFI). Therefore, about 19,900 households out of 94,016 households in the town or 21% (subject to household size) would qualify for a tax subsidy complex.

FY 2025 HUD Multifamily Tax Subsidy Project Income Limits Phoenix-Mesa-Chandler, AZ MSA								
Area Median Family Income \$109,600								
% of Median Income	Persons in Family							
	1	2	3	4	5	6	7	8
80%	\$62,880	\$71,760	\$80,800	\$89,760	\$96,960	\$104,160	\$111,360	\$118,560
70%	\$55,020	\$62,790	\$70,700	\$78,540	\$84,840	\$91,140	\$97,440	\$103,740
60%	\$47,160	\$53,820	\$60,600	\$67,320	\$72,720	\$87,120	\$83,520	\$88,920
50%	\$39,300	\$44,850	\$50,500	\$56,100	\$60,600	\$65,100	\$69,600	\$74,100
40%	\$31,440	\$35,880	\$40,400	\$44,880	\$48,480	\$52,080	\$55,680	\$59,280
30%	\$23,580	\$26,910	\$30,300	\$33,660	\$36,360	\$39,060	\$41,760	\$44,460
20%	\$15,720	\$17,940	\$20,200	\$22,440	\$24,240	\$26,040	\$27,840	\$29,640

Source: Department of Housing & Urban Development

The chart below shows Maricopa County median wages for a variety of occupations, some of which are considered critical service jobs such as firefighters, teachers, paramedics, and police officers. Beyond these critical service occupations, the presence of waiters, construction workers, retail salespeople, and other service occupations are also important for a functioning economy. The monthly affordable housing cost for each occupation shows that many of the occupations would not be able to afford to rent an apartment unit in Gilbert, much less purchase a home among the local housing stock outlined above as a single income household. As noted in previous sections of this report, the average Gilbert apartment rent is \$1,703 per month and virtually no units are available below a rent of \$1,200 per month. Additionally, only 19% of all apartment



units are priced below \$1,500 creating a supply/demand imbalance at the lower end of the market, particularly for single earner households.

Housing Affordability By Occupation			
Occupation	Maricopa County 2023 Median Wage	Monthly Affordable Housing Cost (30% of Income)	Monthly Affordable Rent (Less Utilities)
Retail Salespersons	\$34,765	\$869	\$769
Receptionists and Information Clerks	\$37,241	\$931	\$831
Restaurant Cooks	\$38,009	\$950	\$850
Nursing Assistants	\$40,662	\$1,017	\$917
Pharmacy Technicians	\$45,985	\$1,150	\$1,050
Waiters and Waitresses	\$46,683	\$1,167	\$1,067
Construction Laborers	\$46,907	\$1,173	\$1,073
Paramedics	\$49,599	\$1,240	\$1,140
Elementary School Teachers	\$51,230	\$1,281	\$1,181
Firefighters	\$55,698	\$1,392	\$1,292
Middle School Teachers	\$59,143	\$1,479	\$1,379
Secondary School Teachers	\$63,077	\$1,577	\$1,477
Police and Sheriff's Patrol Officers	\$87,261	\$2,182	\$2,082
Registered Nurses	\$89,704	\$2,243	\$2,143

Prepared by the Arizona Office of Economic Opportunity in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics, April 2024

The wage data does not consider that a household may have two wage earners. However, for single person households, particularly headed by a female head of household or families where only one person works, the availability of affordable housing is a critical need. Census data shows that 35% of all households (33,109 households) have only one working member while 38% of households (35,602) have two working members. Another 14% have no working members of the household, mostly reflecting retired households. Affordable housing is critical for those households with one working member and for single person households.

5.3 Future Housing Demand

As noted previously in this report, Gilbert is expected to grow by 18,492 people between 2024 and 2040. This will create demand for at least 6,541 housing units. The mix of households by income range is expected to remain the same as today even though incomes will increase over time.



Following from the gap analysis, the following table outlines the future demand for housing by today’s income mix. Households earning less than \$50,000 in income places them at approximately 50% to 60% of area median income. Most will only be able to find affordable housing through subsidies such as public housing, LIHTC units, or vouchers. The future demand for rental housing for this income group is estimated at 874 units through 2040. Another 1,688 units of ownership housing will be needed for workforce households who earn between \$50,000 and \$100,000. This population may need support to acquire housing that is within their reach. At today’s interest rate, the households in this income category could afford a home ranging from \$200,000 to \$400,000.

Forecasted Housing Demand By Income Town of Gilbert			
Income Range	Households	%	Housing Target
Less than \$25,000	320	4.9%	Rental Housing
\$25,000 to \$34,999	196	3.0%	Rental Housing
\$35,000 to \$49,999	340	5.2%	Rental Housing
Sub-Total	857	13.1%	Rental Housing
\$50,000 to \$74,999	759	11.6%	Ownership Housing
\$75,000 to \$99,999	896	13.7%	Ownership Housing
Sub-Total	1,655	25.3%	Ownership Housing
\$100,000 to \$149,999	1,517	23.2%	Market Rate Housing
\$150,000 to \$199,999	961	14.7%	Market Rate Housing
\$200,000 or more	1,550	23.7%	Market Rate Housing
Sub-Total	4,029	61.6%	Market Rate Housing
Total	6,541		
Sources: ACS 2023 1-Yr Data, HUD CHAS Data, AZ OEO			

The above estimates are in addition to the existing affordable housing demand in Gilbert. In total, the summary of demand for affordable, workforce, and attainable housing is:

Housing gap summary:

Existing housing deficit

- Renters earning less than \$50,000: 4,669 households
- Owners earning less than \$100,000: 16,247 households

Future housing demand

- Renters earning less than \$50,000: 857 households
- Owners earning between \$50,000 and \$100,000: 1,655 households

In total, Gilbert needs 23,428 housing units that are affordable to households earning less than \$100,000.

