



# INDEPENDENT



COURTESY GREENLIGHT COMMUNITIES

**As Gen Z and other Valley renters try to find housing at the right price, Greenlight Communities aims to fill the gap in attainable housing with its rental units targeting those making \$30,000 to \$60,000 annually.**

HOUSING

## Valley Gen Z renters juggle price, location and more needing housing

## Cities, renters and some developers looking to prioritize affordability

Posted Monday, July 24,  
2023 8:15 am



**By Caroline Yu**

**Mail ([cyu@iniusa.org](mailto:cyu@iniusa.org)) | Twitter:**

**@AzNewsmedia (<https://twitter.com/aznewsmedia>)**

Gen Z professionals have entered the workforce, but with this new era of independence comes major financial decisions, like finding the best choice of housing for their budgets and lifestyles.

National rent prices have been on the rise with very few dips in the median price since 2021, according to data from Rent.com's July 2023 rent report. As of June 2023, the median national rent was reported to be \$2,029 per month.

But in Arizona, Rent.com found that rent prices declined by almost 5% this June compared to the previous year. Median rent in Phoenix for the last month came to \$2,111 — a 2% decrease from last year and 0.3% decrease from May to June.

Still, for renters who are on a fixed income or in the beginning stages of their careers, high rents make it difficult to save for the future or spend on other expenses.

Valley renters, especially Gen Z ones starting their careers who may not have the funds for new luxury communities, are left to compete for new and old rental openings and are eager to feel the effects of rent prices decreasing.

## Renting first-hand

Fresh out of school and seeking an independent living situation, 24-year-old Jusdin Rendahl began living on his own at 21. Since then, the young professional working at a Bank of America in Gilbert has had experience renting from apartment complexes.

His current housing is a new apartment in the Gilbert area that he moved into as soon as construction was completed and has lived in for the last two years, marking his third lease.

To cut costs, Rendahl considered getting a roommate but when plans fell through, he's continued living alone.

"Rent right now is only going up or staying where it's at, and even at its current rate, it's starting to take more money from me and not allowing me the opportunity to save in a reasonable timeframe," he said.

Some renters can afford to pay their rent and other bills month-to-month and still have leftover to save, but younger renters like Rendahl have struggled to pay for rent and their other needs.



For Rendahl, he's been trying to save for a car to better get around Gilbert and the Valley at large, but it's been difficult with high rent prices, which is another reason why he's chosen to stay close to his job.

When it came to finding a place, Rendahl said he's not picky, but there are principles that he was not willing to compromise on. Those being affordability, updated features and appliances and also reasonable storage space. He also said safety is a top consideration when choosing a location to rent.

Although he hasn't encountered an overly competitive rental market when finding apartments in the past, there were still challenges to face meeting all his requirements, especially with affordability.

## Tempe housing

In Tempe where the average resident age is 28 — just a year older than the oldest Gen Z individuals — the city has had its own issues with affordable housing, leading to the inception of the Tempe Coalition for Affordable Housing and the Hometown for All initiative.

Tempe is in need of 11,000 more affordable housing units for its fast-growing population and parts of its workforce that can no longer afford to live in the city where they work.

Many seek additional housing opportunities in neighboring communities, where rent can be cheaper, but another problem arises with transportation when an individual chooses to rent outside of the city where they work — something that played a part in Rendahl's experiences as well.

While Tempe works on creating more affordable and workforce housing, the city also recently opened its Section 8 Housing Choice Voucher waitlist from Feb. 28 to March 13. The program provides low-income individuals with safe housing through rent subsidies.

Of those who applied, Public Information Officer Kris Baxter provided the following statement on the Gen Z individuals seeking vouchers.

“Tempe Housing Authority’s recent Housing Choice Voucher waitlist opening netted 483 of the 3,000 Tempe households that are considered Gen Z,” Baxter wrote.

While younger demographics make up less than 20% of those who applied to the voucher program, it shows the need is there for more affordable housing options in the city for its Gen Z population.

## Private developments

While cities do their part to provide residents with affordable housing, rental developers are also seeking to create new housing, as seen with the numerous apartment complexes popping up around the Valley.

However, many of these communities offer luxury furnishings meaning complementary luxury prices — something most Gen Z renters are not looking to encounter.



Greenlight Communities, a developer focused on bringing “attainable” housing for renters of all incomes, has been constructing affordable housing under different names in Metro Phoenix since the mid-1990s.

To date, Greenlight has communities in Glendale, Goodyear, Mesa, Peoria, Phoenix, Pima County, Scottsdale and Tucson.

Attainable housing, per Greenlight’s definition, is the missing middle 60% to 70% of renters who are ignored by luxury offerings but also don’t qualify for government assistance,

according to Dan Richards, a Greenlight partner and one of its co-founders.

This range, he said, has an annual salary between \$30,000 to \$60,000 a year. In comparison, the average annual salary for Gen Z workers was \$32,500 in 2020, according to a 2022 CNBC report.

“We have everyone from young professionals, that it’s probably the first time living on their own, all the way to a lot of fixed income and retired people,” Richards said.

He explained that attainable housing in their sphere is also known as workforce housing, which is defined by the Urban Land Institute as housing affordable to households earning between 60% and 120% of an area’s median income.

In Greenlight’s streamliner units, monthly rent can be from \$1,000 to \$1,500 for its two-bedroom offerings. Its cabana rent ranges from \$1,200 to \$1,700, offering more space and similar amenities to the former.

Richards said that in order to keep costs down for renters while still maintaining profits, Greenlight does a number of things like buying underutilized lands, having its engineering and construction in-house and keeping community amenities simple.



Luxury apartments feature new amenities like test kitchens or climbing walls, but those expensive investments translate to higher rent.

Making those choices to keep prices down is Greenlight’s “mousetrap,” attracting a diverse group of renters with median incomes, and Richards says it’s done well with 20 projects completed and in-progress.

“We get a lot of traction with the residents making that \$30,000 to \$60,000, and it’s working,” Richards said. “So we’re going to continue to deliver it as much as we can throughout Phoenix, through the Valley.”

*Reporter Caroline Yu can be reached at [cyu@iniusa.org](mailto:cyu@iniusa.org)*

*To voice your opinion on this story, connect with us at [AzOpinions@iniusa.org](mailto:AzOpinions@iniusa.org).*



**Caroline Yu**  
**Reporter | Tempe**  
**@AzNewsmedia (<https://twitter.com/AzNewsmedia>)**

**[cyu@iniusa.org](mailto:cyu@iniusa.org) (<mailto:cyu@newszap.com>)**