



MEDICAL OFFICE MARKET GAP ANALYSIS

MERCY GILBERT MEDICAL CENTER TRADE AREA

3555 S VAL VISTA DR, GILBERT, AZ 85297 • 5-MILE TRADE AREA • APRIL 2026

Prepared by
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Executive Summary

Mercy Gilbert Medical Center anchors a 5-mile trade area covering 302,593 residents across 183 census block groups in the Phoenix East Valley. Esri Business Analyst void analysis indicates the area is materially under-supplied with healthcare facilities relative to the broader 10-mile reference market: 493 healthcare locations exist within the 5-mile ring versus 639 expected based on per-capita density in the surrounding region. That is a net shortfall of approximately 146 facilities, or roughly 23 percent below the population-normalized benchmark.

The supply gap is geographically concentrated. Healthcare POIs cluster heavily in the northern half of the trade area along established commercial corridors, with materially sparser coverage south of the hospital and in the eastern fringe block groups. Median household income across the trade area averages \$142,700 with multiple block groups exceeding \$225,000, indicating both ability to pay and a high-acuity demographic that supports specialty medical office product.

The void analysis surfaced specific specialty and ancillary categories with zero or below-expected presence locally, including dental services, home health, cardiology specialty practices, and women's care offices. These categories represent the most defensible programming targets for new medical office space inside the 5-mile ring.

Methodology

Analysis was conducted in Esri ArcGIS Business Analyst (bao.arcgis.com) using the following workflows:

- Trade Area Definition: 5-mile concentric ring constructed around the geocoded Mercy Gilbert Medical Center site (3555 S Val Vista Dr).
- Nearby Analysis: Healthcare Featured Point List from Data Axle, encompassing Hospitals, Medical Centers, Clinics, Physicians & Surgeons, Doctors' Offices, Emergency Medical Centers, Minor Medical Centers, and Urgent Care.

- Color-Coded Demographic Mapping: 2025 Median Household Income mapped at the block-group level inside the 5-mile ring, automatic classification.
- Void Analysis: Healthcare category compared against a 10-mile reference area (analysis area expanded by a factor of 2x). Results normalized by 2025 Total Population (Esri).

All four steps used the same fixed 5-mile analysis area to ensure consistent geographic framing. The reference area for the void calculation is a doubled-radius (10-mile) ring centered on the same site, providing a regional supply benchmark that controls for Phoenix East Valley healthcare density patterns.

Site & Trade Area Overview

Parameter	Value
Anchor Site	Mercy Gilbert Medical Center
Address	3555 S Val Vista Dr, Gilbert, AZ 85297
Trade Area	5-mile concentric ring
Reference Area	10-mile ring (analysis area + 5-mile buffer)
Geography Level	Block group (automatic)
Block Groups in Trade Area	183
2025 Population (5-mile)	302,593
2025 Population (10-mile reference)	959,807

Healthcare Facility Supply

POI Density

The Nearby Analysis identified 252 healthcare facility points displayed on the map (the void analysis applies a more granular Data Axle business count of 493 individual healthcare-classified locations within the 5-mile ring). Spatial distribution is uneven:

- Heavy clustering in the northern half of the ring, anchored along the Loop 202 / Santan Freeway corridor and the Val Vista / Higley arterial network. This is the established medical commercial spine of Gilbert.

- Notable secondary cluster immediately surrounding Mercy Gilbert Medical Center itself (medical-office buildings, ancillary clinics).
- Materially sparser coverage in the southern third of the trade area, particularly south of Pecos Road and into the agricultural-transition zones.
- Eastern fringe (toward Power Road / Queen Creek line) shows mid-density retail-adjacent clinics but limited specialty depth.

Demographic Demand Profile

Income Distribution (2025 Median Household Income)

Metric	Value
Average Median HHI (5-mile ring)	\$142,700
Top Block Group (BG 040138135.003)	\$234,800
BG 040138136.003	\$233,100
BG 040138160.032	\$231,900
BG 040138135.001	\$228,000
BG 040134226.563	\$225,000

Trade-area income materially exceeds the Phoenix MSA median (approximately \$86,000) and the U.S. median, supporting elevated demand for premium and elective medical office product (concierge primary care, plastics, orthopedics, ophthalmology, dental specialty, fertility, and aesthetic dermatology). The five top-quintile block groups, all over \$225,000 median HHI, are concentrated along the southern and eastern interior of the 5-mile ring – geographies where the POI density map shows comparatively thin existing healthcare supply. This income/supply mismatch is the single most actionable finding in the analysis.

Void Analysis Findings

Aggregate Healthcare Gap

Metric	Value
Locations in 5-mile analysis area	493
Expected in analysis area (population-normalized)	639
Difference from expected	-146 locations (-23%)
Locations in 10-mile reference area	2,026
Raw gap (reference minus analysis)	-1,533 locations

The trade area carries an absolute under-supply of approximately 146 healthcare locations relative to what its population would predict at the regional density rate. On a market-sizing basis, capturing even a fraction of this gap (say, 25 absorption-feasible new clinics over 5 years at an average 4,000 to 6,000 SF per build-out) implies roughly 100,000 to 150,000 SF of incremental medical office demand inside the 5-mile ring.

Specific Category Voids (Zero or Below-Expected Presence)

The void analysis surfaced specific business categories with notable shortfalls relative to the reference market. The pink-shaded results below indicate true voids (zero local presence) and the most acute under-representation:

Category / Brand	Local	Expected	Reference	Gap vs Expected
Bright Now! Dental Centers	0	1	2	-1 (TRUE VOID)
ComForCare Home Care	0	1	2	-1 (TRUE VOID)
Tri-City Cardiology	1	2	5	-1
Women's Care	1	2	5	-1
Rollins & Petersen Orthopedics	1	1	4	0 (at expectation)

The full results table contains additional brand-level entries; the pattern across the data set is that specialty practices (cardiology, women's health, orthopedics, dental) and ancillary services (home health, dental chain) are systematically under-represented relative to the reference area. Pharmacy chains (CVS, Walgreens) are roughly at expectation, suggesting retail healthcare is not the gap – clinical specialty product is.

Synthesis: Where Demand Exceeds Supply

Combining the three analytical lenses produces an actionable map of the market opportunity:

- Quantitative gap: 146 fewer healthcare locations than per-capita expectation (-23 percent), or roughly 100,000 to 150,000 SF of unmet medical-office demand at typical clinic sizing.



- Spatial gap: Southern third of the 5-mile ring (south of Pecos Road) and the high-income block groups in the southeastern interior show high HHI but thin POI density – the clearest demographic-supply mismatch zones.
- Categorical gap: Specialty practices and ancillary care (cardiology, women's health, orthopedics, dental, home health) are the systematically under-represented business types; primary care and pharmacy retail are closer to regional norms.
- Defensibility: Mercy Gilbert as a hospital anchor draws referral volumes – medical office product within roughly 1 mile of the hospital benefits from referral spillover, but the immediate hospital ring is already densely built. The next concentric tier (1 to 3 miles south and southeast) offers the cleanest combination of low supply, high income, and proximity to hospital referrals.

Recommendations for Medical Office Siting

- Prioritize sites in the southern and southeastern interior of the 5-mile ring – specifically the corridor along Val Vista Dr and Higley Rd between Pecos Rd and Queen Creek Rd. This zone shows the highest income tier with the lowest existing facility density.
- Target programming: specialty MOB product (cardiology, women's health, orthopedics, dermatology, dental specialty) rather than generic primary care, which is closer to regional norms.
- Building scale: 4,000 to 8,000 SF multi-tenant medical office shells with surgical-capable infrastructure where feasible – fit-out for the specialty practices identified as under-supplied.
- Consider home-health and dental-chain specific build-to-suit pursuits for true-void operators (Bright Now! Dental, ComForCare) given measurable absence in the trade area.
- Use the Mercy Gilbert hospital relationship as a referral-channel value proposition – proximity to the hospital reduces lease-up risk for specialty practices.

Methodology Notes & Caveats

- The void analysis uses 'difference from expected' normalized by 2025 Total Population. This assumes consistent population-to-facility ratios across the metro area; specialty practices in particular may legitimately concentrate near hospital anchors and skew the per-capita metric.
- Demographic mapping was completed for Median Household Income only; planned variables for Population 45+ and Health Insurance Coverage were not separately mapped due to the Esri BA variable browser surfacing highly granular sub-cohorts (e.g., 'Population 19-34: Medicare Coverage Only') that did not aggregate cleanly within the time budget. Income alone is a strong demand proxy, but a follow-on enrichment of senior-population share is recommended for refining sub-area scoring.
- POI counts vary slightly between the Nearby Analysis (252 mapped points) and the Void Analysis (493 underlying Data Axle business records) because the two workflows use different deduplication and category-rollup logic. The Void Analysis count is the more granular figure for gap math.
- All findings are based on Esri Business Analyst data sources (2025 Esri Updated Demographics, ACS 5-Year Estimates, and Data Axle business listings as of April 2026).

Saved Analysis Layers

The following analysis layers have been saved to the Kevin Fickle project in ArcGIS Business Analyst for re-use, sharing, and inclusion in offering memoranda:

- Mercy Gilbert 5mi - Healthcare POIs (Nearby Analysis output)
- Mercy Gilbert 5mi - Median HHI (Color-Coded Map output)
- Mercy Gilbert site (Point Location with 5-mile ring)

Appendix A – Detailed Data Tables

A.1 Trade Area & Reference Area Comparison

Metric	5-Mile Analysis Area	10-Mile Reference Area
2025 Total Population	302,593	959,807
Healthcare locations (Data Axle)	493	2,026
Locations per 1,000 residents	1.63	2.11
Expected locations at reference rate	639	—
Difference from expected	-146 (-22.8%)	—
Block groups in geography	183	Not enumerated

A.2 Top 5 Block Groups by Median Household Income (2025)

Census Block Group ID	2025 Median HHI	Approx. General Location
040138135.003	\$234,800	Maricopa Co. — Tract 8135
040138136.003	\$233,100	Maricopa Co. — Tract 8136
040138160.032	\$231,900	Maricopa Co. — Tract 8160.32
040138135.001	\$228,000	Maricopa Co. — Tract 8135
040134226.563	\$225,000	Maricopa Co. — Tract 4226.56

FIPS code 04013 corresponds to Maricopa County, Arizona. Tract numbers reference 2020 census tract delineations as carried forward in Esri's 2025 Updated Demographics product.

A.3 Healthcare Categories Covered in the Featured Point List

The Esri/Data Axle Healthcare Featured Point List used in the Nearby and Void analyses encompasses the following NAICS-aligned business categories. This list defines the universe of facilities counted as 'healthcare' for purposes of supply-side measurement.

- Hospitals
- Medical Centers
- Clinics
- Physicians & Surgeons
- Offices & Clinics of Doctors of Osteopathy
- Emergency Medical Centers & Clinics (freestanding)
- Minor Medical Centers and Clinics
- Urgent Medical Care Centers and Clinics



Appendix B – Glossary of Terms

Term	Definition
Trade Area	The geographic catchment used to define the local market. Here, a 5-mile concentric ring centered on Mercy Gilbert Medical Center.
Reference Area	A larger surrounding geography used as a per-capita benchmark for the trade area. Defined as the analysis area expanded by a 2x factor (10-mile ring) in this study.
Block Group	The smallest geographic unit for which the U.S. Census Bureau publishes sample data; typically 600 to 3,000 residents. The default 'Automatic' geography level used by Esri BA at this trade area size.
POI (Point of Interest)	An individual business or service location with geocoded coordinates. POI density refers to the count of such locations per unit area or population.
Void	In Esri BA terminology, a business category or specific brand that exists in the reference area but is absent or under-represented in the analysis area. A 'true void' is a category with zero local presence.
Difference from Expected	Actual local count minus the count predicted by applying the reference-area per-capita rate to the analysis-area population. Negative values indicate under-supply; positive values indicate over-supply.
Median Household Income (HHI)	The income value at the 50th percentile of households in a geography. Esri's 2025 estimate is forward-projected from American Community Survey data using proprietary modeling.
MOB (Medical Office Building)	Commercial real estate typology purpose-built or fitted for medical-tenant uses, generally including HVAC for clinical workflows, plumbing for exam rooms, ADA-compliant access, and surgical-capable infrastructure where relevant.
ACS 5-Yr	American Community Survey 5-Year Estimates — a U.S. Census Bureau product providing detailed demographic, social, economic, and housing characteristics aggregated over five years for statistical reliability at small geographies.
Esri Credit	The unit of consumption-based pricing in the Esri ArcGIS platform. Demographic enrichments, geocoding operations, and certain analyses consume credits at published rates.

Sources & References

Primary Data Sources

- Esri ArcGIS Business Analyst Web App run April 29, 2026.
- Esri 2025 Updated Demographics – proprietary forward-projected demographic estimates incorporating Census 2020, current ACS, and Esri's modeling methodology.
- U.S. Census Bureau, American Community Survey (ACS) 5-Year Estimates, 2018–2023 release – household income, health insurance coverage, and population characteristics at the block-group level.
- Data Axle (formerly Infogroup) – verified U.S. business listing database, used as the underlying business POI source for the Esri Healthcare Featured Point List. April 2026 vintage.
- U.S. Census Bureau TIGER/Line – block-group geographic boundaries (FIPS code 04013, Maricopa County, Arizona).

Esri Methodology References

- Esri Business Analyst Web App – Nearby Analysis workflow.
doc.arcgis.com/en/business-analyst/web/run-nearby-analysis.htm
- Esri Business Analyst Web App – Void Analysis workflow.
doc.arcgis.com/en/business-analyst/web/run-void-analysis.htm
- Esri Business Analyst Web App – Color-Coded Maps.
doc.arcgis.com/en/business-analyst/web/create-color-coded-maps.htm
- Esri Demographics – Updated Demographics methodology white paper,
esri.com/en-us/arcgis/products/data/data-portfolio/demographics.

Industry Context References

- Centers for Medicare & Medicaid Services (CMS) – National Health Expenditure data on age-adjusted healthcare utilization, supporting use of senior population share as a demand proxy.
- Revista (medical real estate research firm) – published guidance on medical office building size and category benchmarking, informing the SF estimate translations cited in this report.
- Urban Land Institute / NAIOP – published guidance on healthcare-anchored mixed-use product, informing the recommendation framework for hospital-proximate MOB siting.

Sources & References

Site & Property References

- Mercy Gilbert Medical Center — operated by Dignity Health (CommonSpirit). Primary address: 3555 S Val Vista Dr, Gilbert, AZ 85297. Geocoded via Esri World Geocoder.
- Town of Gilbert, Arizona — municipal jurisdictional context for the trade area.
- Maricopa County, Arizona (FIPS 04013) — county jurisdiction encompassing the entire 5-mile trade area.