East Valley Market Analysis

August 2026

Chandler · Gilbert · Mesa · Scottsdale · Tempe

Executive Summary

Buyer demand is weak across the East Valley, but differences in supply are producing substantially different market conditions from city to city.

Demand remains below normal across the five-city study area. Yet the current market is not moving as one unit. Chandler and Scottsdale show the strongest seller-side market balance; Mesa and Gilbert occupy the middle; and Tempe has weakened below the Cromford Market Index (CMI) equilibrium level of 100.

Price performance is also uneven. Scottsdale stands apart with positive annual-average price-per-square-foot appreciation, while Chandler, Gilbert, Mesa and Tempe show modest declines. Foreclosure activity is rising, but remains very low by historical standards and is not currently a significant driver of East Valley housing conditions.

August Market Snapshot

City	Months of Supply	Annual Median Sale Price	CMI	Annual Appreciation	Market Trend
Chandler	2.3	$555,000	140.0	-0.5%	Stabilizing
Gilbert	2.8	$590,000	110.3	-0.4%	Stabilizing
Mesa	2.6	$490,000	117.6	-0.5%	Stable
Scottsdale	3.4	$1,120,000	151.8	+4.0%	Strengthening
Tempe	3.0	$540,000	93.1	-1.1%	Softening

Source: The Cromford Report. Data as of August 20, 2026.

CMI (Cromford Market Index): Measures the balance between supply and demand. A reading of 100 indicates a balanced market; readings above 100 favor sellers, while readings below 100 favor buyers.

Annual Appreciation: Change in annual-average sale price per square foot.

Market Trend reflects the recent direction of market balance based primarily on changes in the Cromford Market Index (CMI).

Key Findings

1. Similar demand does not mean similar market balance. Demand has weakened and converged into a relatively narrow range across the five cities. The larger differences in current market balance appear to be driven primarily by supply conditions.

2. Scottsdale and Tempe have sharply diverged. Their CMIs were nearly identical three months ago, but by August Scottsdale had strengthened substantially while Tempe had moved below equilibrium.

3. Scottsdale is showing the strongest price resilience. Its annual-average price per square foot appreciation is +4.0%, while the other four study cities are modestly negative.

4. Distress is a monitoring indicator, not the market story. Foreclosure notices and completed trustee's deeds are rising, particularly compared with the unusually low levels of recent years, but remain very low relative to the 2007-2013 period.

Supply, Demand & Market Balance

The most important August finding is that weak demand is broadly shared, while supply conditions differ meaningfully by city. That distinction helps explain why the five cities can experience similar buyer-demand conditions but very different CMIs.

CMI Movement

City	May 20, 2026	July 20, 2026	Aug. 20, 2026	Interpretation
Chandler	154.7	136.2	140.0	Stabilizing
Gilbert	118.8	106.4	110.3	Stabilizing
Mesa	120.0	117.6	117.6	Stable
Scottsdale	127.8	142.9	151.8	Strengthening
Tempe	126.4	94.2	93.1	Softening

The Scottsdale-Tempe divergence is particularly notable. On May 20, Scottsdale's CMI was 127.8 and Tempe's was 126.4 - almost identical. By August 20, Scottsdale had risen to 151.8 while Tempe had fallen to 93.1. The two markets moved from near parity to opposite sides of a wide market-balance gap.

How to Read the Other Cities

Chandler: CMI declined materially from May to July, then improved modestly in August. At 140.0, market balance remains firmly seller-side, but the recent movement is better described as stabilizing than strengthening.

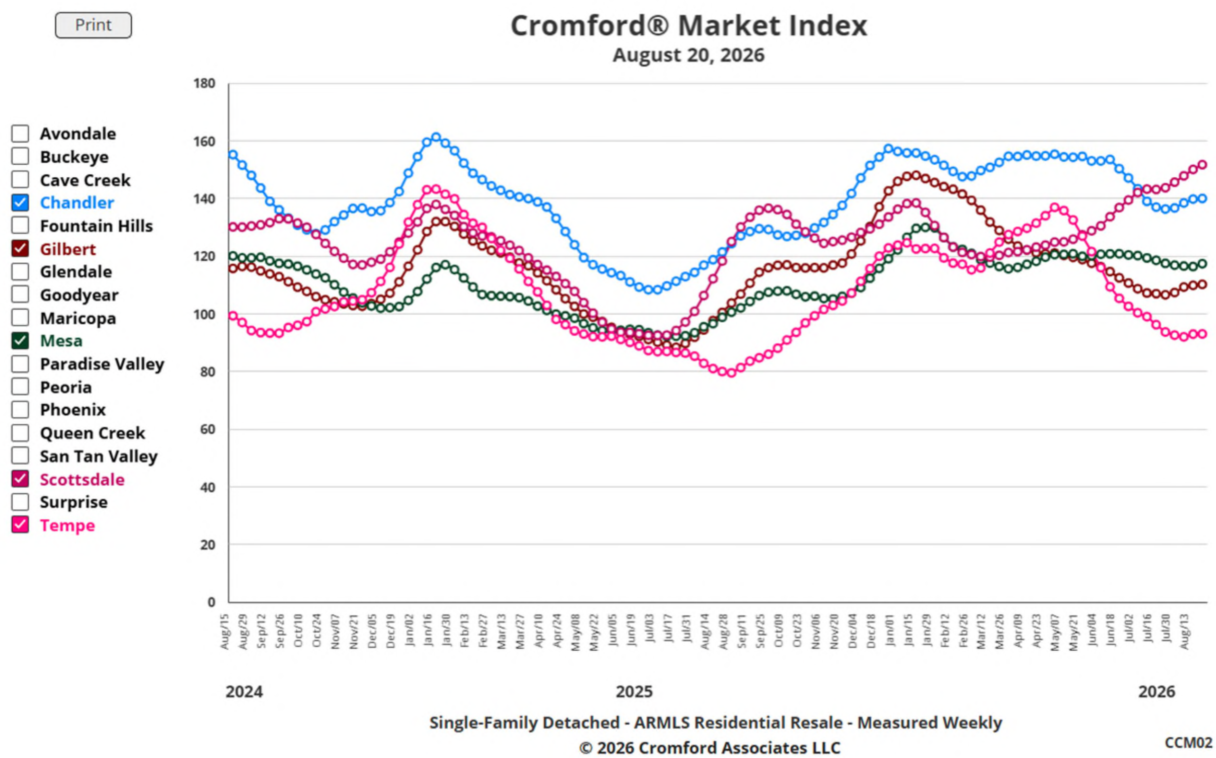
Gilbert: The pattern is similar to Chandler at a lower CMI level: weakening from May to July followed by a modest August recovery. Its 110.3 reading remains above equilibrium.

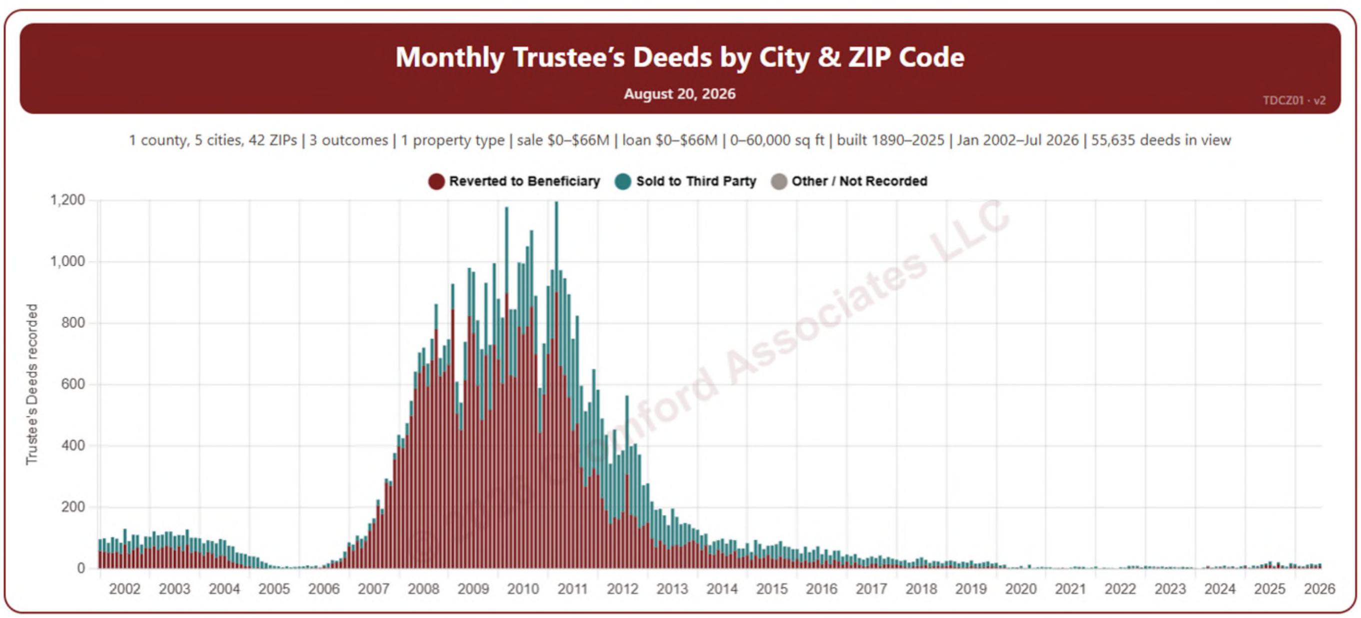
Mesa: CMI has been comparatively steady, moving from 120.0 in May to 117.6 in July and remaining at 117.6 in August. This supports a Stable market-trend classification.

Scottsdale: CMI strengthened in both intervals, rising from 127.8 to 142.9 to 151.8. This is the clearest strengthening pattern among the five cities.

Tempe: CMI fell sharply from 126.4 in May to 94.2 in July and edged lower to 93.1 in August. It is the only study city currently below the 100 equilibrium benchmark.

Supporting Cromford Graphics





Price Performance

Price level and price movement answer different questions. Annual median sale price provides an intuitive reference point for the typical price level in each city, while annual-average price-per-square-foot appreciation is used here to assess price movement with less sensitivity to changes in the size mix of homes sold.

City	Annual Median Sale Price	Annual Appreciation ($/SF)	August Read
Chandler	$555,000	-0.5%	Modest decline
Gilbert	$590,000	-0.4%	Modest decline
Mesa	$490,000	-0.5%	Modest decline
Scottsdale	$1,120,000	+4.0%	Strongest resilience
Tempe	$540,000	-1.1%	Weakest of five

Scottsdale is the clear outlier. Its +4.0% annual appreciation reading contrasts with modest negative readings in all four other study cities. This reinforces the conclusion that Scottsdale is currently showing the strongest combination of market balance and price resilience.

Tempe's price performance is the weakest of the five in this snapshot. Its -1.1% annual appreciation reading is consistent with the city's weaker CMI. Chandler, Gilbert and Mesa are also negative, but their declines remain comparatively modest.

Distress: Rising, But Still Historically Low

Across the combined five-city study area, Notices of Trustee Sale have gradually increased from the very low levels seen earlier in the five-year period and are now near the upper end of that range. Completed Trustee's Deeds have also increased, particularly since 2024, but absolute counts remain small.

The appropriate interpretation is therefore neither to ignore the increase nor to characterize the market as foreclosure-driven. Distress is a developing indicator worth monitoring. Current foreclosure activity remains orders of magnitude below the levels experienced during 2007-2013.

Methodology note: The Cromford Report does not currently provide a normalized city-by-city distress comparison for this purpose. Raw city counts can be misleading because city sizes differ. Accordingly, this analysis monitors distress at the combined five-city level rather than ranking individual cities by raw foreclosure counts.

What We're Watching

The August data describe a market in which buyer demand is weak, but the consequences of that weakness vary considerably by city. The following indicators will be especially important in determining whether the current divergence persists or begins to narrow.

Demand recovery. A sustained improvement in buyer demand would change the balance quickly in cities where supply remains constrained.

Inventory and months of supply. Supply remains the key differentiator among the five markets. Changes in available inventory may therefore matter more than small month-to-month changes in demand.

CMI direction. Scottsdale's continued strengthening and Tempe's position below 100 deserve particular attention. Chandler and Gilbert will show whether their recent modest rebounds become sustained improvements.

Price performance. Scottsdale's positive appreciation is notable, but the broader East Valley picture remains mixed. We will watch whether modest negative readings stabilize or deepen.

Distress. Notices and completed foreclosures are rising from low levels. The key question is whether that rise remains incremental or becomes large enough to influence inventory and pricing.

Bottom Line

The East Valley is not one market. August 2026 shows broadly weak demand but sharply different market balance from city to city. Scottsdale is strengthening and continues to demonstrate the strongest price resilience. Chandler remains firmly seller-side while stabilizing; Gilbert and Mesa are closer to balance but remain above the CMI equilibrium benchmark; and Tempe has softened below 100. Distress is rising but remains historically low.

For buyers, sellers and investors, the practical implication is that broad Phoenix-area headlines are not enough. City-level supply, market balance and price behavior increasingly matter when evaluating an individual real estate decision.

About East Valley Market Intelligence

East Valley Market Intelligence is a U.S. Delta Realty research initiative focused on helping buyers, homeowners and investors understand local housing-market conditions and make better-informed real estate decisions.

Helping You Make Smarter Real Estate & Financing Decisions.

Sources and scope: Market metrics and Cromford Market Index observations in this brief are based on The Cromford Report data reviewed for the five-city study area. Distress observations reflect the combined Chandler, Gilbert, Mesa, Scottsdale and Tempe study area. This report is an analytical market summary and is not a property valuation, investment recommendation, legal opinion or prediction of future market performance.