



2026: **THE STATE OF MEMPHIS HOUSING**

KEY FINDINGS & TAKEAWAYS

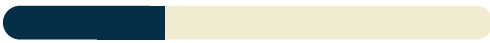


KEY FINDINGS & TAKEAWAYS

The State of Memphis Housing 2026

Over the last few years, news stories and industry reports have pointed to a growing housing crisis in the United States. Challenges with housing production include high interest rates, rising costs of materials and labor, and global economic uncertainties related to tariffs and the supply chain. On the demand side, wages are not keeping up with inflation, and a rise in investor-owned properties risks raising rents and reducing access to affordable homeownership. Memphis is no exception, but our crisis looks different from cities where housing and land are simply scarce. Here, it is driven by the challenges of building housing that is financially accessible for extremely low-income residents and increasing the quality of our existing housing stock, especially in communities experiencing high vacancies and prolonged disinvestment.

In February 2026, City of Memphis Mayor Paul Young set a goal of creating 10,000 additional housing units by 2030 through new construction and bringing unoccupied units back online through rehabilitation. Affordable, market rate, single-family, and multi-family housing types count toward this goal.

3,339 units produced, Jan 2024 to Jun 2026  Goal: 10,000 by 2030

Affordability Incomes aren't keeping pace with rents and home values, and the deepest gap is at the lowest incomes.	Quality Much of the housing stock is aging, and repair & preservation resources can't keep up with need.	Density New building and demolition are geographically mismatched, and incentives aren't place-based.
28,000 Affordable housing shortage Extremely low-income households in Memphis that don't have access to affordable housing	79% Single-family homes 50+ years old Memphis' housing stock is aging along with its residents	16% New housing near 3.0 anchors Share of new housing since 2020 within ½ mile of a Memphis 3.0 anchor

This Key Findings & Takeaways Report is a summary of the full-length State of Memphis Housing 2026 report. These reports distill our research from over 15 data sources, 38 stakeholder interviews, and local and national best practices for housing.

THE HOUSING LANDSCAPE

Memphis is producing housing but not quite fast enough to reach 10,000 units by 2030. Demand is shifting toward smaller households.

3,339

Units produced

Jan 1, 2024 to Jun 30, 2026,
toward the 10,000-unit goal

863

In the pipeline

Currently in development,
based on permitting activity

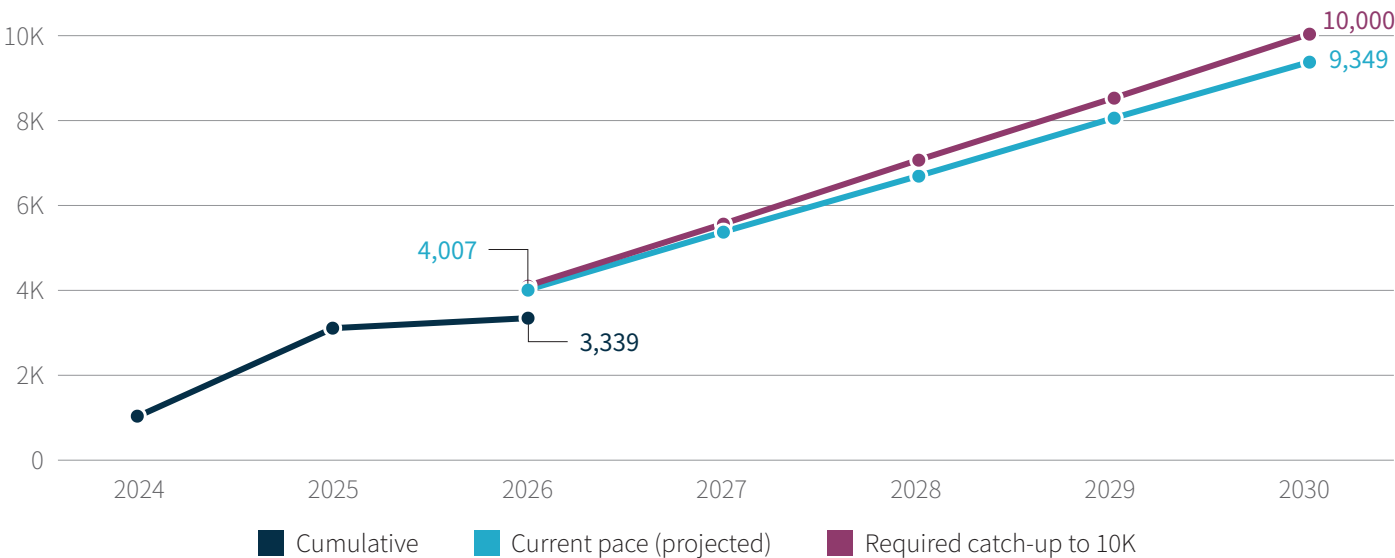
+145/year

Pace increase needed

To reach 10,000 units by
the end of 2030

ACTUAL AND PROJECTED PROGRESS TOWARD THE 10,000-UNIT GOAL

At the current pace, Memphis would reach roughly 9,349 units by the end of 2030.



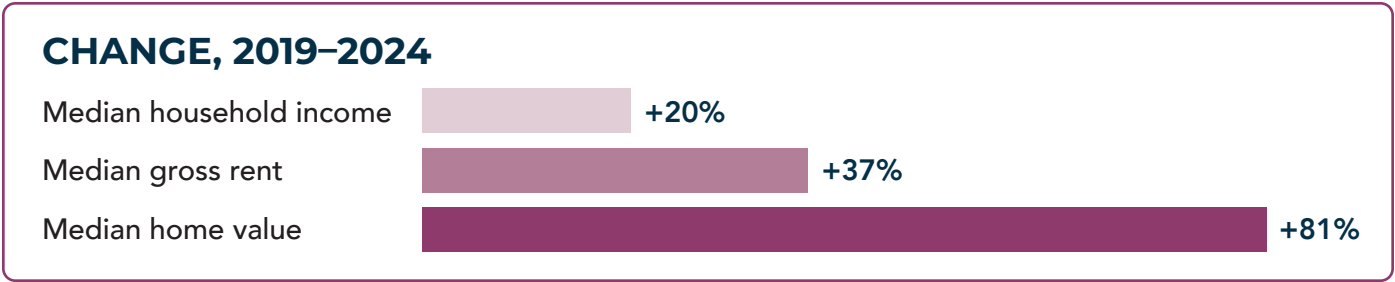
Source: City of Memphis Housing & Community Development completed projects and Planning & Development permits.

Achieving this goal is critical for Memphis’ short-term stability and long-term growth, as it can increase the supply of affordable housing across income levels, strengthen quality to preserve aging housing stock, and increase proximity to neighborhood assets that help communities thrive through thoughtful planning and development.

Despite losing population overall, the number of Memphis households has increased due to a growing number and percentage of residents living alone (99,000, 39%). Between 2010 and 2024, Memphis’ total population decreased by nearly 36,000, but the number of total households increased by 6,600, meaning demand for housing has increased over time, especially for smaller 1-bedroom and studio units that have made up a small portion of our housing stock to now. The rise in people living alone is also a national trend that reflects changing norms about marriage, children, and multi-generational living situations as well as an aging population, although the national share of people living alone (30%) is smaller than that of Memphis.

AFFORDABILITY

Rents and home values are rising far faster than incomes, and the affordability gap is worst for the lowest-income households.



Rising housing costs make affordability a challenge across the income spectrum, but residents at the lowest income levels are experiencing the greatest financial strain and shortages. Households are considered extremely low income when they earn at or below 30% of the median income of households of the same size in the metro area. A Memphis family of four earning less than \$33,000 a year in 2026 is an example. Housing is considered affordable when a family spends less than 30% of their income on their monthly rent, or about \$825/month in the case of a family of four that is extremely low income today.



The shift from owning to renting has hit Black households hardest

Since 2010, about 8% of single-family homes have been converted to rentals, and Memphis has been a majority-renter city since 2013. Black households have been disproportionately affected. Shelby County has lost 8,000 Black owner-occupied households while gaining 20,000 Black renter households. The shift to rentals and rising housing costs mean increased risk of eviction and housing instability. Neighborhoods where a high percentage of residents pay 30% or more of their income on rent have three times as many eviction filings as those with the lowest cost burden.

Affordable housing production has declined since the 2010s

A major reason is that the City receives less federal funding such as HOME and Community Development Block Grants (CDBG) than it used to, and many housing grants, subsidies, and incentive programs have not adjusted their formulas to match inflation. Still, signature projects combining public and private dollars like Tillman Cove, Northside Square, BelleMont, and the Choice Neighborhood Initiative have produced nearly 1,000 affordable, mixed, and middle income housing units in recent years.

Costly pre-development: Developers navigate many local agencies for zoning, planning, utility and sewer installation, permitting, inspections, and funding and tax incentives.

QUALITY

If Memphis's housing quality challenge could be summed up in one word, it would be aging.



Nearly **80%** of single-family homes and **45%** of commercial rental properties are 50 years old or more.

As homes age, maintenance and repair become the central challenge.



For homeowners, maintaining housing quality is a struggle, particularly for seniors. Since 2019, the number of Memphians ages 18–34 fell by 12.4% while the 65+ population grew by 3.6%. With many seniors on fixed incomes and fewer younger family members to help, more older homeowners rely on outside assistance programs to preserve or repair their homes.

INVESTING IN REPAIR AND PRESERVATION

\$22 million

Between January 2020 and September 2026, the City of Memphis dedicated \$22 million to 1,135 residential repair, rehab, and weatherization projects across 10 programs that helped preserve 1,653 units.

AN ACCOUNTABILITY GAP FOR RENTERS

Out-of-town owners and management companies make it harder to respond quickly to safety hazards and hold them accountable for code violations. Many residents reported landlords failing to complete timely repairs. Tenants who withhold rent until repairs are made are not protected from eviction, and some face retaliation for reporting quality concerns to public officials.

22,000+

Parcels at high risk of disinvestment

7% of Shelby County residential properties.

75%+

of all high-risk parcels in just 10 zip codes

How risk was measured: We combined six indicators of neglect and low quality (vacancy, tax delinquency, code violations, change in appraisal value, sales gaps, and physical stagnation) to estimate parcels at high risk for disinvestment.

WHERE SOLUTIONS SHOULD FOCUS

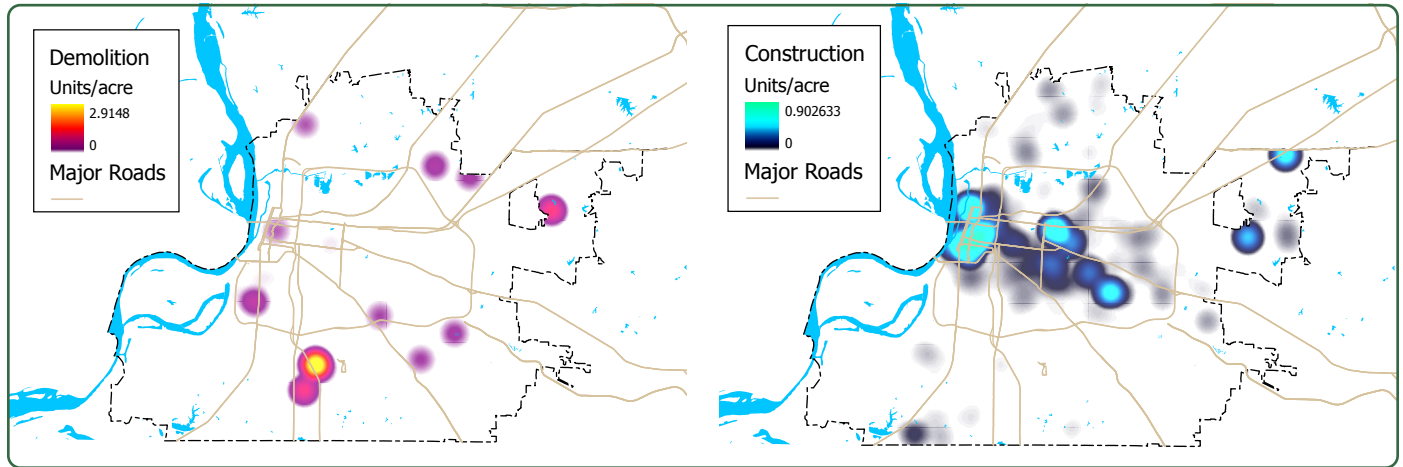
- Earlier intervention with aging properties starting to deteriorate
- More flexible funding for repair and preservation in neighborhoods with the greatest need
- The right mix of incentives and accountability so rental owners and managers maintain quality housing

What we heard from residents & administrators: Home repair needs are much greater than the resources currently available, resulting in long waitlists for assistance and downstream issues like code enforcement backlogs and more abandoned and condemned properties.

Why it matters for redevelopment: When neglected, vacant, and poor-quality properties cluster together, developers and homeowners face large gaps between appraisal value and the cost of repair, limiting access to the financing needed just to break even on improvements.

DENSITY

Home demolitions outpace new construction in distressed neighborhoods, deepening vacancy.



Units demolished (left) and units built (right), by zip code, with Memphis 3.0 Accelerate/Nurture anchor points.

Source: Innovate Memphis, U.S. Census TIGER; map by A. Guthrie, University of Memphis.

Aging housing stock, lower home values, poverty, vacancy, persistent disinvestment, and rent burden are geographically concentrated. While demolition is necessary when properties are beyond repair, the neighborhoods where demolitions occur most are largely different from those seeing new building. Without coordinated investment, these patterns will make it harder for residents to find affordable, quality housing and costlier to address prolonged vacancy and population loss. The Memphis 3.0 plan is designed to strengthen density around neighborhood anchors, but since 2020, only 16% of new housing has been built within a half mile of an anchor.

24% → 67% Multi-family share of permits

Memphis is now seeing an uptick in permitting activity for commercial multi-family properties that can improve affordability and density. From 2021-23, only 24% of permits were for these properties; from 2024-2026, 67% of permits were for these types of properties and the absolute volume of multi-family projects increased by over 1,000 units.

18 vs. 25 acres

Vacant land zoned multi-family

Communities with high housing cost burden and many empty homes also have less room to build new multi-family housing. On average, these tracts have 18 acres of vacant land zoned for multi-family, compared to 25 acres per tract elsewhere.

INFILL ADDS COST AND RISK

When building on vacant lots, developers report a wide range of costs and uncertainties, such as title clearance, infrastructure repair, and utility installation that add risk and deter investment.

INCENTIVES AREN'T PLACE-BASED

The incentives developers use most, Low-Income Housing Tax Credits (LIHTC) and Payment in Lieu of Taxes (PILOT), are not place-based, so they don't consistently steer development toward Memphis 3.0 goals.

KEY RECOMMENDATIONS

Eight ways to strengthen production, affordability, quality, and density together.

- 1 **Use a data-driven Early Warning System** that uses a combination of indicators on housing quality (ex: code violations, legal complaints), neglect (ex: tax delinquency, vacancy), and need (ex: cost burden and poverty rate) to intervene more quickly with houses at risk for poor quality. Provide focused support in high-cost burden areas by connecting residents with flexible funding/services for home repair.
- 2 **Establish a mediation-based Memphis Housing Court** to prevent more evictions and navigate housing quality-related tenant-landlord conflicts. A special “housing court” docket would require the parties involved to submit documentation and a time-limited plan of action to resolve tenants’ financial hardship issues and/or landlords’ repair responsibilities.
- 3 **Develop a coordinated, rapid response plan** across local agencies for vacant properties. This approach brings entities together such as City code enforcement, City and County landbanks, courts, and community development agencies more regularly to review the whole portfolio of vacant properties, diagnose root causes to address, and assign specific leads to act on issues ranging from disentangling property ownership to fast tracking repairs.
- 4 **Implement a Small Landlord Support Program** that offers repair assistance to small landlords like grants or 0% interest loans to update and repair existing older homes in exchange for maintaining affordable rent and housing quality standards.
- 5 **Streamline pre-development processes and costs** for affordable housing initiatives to reduce the costs passed on to low-income residents. This requires improved coordination between many local agencies involved in zoning, planning, as well as utility and sewer installation. Creating a central project hub and decreasing review periods and steps can help.
- 6 **Scale up successes** like the Community Redevelopment Agency’s Tax Increment Financing (TIF) District model in neighborhoods with high vacancies, cost burden, and housing insecurity rates that allows for dedicated funding to stack multiple interventions simultaneously such as infill housing production, home repair, demolition paired with new development, and infrastructure investments.
- 7 **Test Housing Opportunity Zones** that allow the City to do zoning reform strategically. Prioritize small multi-family development in neighborhoods with high housing cost burden and demonstrated housing need. Pairing this zone reform with streamlined land access, subsidies, and infrastructure investments makes this intervention more likely to succeed.
- 8 **Create resident- and developer-facing Housing Concierge functions** that establish a single entry point for each group to navigate the resources and requirements for affordable housing programs. Invest in both 1) user-friendly online hubs that connect these groups to existing resources and help them navigate application requirements; 2) dedicated staff liaisons to coordinate interactions across agencies and troubleshoot roadblocks.