Memphis — #1 of 10: Annual Rent Against Local Pay

Memphis leads TN in rent affordability pressure

27.4% of income spent on rent — source: ALEX Intelligence, Nov 15, 2026

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THE DATA

27.4%

Annual Rent Against Local Pay (2024)

Memphis ranks #1 among Tennessee cities in rent burden, with renters spending nearly a third of their income on housing.

This figure places Memphis at the top of Tennessee's city rankings for rent-to-income pressure, a critical metric for assessing housing affordability. While median home prices remain below national averages, the rent burden reflects growing strain on renters, especially in the city's core and adjacent urban centers. This imbalance suggests that while homeownership remains accessible, the rental market is under significant stress.



Photo: Warren LeMay from Chicago, IL, United States · CC BY-SA 2.0 · Wikimedia Commons

Source: U.S. Census Bureau, American Community Survey 5-Year Estimates, 2024 · ALEX Intelligence computation
https://alex-companies.com/data/2026-11-15-memphis-rent-to-income-place-mkt



01

Rent pressure fuels urban migration divergence

This suggests that Memphis' economic momentum may be unevenly distributed: while manufacturing expansions and job growth signal long-term resilience, they are not translating into equitable access to housing. Without targeted rental assistance or affordability measures, the city risks creating a two-tiered labor market where new jobs are inaccessible to those already priced out of the rental market.

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02

Affordability gap reveals hidden market tension

This tension could erode the city's long-term competitiveness. As Memphis attracts new industries, it must also ensure that the workforce can afford to live near their jobs. Without wage growth tied to rent inflation, the city risks hollowing out its middle-class foundation, undermining the very workforce that sustains its industrial resurgence.

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