

# Attainable Housing

A RESILIENT ASSET CLASS BACKED BY REAL IMPACT



**Roc**  
**360°**

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## Introduction

For decades, the American Dream has rested on the foundation of homeownership — a symbol of stability, prosperity, and generational opportunity. Yet today, for tens of millions of Americans, that dream is slipping out of reach. America's housing crisis is no longer looming — it is here, entrenched, and multifaceted. **The U.S. residential housing ecosystem faces a threefold crisis: availability, affordability, and the aging of its housing stock.** While much public discourse focuses on skyrocketing prices or zoning regulations, the deeper story is one of fundamental imbalance — between where people can live, where they want to work, and what they can afford to own.

This white paper explores a bold and pragmatic path forward — what Roc360 calls the **Attainable Housing Opportunity**, a segment too often ignored by traditional and purpose-driven investors alike, yet holding the greatest potential for large-scale impact and resilient investment returns. The solution may not rest solely in megaprojects or government subsidies, but in a more distributed, dynamic force: empowering small and mid-sized real estate entrepreneurs with the capital to acquire, renovate, and revitalize America's existing housing stock.



### What is Attainable Housing?

Homes that are affordable to middle-income households — typically those earning around the U.S. median income — without requiring government subsidies. It sits between government-sponsored affordable housing programs and market-rate housing, and is designed for working families, first-time homebuyers, and essential workforce members, who are increasingly priced out of traditional housing options.

## UNLOCK DEMAND-DRIVEN RETURNS

Capitalize on the largest underserved segment within the **\$60 trillion** U.S. single-family housing market — **starter homes**: budget-friendly, entry-level houses typically under **1,800 square feet for middle-income**, first-time buyers — offering strong return potential in a space where institutional capital remains underexposed.

## REVITALIZE AMERICA'S HOUSING STOCK — PROFITABLY

Invest in the **\$149 billion+ opportunity** to renovate and reposition aging homes — nearly half of which were built before 1980. By funding local real estate entrepreneurs who restore and improve these properties, **investors can help bring more affordable homes back to the market** while achieving attractive risk-adjusted returns.

## INVEST WITH STRUCTURAL PROTECTION AND SCALE

Gain access to a diversified credit product backed by a high-impact lending portfolio built on real assets, conservative advance rates, and **rigorous project-level underwriting** — **aligning investor success with community revitalization** and long-term value creation.

# The Threefold Crisis:

## A New Understanding of America's Housing Challenge

The U.S. housing crisis is often mischaracterized as a simple mismatch between supply and demand. In reality, it is more complex and especially severe for low and middle-income households that constitute the majority of America's working population in its most densely populated cities and metropolitan areas.

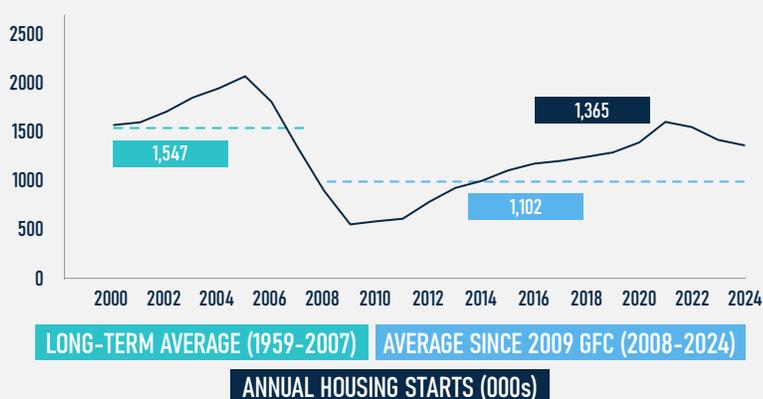
At the core of this crisis are **3** converging trends:



### 1. AVAILABILITY ▶

The acute shortage of housing stock in the entry-level and middle-income segments

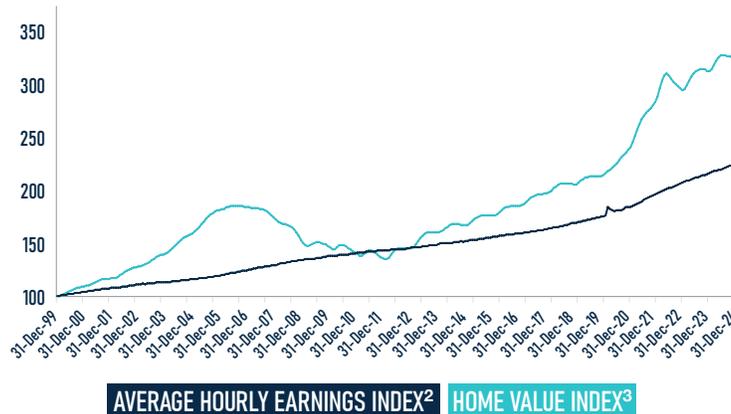
NEW PRIVATELY-OWNED ANNUAL HOUSING UNITS STARTED IN THE U.S. (000s)<sup>1</sup>



### 2. AFFORDABILITY ▶

The widening gap between what typical American households earn and what homes cost

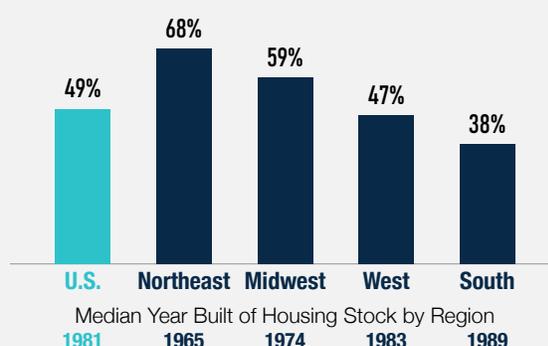
EVOLUTION OF EARNINGS AND HOME VALUE OVER TIME IN THE U.S.



### 3. AGING STOCK ▶

A declining share of quality, move-in ready homes due to aging infrastructure and disinvestment

% OF HOUSING UNITS BUILT BEFORE 1980<sup>4</sup>





This trifecta has converged to make homeownership less attainable for millions of Americans. The situation is particularly dire for low and middle-income households. Rising land, labor, and material costs—coupled with constrained credit access and regulatory burdens—have severely limited the feasibility of new, affordably priced development. Meanwhile, wages and earnings growth have not kept pace with the combination of higher property values, mortgage rates, taxes and insurance costs that have greatly increased the cost of shelter. As a result, housing affordability for median-income Americans is now at its worst level in decades.

The data underscores the urgency. As of 2025, with the median-priced new home valued at \$459,826 and assuming a 6.5% mortgage rate, the minimum annual income required to afford such a home is \$141,366. At this threshold, approximately 100.6 million U.S. households—or 74.9% of the total 141.1 million households—would be unable to afford it. Even a modest \$1,000 increase in the home price raises the income requirement to \$141,674, pricing out an additional 115,593 households.<sup>5</sup> This highlights how even small changes in pricing further widen the affordability gap, reinforcing the critical need for attainable housing options.

HOUSING AFFORDABILITY FOR US HOUSEHOLDS IN 2025 (IN MILLIONS)<sup>6</sup>



Meanwhile, the available supply of homes has failed to keep pace. In the aftermath of the 2008 financial crisis, the number of active homebuilders in America declined by 50%<sup>7</sup>, and the sector has never fully recovered. Today’s new construction skews disproportionately toward large, multifamily developments<sup>8</sup> — leaving behind the modest starter homes — typically defined as homes that are 1,800 square feet or less - that families want and communities need. Compounding the problem, nearly half of the U.S. housing stock was built before 1980, and unmet repair needs exceeded \$149 billion in 2022.<sup>9</sup>



*This isn't merely a housing problem—it's a systems challenge. The shortage signals not a lack of demand, but a missed opportunity. Investing in attainable housing is one of the most direct ways to strengthen the economy, activating trades, supply chains, and lasting local value with every project.*

**-Maksim Stavinsky, Roc360 Co-Founder & CEO**

A phenomenon known as the “lock-in effect” has worsened the housing shortage: many homeowners who locked in historically low mortgage rates prior to the increase in interest rates in 2022 are unwilling to sell their home and forfeit their low mortgage, effectively freezing the resale market. At the same time, higher interest rates have slowed new construction, further limiting the addition of fresh supply. This growing imbalance, made worse by the aforementioned stagnant growth of wages, has intensified the affordability challenge and underscores the urgent need for attainable housing solutions.

Perhaps most paradoxically, this scarcity exists within one of the largest asset classes in the world. **The U.S. residential housing market, encompassing single-family homes, is a \$60 trillion asset base.**<sup>10</sup> Yet pathways to invest in US housing and the types of projects that directly address its crisis are limited. From land acquisition to permitting, and from financing to construction, the housing ecosystem remains siloed, slow, and risk-averse—discouraging innovation and suppressing volume.

“This isn't merely a housing problem—it's a systems challenge. The shortage signals not a lack of demand, but a missed opportunity. Investing in attainable housing is one of the most direct ways to strengthen the economy, activating trades, supply chains, and lasting local value with every project.” says Maksim Stavinsky, the Co-Founder and CEO of Roc360.

What prevents progress is not a lack of demand, but a lack of alignment: small and mid-sized contractors and builders—the very entrepreneurs best equipped to restore and deliver attainable homes—are often starved of capital. Simultaneously, institutional investors seeking diversified real estate exposure struggle to deploy capital efficiently into high-impact, risk-mitigated projects at scale. **This is not just a housing shortage. It is a mismatch — between what is being built and what is most needed; between where capital flows and where impact is most deeply felt.**

# Attainable Housing: A New Paradigm & The Great Renovation Wave

From “Build-to-Rent” to “Renovate-and-Revive” and Building Anew Where It Counts

The old paradigm—centralized, capital-intensive development concentrated in high-margin, market-rate or luxury units—is proving increasingly mismatched with the true nature of housing demand. The new paradigm — attainable housing, is emerging as both an economic necessity and an investment opportunity.

Attainable housing sits between government subsidized “affordable” housing and full-priced, market-rate units. It is guided less by formal definitions and more by the real-world needs and local realities. As of 2024\*, with the median U.S. household earning approximately \$102,800 annually, attainability is reflected in homes priced between \$475,000 to \$720,000<sup>11</sup>—homes that align with the guideline that housing costs should not exceed 30% of household income.

Yet despite clear demand, the supply is increasingly squeezed, not because it isn’t needed, but because institutional capital and new construction efforts are often mismatched with the scale and character of the demand.

What if the future of housing in America isn’t just about building more—but preserving what we have and rebuilding smarter? Small and mid-sized real estate entrepreneurs—often local, diverse, and deeply connected to their communities—are breathing new life into America’s aging housing stock. These entrepreneurs are identifying underused or deteriorated homes, restoring them, and returning them to the market as affordable rental properties or accessible starter homes for purchase. “By financing home renovations, new home construction and rental property ownership, we’re able to unlock significant social and economic value for every dollar of capital we deploy,” says Maksim Stavinsky, the Co-Founder & CEO of Roc360.

*By financing home renovations, new home construction and rental property ownership, we’re able to unlock significant social and economic value for every dollar of capital we deploy. More than half of our loans support homes under 1,800 square feet—true starter homes, renewed for today’s working families. Our borrowers are local real estate entrepreneurs. They reflect the communities they serve. They understand where housing is needed most. And most importantly, they’re aligned with us—we only finance projects where we believe they’ll succeed, because their success is our guardrail.*

**-Maksim Stavinsky,  
Roc360 Co-Founder & CEO**

\*This is a national median, and figures may vary greatly by location

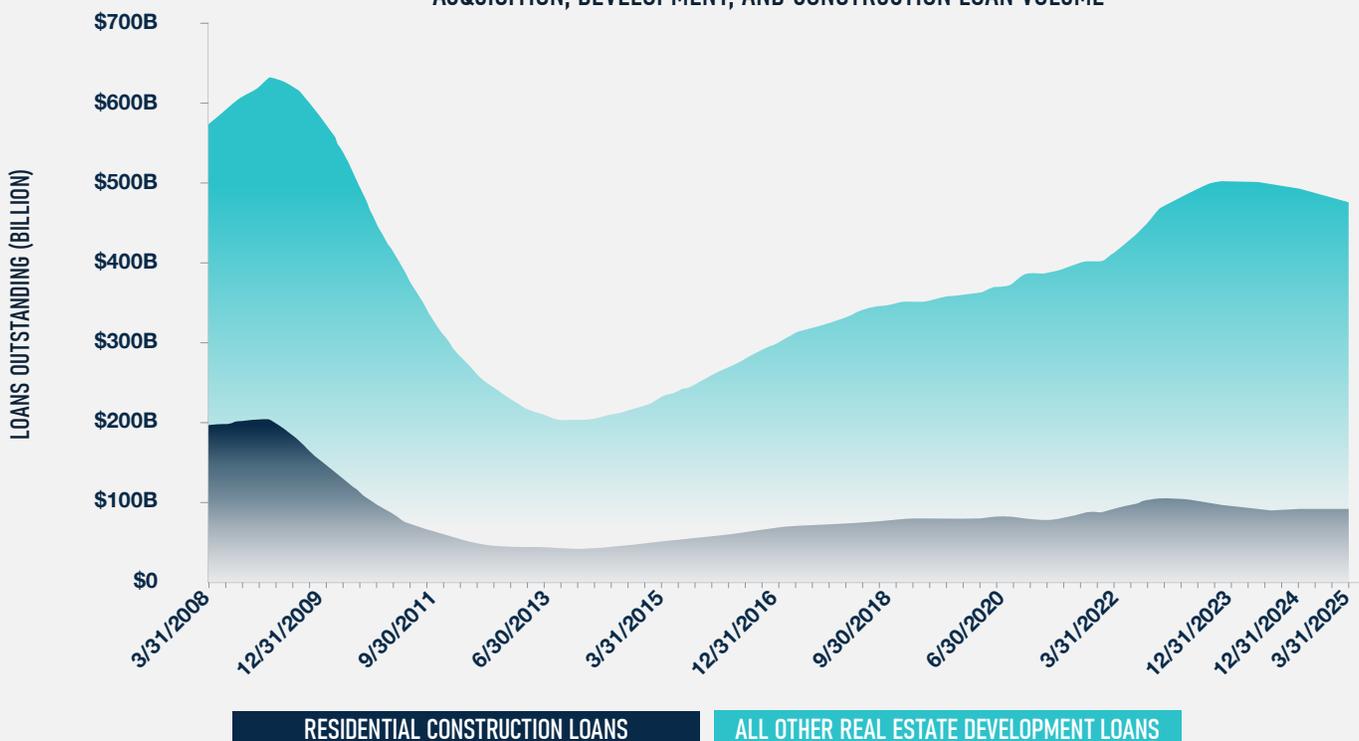


“More than half of our loans support homes under 1,800 square feet—true starter homes, renewed for today’s working families. Our borrowers are local real estate entrepreneurs. They reflect the communities they serve. They understand where housing is needed most. And most importantly, they’re aligned with us—we only finance projects where we believe they’ll succeed, because their success is our guardrail.”

Nearly 50% of all U.S. homes were built before 1980. Many remain structurally sound but require investment to meet modern standards. With the right capital, these homes can re-enter the supply pipeline faster and more affordably than new builds, while maintaining walkable access to schools, transit, and jobs. Additionally, renovation can enhance energy efficiency and incorporate sustainable features, contributing to healthier and more environmentally responsible housing.

While renovation addresses the challenges presented by an aging housing stock, the shortage in total inventory cannot be solved by renovations alone. Infill and ground-up construction—especially in high-demand, high-opportunity areas—is equally essential.

ACQUISITION, DEVELOPMENT, AND CONSTRUCTION LOAN VOLUME<sup>12</sup>



## RESIDENTIAL CONSTRUCTION LOANS: YEAR-OVER-YEAR GROWTH RATE<sup>13</sup>



We see the greatest unmet demand for new attainable housing in markets with strong job growth, good schools, and dynamic communities—especially in the Northeast, South, and fast-growing metros in the Midwest. These are the very regions where housing production has lagged behind population and employment growth.

Yet for builders in these regions, access to capital has become increasingly difficult. Since 2022, financing for land acquisition and early-stage development has tightened significantly, particularly from traditional banks. Acquisition, development, and construction (ADC) loans from FDIC-insured banks are now less than half their pre-2008 levels, creating a critical capital gap at the earliest—and most impactful—stage of housing production.<sup>14</sup>

In response, many small builders now rely on informal capital sources—family, friends, or personal savings—to fund projects that are

central to community growth. This constraint not only limits housing supply but also marginalizes capable, proven developers from participating in the most pressing solution set: building the attainable housing of tomorrow.

Investors must recognize that ground-up construction for attainable housing is a fundamentally different product.\* When structured appropriately, it offers:

- Higher predictability of performance compared to distressed asset flips
- Longer-term asset value appreciation in supply-constrained neighborhoods
- Higher social impact per dollar deployed

Importantly, capital markets are still evolving to support this product at scale. As a result, early movers have the opportunity to capture superior returns and build lasting influence in one of the most undercapitalized, high-growth segments of American housing.

\*Based on Roc Capital Holdings LLC experience



# The Investor's Opportunity: *Investing for Profit and Progress*

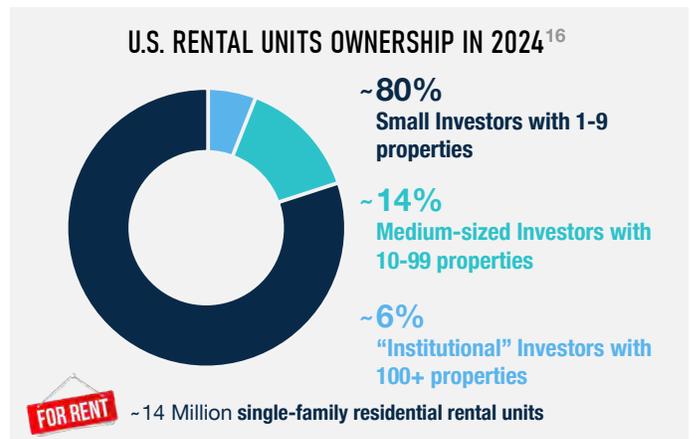
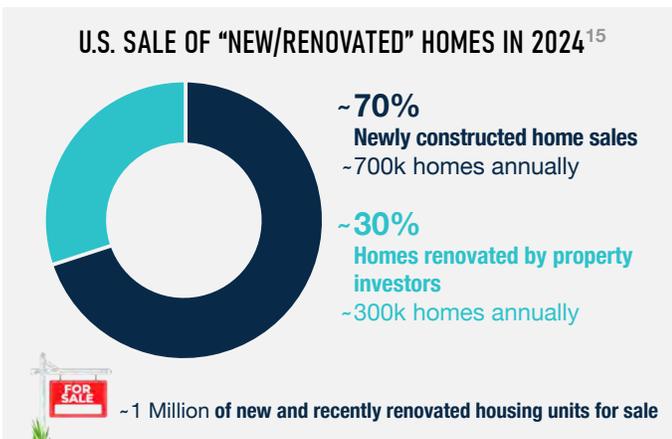
A new model of capital deployment is emerging—one that aligns profit-driven investor goals with broader market needs and a demonstrated track record of stability and resilience. Attainable housing finance unlocks access to a diversified portfolio of credit products backed by real estate, offering investors steady income streams, strong downside protection, and enhanced portfolio diversification.

Institutional investors have traditionally faced challenges accessing the single-family housing market at scale. On the equity side, opportunities are narrow, not well diversified and operationally complex: Owning one or several homes is operationally intensive and lacks scale. Investing through large-scale aggregators often limits exposure to specific geographies, property types, or end-user profiles. On the debt side, while the agency-backed mortgage market is large, it presents significant prepayment and interest rate duration risk. The non-agency market adds credit risk to that equation.

Residential investment property finance provides a way to express an investment allocation to Attainable housing by providing diversified, asset-backed credit products that deliver attractive risk-adjusted returns. These loans fund

home renovations, new home construction and rental properties that generate steady income streams secured by real assets. This strategy provides investors with access to a diversified, income-generating portfolio, reducing direct operational burdens and concentration risk associated with owning physical properties.

In an investment landscape marked by rising interest rates, volatile equity markets, and compressed yields, attainable housing lending offers a structurally resilient opportunity. It combines income stability, collateral security, and scalable exposure to one of the largest, most resilient and most essential most essential sectors of the U.S. economy. For investors seeking diversified, income-generating assets, this represents a timely and compelling frontier for profit and progress.



# From Undersupply to Opportunity: *Rethinking Housing Investment*

The United States is at an inflection point for housing which has created a shelter crisis for most Americans with significant societal ramifications. Yet, this crisis also represents one of the most actionable investment opportunities of our time. The attainable housing market—driven by small and mid-sized real estate entrepreneurs—remains underserved by institutional capital, despite its scale, need, and potential for consistent, asset-backed returns.

The way forward lies not in disruption, but in focused deployment—of capital, technology, and partnerships. Attainable housing finance presents a scalable investment strategy that combines yield, security, and access to one of the most foundational sectors of the U.S. economy.

This is not just an asset class to observe—it is a platform to build on. The opportunity is clear, the market is ready, and the tools are in place. What's needed now is committed, forward-looking capital that understands both the economics and the momentum.



## Endnotes

Unless otherwise noted by a footnote, the information in this whitepaper was supported by the following publications:

- 1-Seasonally adjusted annual rate. Source: U.S. Census Bureau and U.S. Department of Housing and Urban Development
- 2-Index created using average hourly earnings of production and nonsupervisory employees, total private published by U.S. Bureau of Labor Statistics
- 3-Index created using S&P CoreLogic Case-Shiller U.S. National Home Price Index maintained by S&P Dow Jones Indices
- 4-Source: American community survey, 2023
- 5-National Association of Home Builders (NAHB). Households Priced Out of the Housing Market: 2025 Priced-Out Estimates. March 2025. Retrieved from: <https://www.nahb.org/-/media/NAHB/news-and-economics/docs/housing-economics-plus/special-studies/2025/special-study-households-priced-out-of-the-housing-market-march-2025.pdf>
- 6-Source: Calculations by the National Association of Home Builders Housing Policy Department, based on income data from the 2023 American Community Survey Public Use Microdata Sample File, U.S. Census Bureau
- 7-Quint, R. (2015, September 9). U.S. Government: Number of Builders Declined 50% Between 2007 and 2012. Eye On Housing. Data sourced from the National Association of Home Builders. Retrieved from <https://eyeonhousing.org/2015/09/us-government-number-of-builders-declined-50-between-2007-and-2012>
- 8-Derived from these news - [https://construction-today.com/news/multifamily-construction-boosts-april-housing-starts-amid-challenges/?utm\\_source=chatgpt.com](https://construction-today.com/news/multifamily-construction-boosts-april-housing-starts-amid-challenges/?utm_source=chatgpt.com) & [https://www.ashlandcapitalfund.com/post/why-multifamily-projects-are-outpacing-single-family-homes-in-the-2025-u-s-housing-market?utm\\_source=chatgpt.com](https://www.ashlandcapitalfund.com/post/why-multifamily-projects-are-outpacing-single-family-homes-in-the-2025-u-s-housing-market?utm_source=chatgpt.com)
- 9-Martin, Carlos, Alan Mallach, Todd Swannstrom, Austin Harrison, and Sophia Wedeen. Catalyzing a Movement to Produce Greater Public, Private, and Civil Resources to Improve Housing Conditions Through Home Repair Programs. Joint Center for Housing Studies of Harvard University, August 2024. Retrieved from: [https://www.jchs.harvard.edu/sites/default/files/research/files/harvard\\_jchs\\_home\\_repair\\_programs\\_martin\\_etal\\_2024.pdf](https://www.jchs.harvard.edu/sites/default/files/research/files/harvard_jchs_home_repair_programs_martin_etal_2024.pdf)
- Divringi, Eileen. Updated Estimates of Home Repair Needs and Costs. Federal Reserve Bank of Philadelphia, March 2023. Retrieved from: <https://www.philadelphiafed.org/-/media/frbp/assets/community-development/reports/23-02-home-repairs-update.pdf>
- 10-Board of Governors of the Federal Reserve System. (2025, April 25). Financial stability report. <https://www.federalreserve.gov/publications/files/financial-stability-report-20250425.pdf>
- 11-The Urban Land Institute defines "home attainability" as the ability of households to afford housing relative to their income. Using the median family household income of \$102,800 (<https://www.census.gov/data/tables/2024/demo/income-poverty/p60-282.html>), the Area Median Income (AMI) range of 80% to 120% translates to household incomes between \$82,240 and \$123,360. Applying the standard housing affordability threshold—30% of income allocated to housing costs—the affordable annual shelter budget falls between \$24,672 and \$37,008. Assuming a 30-year mortgage at a 6.5% interest rate, and a 20% downpayment, this equates to an affordable home price range of approximately \$475,000 to \$720,000.
- 12-Wade, R. (2025, June 20). Residential AD&C loan volume contracts during 1Q25. Eye On Housing. <https://eyeonhousing.org/2025/06/single-family-construction-loan-volume-grows/>
- 13-ibid
- 14-ibid
- 15-Analysis based on FY 2024 new and existing home sales per Mortgage Bankers Association (December 2024). Assumes an annual home flipping rate of 7-8% based on estimates from ATTOM Home Flipping Report
- 16-Source: John Burns Research & Consulting. Single-Family Rental Analysis and Forecast, published September 2024

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