

FOR IMMEDIATE RELEASE

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**Inaugural Starter Home Project Ready to Launch in New Richmond, WI
Groundbreaking set for June 12**

Hudson, Wisconsin, June 3, 2025— Affordable housing opportunities are coming to Western Wisconsin. Ground is being broken on the inaugural Starter Home Project, a modular home that is part of an effort to offer smaller footprint, new homes with deed restrictions that allow for lasting affordability. The groundbreaking ceremony is June 12 in New Richmond, WI.

The Starter Home Project is the result of a collective housing effort to develop a model that can be replicated in communities needing more starter home inventory. St. Croix Valley Habitat for Humanity partnered with Pillar Bank, Derrick Companies, The Moes Sell Homes, Momentum West, Wisconsin Economic Development Corporation and See What I Mean Consulting to address the need after working with community led focus groups over the past year.

“According to CoreLogic, a property information firm, the price of entry level homes has nearly tripled over the past 20 years,” said St. Croix Valley Habitat for Humanity Executive Director Kristie Smith. It’s a trend that’s growing faster than any housing category in the market. We had to look outside of traditional housing models to approach both cost and inventory to solve this puzzle and maintain affordability over time.”

Freddie Mac cites a failure to build enough housing to match current demand as part of the affordable housing crisis. By 2020, just 65,000 starter homes were built in the United States annually, compared to housing construction in the 1970s, which averaged 400,000 starter homes per year, according to a recent New York Times article.

The Project is focused on creating housing for those making incomes that fall below the Area Median Income. Through a deed restriction, the home will be sold at cost to a homebuyer who qualifies at 80% of the Area Median Income (AMI). AMI is determined by county by the U.S. Department of Housing and Urban Development (HUD) each year in May. In New Richmond (St. Croix County), AMI was recently set at \$132,400. “Combined with increasing home prices, the burden to those making below the AMI means purchasing a first home is simply out of reach. The Starter Home Project is designed to return affordable housing to the marketplace, giving more people a place to live and work in the same community,” Smith said.

The first home built under the Starter Home Project is a modular three-bedroom, two-bathroom, 1,456 square foot model, built on an egressed, unfinished basement, with a detached one-car garage. St. Croix Valley Habitat for Humanity is partnering with Pillar Bank as the initial lender for the Project. “Supporting the Starter Home Project reflects our belief that strong communities

are built from the ground up,” Pillar Bank CEO Shane Bauer said. “We’re proud to stand alongside Habitat for Humanity in creating real, lasting impact where it’s needed most.”

“The ability to attract and retain residents to a community where business is growing is directly tied to the availability of housing stock that supports the local economy,” Momentum West Executive Director Steve Jahn said. “Habitat for Humanity is implementing lasting affordability models, like this deed restriction, across the country as it works to stabilize communities’ housing need.”

Objectives of the Starter Home Project include a focus on the development of new, modular homes in the range of \$200,000 - \$300,000. Efficiency, lower costs, reduced material waste, and shorter build times are all features of modular home construction. Through deed restrictions, including resale price limitations, the initial subsidy is retained within the property, ensuring its continued affordability for subsequent income-eligible homebuyers.

The June 12 groundbreaking takes place at 1229 Rich River Way in New Richmond at 1:30pm. All are welcome.

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About The Starter Home Project:

The Starter Home Project is the result of a year-long, collective effort to bring more affordable housing opportunities to five Western Wisconsin counties. With a focus on the development of starter homes ranging in price between \$200,000-\$300,000 and a smaller footprint, partners in The Starter Home Project include St. Croix Valley Habitat for Humanity, Derrick Companies, The Moes Sell Homes, Pillar Bank, See What I Mean Consulting (SWIM), Wisconsin Economic Development Corporation and Momentum West Wisconsin. More information is at starterhomeproject.org



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