The cooperative dorms, the first of which were built in 1955, were well received by students, and the University board of Visitors recommended that more be constructed. In 1960 the University arranged for the construction of Davis House, a companion to Bayliss for women students.

In the summer 1961, during the construction of Davis House, it was decided by the regents to use the accumulated funds in the Henry Rust Memorial fund to pay for half of the estimated cost of a new men's co-op. Henry Rust was a longtime resident of Eau Claire who was killed in a rail accident in March 1955, and who left his estate to his brother Thomas Rust. In Thomas Rust's will he left 65% of the estate to the University of Wisconsin with the hope that it could be used to build a dormitory for men students to be named for his brother Henry.1

Once funding was available the project proceeded quickly. Land purchase at 117 N. Orchard was approved in May 1961. The site next to the existing Schreiner House was based partly on the fact that Schreiner had been built without kitchen facilities, because so many men students had jobs with eating privileges. By 1961 this situation had changed and Schreiner needed a kitchen. The regents hoped that the whole project could be completed by August 1962. During the rest of 1961, estimates were gotten ($260,000) and financing arranged. Preliminary plans were approved by the regents in December 1961. The final plans were approved by the regents in February 1962. Construction contracts were awarded in March 1962, with the general contract going to Blase and Kammer of Madison, for $105,100. Construction began that same month. In May the regents voted that the new dorm be named Henry Rust House. Construction was completed in August 1962. The first students moved into Rust House in September 1962. Although successful for several years as a co-op, Rust gradually succumbed to the same forces that killed most of the other co-ops and in 1986 Rust and Schreiner became graduate student housing.2