ATWATER

Community Housing Spotlight







ATWATER HOUSING SNAPSHOT

What the Kandiyohi County Housing Study Means for Atwater

AT A GLANCE

1,124 → 1,100 → 1,140 **2020 → 2025 → 2040 Population** Modest projected growth	**455 → 470** **2025 → 2040 Households** A net increase of 15 households	**75%** **Homeownership Rate** 2020 owner households: 346
17–23 homes **Estimated Housing Demand** 2025–2035	**2.8%** **Rental Vacancy Rate in Kandiyohi County's Smaller-Communities** Surveyed properties, May 2026	**0** **Active Subdivision Lots** At the time of the study

STABLE TODAY, WITH ROOM FOR MODEST GROWTH

Located along U.S. Highway 12, roughly 11 miles east of Willmar, Atwater's population has hovered around 1,100 residents for several decades. The 2026 Kandiyohi County Housing Study projects slight growth, both in population and in the number of households, through 2040. New housing choices will be needed, both to support this growth and to give current residents greater ability to stay in the community as their needs change.

THE HEADLINE FINDING

Atwater May Need 17 to 23 Additional Homes by 2035.

The study estimates a need to add 5 to 8 owned homes and 12 to15 more rental homes.

WHY HOUSING CHOICE MATTERS

Families & Workers More rental and ownership options can help people move into Atwater and support the local workforce.	**Older Adults** Single-level dwellings, including rentals, can make it easier for residents to remain in Atwater as their needs change.	**People With Disabilities** Accessible, single-level options can broaden the range of local housing for those with physical limitations.

Source: Viewpoint Consulting Group, Inc.; Tables 3, 6, 9, 42 and 45; Atwater community summary, pp. 143–145.
Note: This summary restates findings and recommendations from the 2026 Kandiyohi County housing study. It does not add new recommendations.



ATWATER'S HOUSING MARKET

Stable Overall — but Housing Choices Remain Limited

COMMUNITY PROFILE

PEOPLE & HOUSEHOLDS	HOUSING CHOICES	COSTS & INCOME
2025 Population	**2020 Owner Households**	**2025 Median Household Income**
1,100	**346**	**$71,255**
2040 projected population: 1,140	2020 renter households: 113	2025 median home sale price: $202,500
2025 Households	**Homeownership Rate**	**Estimated Cost Burden**
455	**75%**	**17% / 22%**
2040 households: 470	2020	Owners / renters, 2024

SUPPLY SIGNALS

HOUSING PERMITS	ACTIVE SUBDIVISION LOTS	SMALLER-COMMUNITY RENTAL VACANCY
27 in the 2000s | 6 in the 2010s 3 from 2020–2025	0 available lots at the time of the study	2.8% in May 2026 (Kandiyohi County)

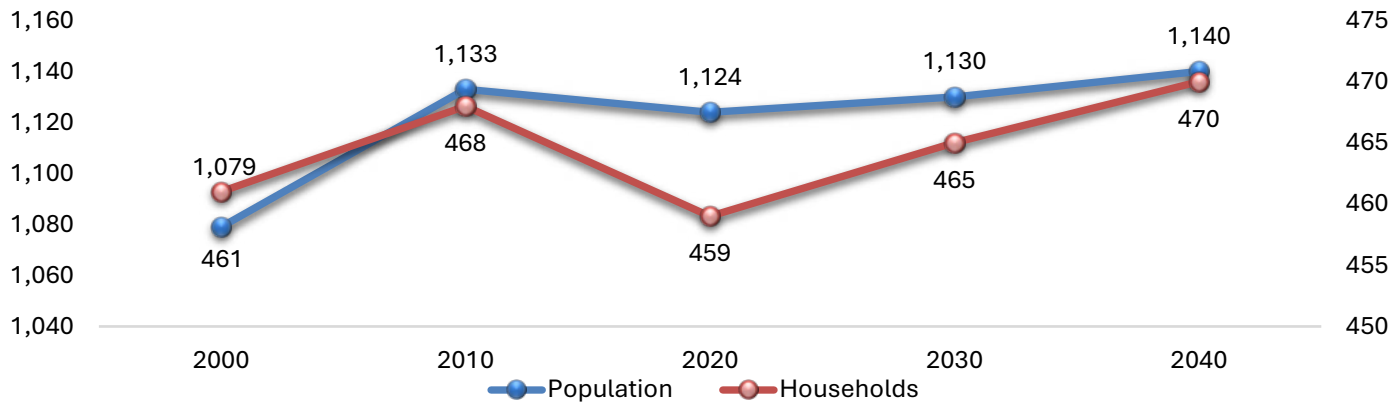
WHAT THIS MEANS

Atwater has a stable base of homeowners, but the community has added little housing in recent years. At the time of the study, there were no lots in an active subdivision. Rental choices are also tight across this smaller-community market. The study points to a need for new residential lots and rentals units. These choices could serve young renters, including workers, as well as families, older adults, and people with disabilities.

PROJECTED POPULATION & HOUSEHOLD TREND

2000	2010	2020	2030	2040
Population	Population	Population	Population	Population
1,079	**1,133**	**1,124**	**1,130**	**1,140**
Households	Households	Households	Households	Households
461	**468**	**459**	**465**	**470**

Source: Viewpoint Consulting Group, Inc., Tables 3, 5, 6, 9, 23, 28 and 42; Atwater community summary, pp. 143–145.



A PRACTICAL HOUSING PATH FOR ATWATER

Three Study Recommendations, Plus Questions for Local Leaders

ESTIMATED 2025–2035 DEMAND

17-23 Total Homes

5-8 owned homes • 12-15 rental homes

WHAT IS DRIVING DEMAND?

The study identifies projected household growth, replacement of older housing, Atwater's attractiveness to commuters given its proximity to Willmar, senior housing needs, and pent-up demand for rental units as sources of housing demand. Both single-family homes and twinhomes are needed to meet the owner-occupied need.

THREE HOUSING STEPS

1. CREATE LOTS FOR SINGLE-FAMILY HOMES & TWINHOMES

Recommendation: Plat a new subdivision with at least 15 lots. Price the lots so constructed homes can sell in the $350,000 to $450,000 range.

Who This Could Serve: Households seeking a new owner-occupied single-family home or twinhome.

Timing: 2026–2031

2. ADD WORKFORCE APARTMENTS

Recommendation: Add a market-rate apartment building with 10 to 12 units. Aim for rents below $850 for a one-bedroom unit, $1,100 for a two-bedroom unit, and $1,450 for a three-bedroom unit.

Who This Could Serve: Moderate-income households that need a lower-cost rental choice.

Timing: 2026–2031

3. ADD SINGLE-LEVEL RENTAL TWINHOMES

Recommendation: Add six to eight rental townhomes with attached garages. Most should have two bedrooms and one-level living. Rent should be about $1,450 for a two-bedroom unit.

Who This Could Serve: Younger renters, older adults, and people with disabilities.

Timing: 2026–2031

PROJECTS ALREADY IN MOTION OR ON THE HORIZON

At the time of the study, Generations Living was under construction, with three independent senior apartments and a childcare center. Additionally, the Kandiyohi County HRA was proposing four market-rate rental twinhomes. Together, these seven units would meet a portion of the rental demand identified in the housing study.

QUESTIONS FOR LOCAL LEADERS

- Where could a 15-lot subdivision fit, and what would it cost the city to serve that site?
- Could public or private partners help lower lot or infrastructure costs?
- Is there a site that could support a modest workforce apartment building?
- How should the planned HRA twinhomes be counted as the community tracks progress?
- Who will lead the first developer or housing-partner conversation?

Source: Viewpoint Consulting Group, Inc., Table 45, p. 141; Atwater community summary, p. 145.
The questions for local leaders are discussion prompts from this repackaging project. They are not new recommendations from Viewpoint Consulting Group, Inc.