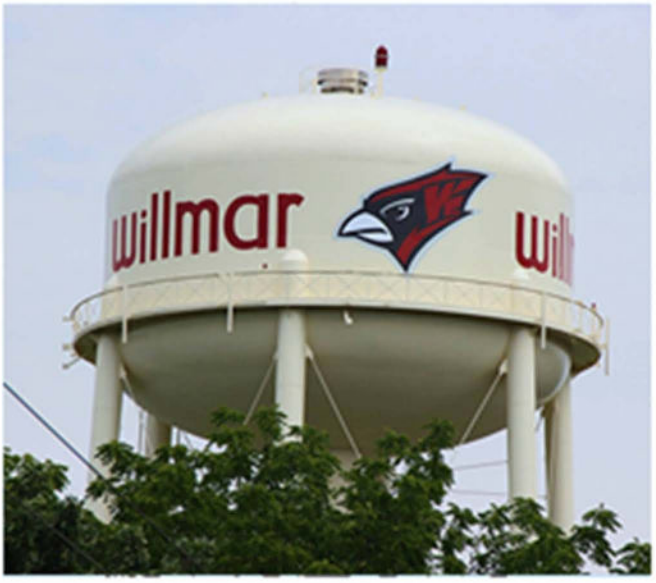
Kandiyohi County Housing Study

WILLMAR

Community Housing Spotlight







WILLMAR HOUSING PROFILE & DEVELOPMENT PRIORITIES

The Housing Story in Willmar

A Community Housing Profile Based on the 2026 Kandiyohi County Housing Study

21,015 → 24,000	~ 1,285	645
Population	**Total Housing Demand**	**Near-Term Development Recommendations**
2020 to projected 2040	2025 - 2035, including senior	2026 - 2031

A REGIONAL CENTER WITH COUNTYWIDE IMPORTANCE

Willmar is Kandiyohi County's largest community and serves as the regional center for employment, shopping, healthcare, education, and other services. The 2020 Census counted 21,015 residents – nearly half of Kandiyohi County's population. The study cites an estimated 22,600 residents in 2025 and projects growth to 24,000 by 2040.

Housing in Willmar serves more than existing city residents. New homes and apartments can accommodate household growth, replace obsolete housing, provide choices for people working in the city, and meet the changing needs of older adults.

CENTRAL FINDING

The study estimates approximately 390 ownership units, 390 nonsenior rental units, and 505 senior housing units of demand through 2035. The recommended construction program for 2026 - 2031 is a smaller, phased subset of this ten-year market potential.

Source: Viewpoint Consulting Group, Inc., Kandiyohi County Housing Study (July 24, 2026), Key Findings, pp. 1–4; Willmar community summary, pp. 176–179.



Population, Households & Economic Role

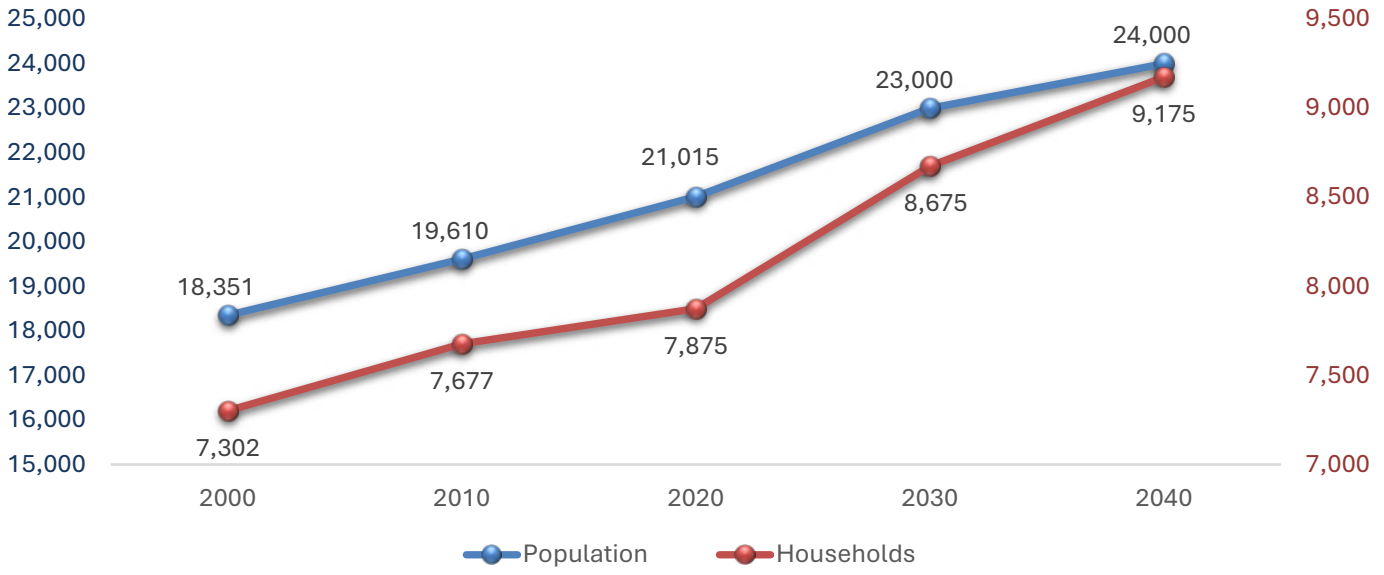
22,600	8,410 → 9,175	15,797
Estimated Residents	**Households**	**Jobs in Willmar**
2025	2025 to projected 2040	Community summary table

GROWTH IN BOTH RESIDENTS AND HOUSEHOLDS

The study projects Willmar will add 1,400 residents and 765 households between 2025 and 2040. Household growth is especially important because households represent occupied housing units. The city grew from 19,610 residents in 2010 to 21,015 in 2020.

Year	Population	Households
2000	18,351	7,302
2010	19,610	7,677
2020	21,015	7,875
2025	22,600	8,410
2030	23,000	8,675
2040	24,000	9,175

POPULATION AND HOUSEHOLD TRENDS



THE EMPLOYMENT CONNECTION

The Kandiyohi County Housing Study's community summary identifies 15,797 jobs in Willmar, compared with 23,213 countywide. The Key Findings section of the study separately describes roughly 16,100 jobs in Willmar as of 2025. These figures come from different presentations in the study. However, both demonstrate Willmar's central role in the regional labor market.

Source: Viewpoint Consulting Group, Inc., Kandiyohi County Housing Study (July 24, 2026), Key Findings, p. 1; Willmar community summary, pp. 176–177.

Housing Stock, Tenure & Affordability

57%	$224,900	5.2%
Homeownership Rate	**Median Home Sale Price**	**Rental Vacancy**
2020	2025	Study estimate

A DIVERSE HOUSING MARKET

Indicator	Willmar	Kandiyohi County
Owner / Renter Households, 2020	4,471 / 3,404	12,350 / 4,729
Median Household Income, 2025	$64,204	$76,117
Median Age	34.2	39.3
Single-Family Homes, 2024	5,350	13,930
Multifamily Units, 2024	2,796	3,300
Mobile Homes, 2024	154	291
Vacant Single-Family Subdivision Lots	45	87

HOUSING COST PRESSURES

The study estimates that 23% of Willmar owner households and 44% of renter households were housing cost burdened in 2024. Housing cost burden generally means housing expenses exceed 30% of household income. The median price of a single-family home rose 45.1% between 2020 and 2025.

WHAT AFFORDABLE HOUSING MEANS IN THE STUDY

The study discusses income-restricted housing using Area Median Income (AMI). For the recommended affordable apartment development, eligible households would earn no more than 60% of AMI. This is different from market-rate housing, which is not restricted by household income. The study estimates approximately 39% of Willmar households would income-qualify at the 60% AMI threshold.

Source: Viewpoint Consulting Group, Inc., Kandiyohi County Housing Study (July 24, 2026), Key Findings, p. 2; Willmar community summary, p. 177.

Demand Through 2035

390	390	505
Ownership Units	**Non-Senior Rentals**	**Senior Units**
195 single-family + 195 townhomes	130 affordable + 260 market-rate	185 active adult + 320 with services

THREE DISTINCT TYPES OF HOUSING DEMAND

Housing Type	Estimated Demand (2025–2035)
Single-Family Ownership	195
For-Sale Townhomes / Twinhomes	195
Affordable Rental Apartments	130
Market-Rate Rental Apartments	260
Senior Rental / Active Adult	185
Senior Housing With Services	320
Total	**1,285**

The study estimates about 780 new ownership and nonsenior rental units, plus approximately 505 senior units. These figures represent potential demand over ten years – not a construction target for any single year.

WHERE DEMAND COMES FROM

- Projected household growth and replacement of aging or obsolete homes.
- Potential to house more of the people who will otherwise commute into Willmar for work.
- Pent-up rental demand and the need for a broader range of rental price points.
- Growth in the number of older-adult households and the associated demand for both independent and supportive living settings.

IMPORTANT DISTINCTION

The demand analysis describes the market's estimated capacity through 2035. The 2026 - 2031 recommendations identify a more immediate development program and should not be added to the ten-year demand estimate.

Source: Viewpoint Consulting Group, Inc., Kandiyohi County Housing Study (July 24, 2026), Key Findings, pp. 2–4; Willmar community summary, p. 178.

Ownership Housing Priorities

25 +	55 - 70	55 - 70
Single-Family Lots	**One-Level Townhomes**	**Two-Level Townhomes**
New subdivision recommendation	For-sale, with garages	For-sale, with garages

EXPAND CHOICES ACROSS LIFE STAGES

SINGLE-FAMILY HOMES

The study recommends new subdivisions adding at least 25 single-family lots within five years, for homes with target prices generally above $400,000. Willmar's community profile lists 45 vacant single-family lots in active subdivisions, but additional subdivision capacity is recommended to keep pace with demand. Additional homes will also be needed to replace obsolete and/or dilapidated homes.

SINGLE-LEVEL TOWNHOMES AND TWINHOMES

Create subdivision lots for 55 to 70 one-level owner-occupied townhomes, with two-car attached garages, priced at approximately $375,000 to $450,000. These homes are expected to appeal largely to older adults seeking to leave larger homes while remaining independent. The Kandiyohi County Housing Study refers to this as "move-over housing."

TWO-LEVEL TOWNHOMES

Create lots for 55 to 70 two-level owner-occupied townhomes with two-car attached garages, priced below $350,000. These homes are intended to broaden options for younger households, first-time home buyers, and couples with or without children.

DEVELOPMENT CONSIDERATIONS

The study notes that public incentives or partnerships may be needed to make new subdivisions financially feasible. It also identifies modular construction, not to be confused with mobile homes, as a possible way to provide quality homes at lower prices than some site-built alternatives.

Source: Viewpoint Consulting Group, Inc., Kandiyohi County Housing Study (July 24, 2026), Key Findings, pp. 3–4; Willmar community summary, p. 179.

Rental Housing Priorities (Non-Senior)

5.2%	55 - 65	45 - 50
Overall Rental Vacancy	**Affordable Apartments**	**Student Apartments**
Willmar, study estimate	Recommended development	Near Ridgewater College

ABSORPTION, AFFORDABILITY & SPECIALIZED DEMAND

MARKET-RATE APARTMENTS

Willmar has absorbed a large wave of apartment construction during the 2020s. The Kandiyohi County Housing Study reports that nearly 800 new apartments have been built since 2020 and identifies the planned second phase of Lakeland Apartments – about 75 additional units – as meeting much of the near-term market-rate rental demand. It recommends monitoring unit vacancies before proceeding with another large market-rate rental housing project.

INCOME-RESTRICTED APARTMENTS

Add one apartment development of 55 to 65 units restricted to households earning 60% or less of Area Median Income (AMI). This recommendation addresses a different price segment than new market-rate apartments.

STUDENT APARTMENTS

The study recommends a 45- to 50-unit student-oriented apartment development be built within walking distance of Ridgewater College. At an average of three students per unit, this could house roughly 150 students.

INTERPRETING VACANCY

The 5.2% overall vacancy rate reflects Willmar's ongoing absorption of substantial new rental construction. The study notes that the city's overall rental vacancy was below 1% before the recent development wave. A current project-specific feasibility review would still be needed before investment in additional market-rate apartments, which have a vacancy rate of 6.4% at the time of the Kandiyohi County Housing Study.

Source: Viewpoint Consulting Group, Inc., Kandiyohi County Housing Study (July 24, 2026), Key Findings, pp. 2–4; Willmar community summary, pp. 177–179.

Senior Housing & Accessibility

115 - 140	75 - 90	505
Supportive Senior Units	**Affordable Active Adult**	**Senior Housing Demand**
Recommended by 2031	Recommended by 2031	Total, 2025–2035

HOUSING CHOICES FOR AN AGING POPULATION

ACTIVE ADULT HOUSING

Bethesda StoneRidge opened in 2025, with 118 market-rate active adult rental units. By 2031, the Kandiyohi County Housing Study recommends adding another 75 to 90 active adult units with affordable, income restricted rents for older adults with lower and moderate incomes.

SUPPORTIVE SENIOR HOUSING

The Crossings of Willmar opened in 2026, with 76 assisted living and memory care units. By 2031, the study recommends developing an additional 115 to 140 units of housing for those in need of independent living, assisted living, and memory care environments.

ACCESSIBILITY AND SPECIALIZED HOUSING

The study also recommends that new apartment projects include one or two accessible units; adding one or two Community Residential Setting (CRS) homes; increasing Bridges Program voucher capacity for up to six additional people with mental illness; and expanding scattered-site housing for people with mental illness by up to six homes.

TERMS TO DISTINGUISH

Active adult housing typically serves older residents who live independently. **Supportive senior housing** provides services, which may include assistance with daily living or memory care. One-level townhomes can serve older adults but are counted with ownership housing, not necessarily senior-designated housing.

The **Bridges Program** is a state-funded rental assistance program, managed by Minnesota Housing in partnership with the Minnesota Department of Human Services. Its goal is to provide temporary housing help to bridge the gap for individuals with mental illness who are moving out of institutions, treatment centers, correctional supervision, or homelessness into permanent housing. Learn more at https://mnhousing.gov/.

Source: Viewpoint Consulting Group, Inc., Kandiyohi County Housing Study (July 24, 2026), Key Findings, pp. 2–4; Willmar community summary, pp. 178–179.

Near-Term Development Program

The Study's Recommendations for 2026 - 2031 are a Phased Response to Demand, Not an Assertion That All 1,285 Units Should be Built in Five Years.

300	140	205
Ownership Units	**Rental Units**	**Senior Units**
Summary recommendation	Summary recommendation	Summary recommendation

RECOMMENDED UNIT MIX, 2026 - 2031

Category	Units
Single-Family Ownership	185
Townhome Ownership	115
Market-Rate Rental	80
Affordable Rental	60
Active Adult Senior	80
Supportive Senior	125
Total	**645**

The Kandiyohi County Housing Study describes this as "about 650" homes, while the component figures in its Key Findings table sum to 645. Detailed project recommendations are expressed as ranges and may not add exactly to the category-level targets.

It should also be noted that, while the study recommends new single-family homes be developed on vacant lots in current and future subdivisions, other single-family units will be needed to replace existing, obsolete or dilapidated housing stock in other areas of the city.

QUESTIONS AND CONSIDERATIONS FOR LOCAL DISCUSSION

- How can Willmar advance subdivision readiness and evaluate opportunities for public-private cost sharing?
- It will be important for Willmar staff, leaders, and developers to track rental vacancy and absorption, especially for market-rate units following the next Lakeland phase.
- How can Willmar pursue income-restricted rental and affordable senior housing to answer the needs of Willmar residents (current and prospective)?
- How can Willmar better coordinate supportive senior housing development with independent living, assisted living, and memory care providers to ensure healthy service capacity?

PLANNING INTERPRETATION

The questions and considerations noted above are intended only as discussion prompts derived from the study's findings. They are not a separate consultant-approved recommendations, goals, or strategies.

Source: Viewpoint Consulting Group, Inc., Kandiyohi County Housing Study (July 24, 2026), Key Findings, pp. 3 - 4; Willmar community summary, p. 179.

From Study Findings to Local Action

Key Decisions for Willmar Leaders

LAND AND INFRASTRUCTURE

- Which sites can support additional single-family and townhome lots, and what infrastructure investments would be required?
- What public-private financing approaches could improve the feasibility of new ownership housing?

RENTAL DEVELOPMENT

- What rental vacancy and lease-up indicators should guide the timing of future market-rate apartments?
- Which sites and partners are best positioned for the recommended income-restricted and student housing developments?

SENIOR HOUSING AND SERVICES

- How can affordable active adult housing and supportive senior housing be advanced, without duplicating recently opened supply, to meet the anticipated demand?
- What partners can help expand accessible housing and specialized residential supports?

MEASURES WORTH TRACKING

Measure	Why it Matters
Residential Lots Ready for Construction	Ownership Development Capacity
Permits by Housing Type	Pace and Mix of Construction
Apartment Vacancy and Absorption	Timing of Additional Rental Phases
Prices, Rents and Cost Burden	Housing Affordability and Access
Senior Occupancy and Waiting Lists	Senior Housing Market Readiness

ABOUT THIS DOCUMENT

This is a community-oriented synthesis of the 2026 Kandiyohi County Housing Study. It is not a new market study or project feasibility analysis. Figures and recommendations are attributed to Viewpoint Consulting Group, Inc. Discussion questions and suggested monitoring measures are provided for local planning and are not presented as consultant recommendations.

Source: Viewpoint Consulting Group, Inc., Kandiyohi County Housing Study (July 24, 2026), Willmar community summary, pp. 176–179; Key Findings, pp. 1–4.