

Rapid City Real Estate Update

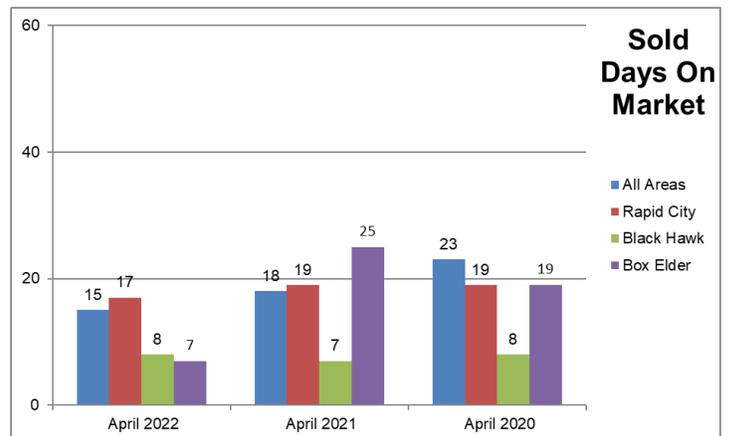
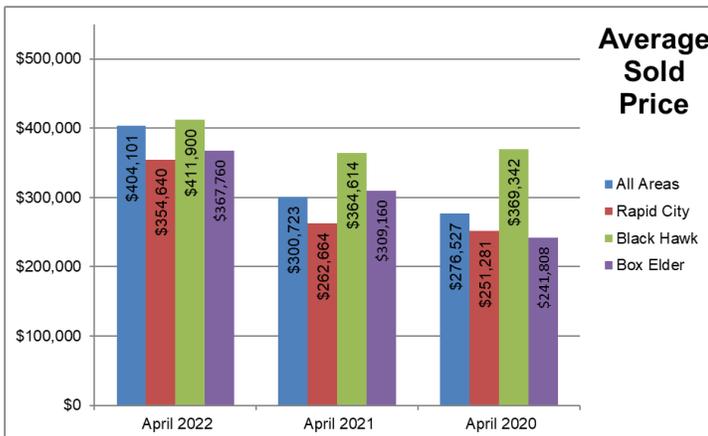
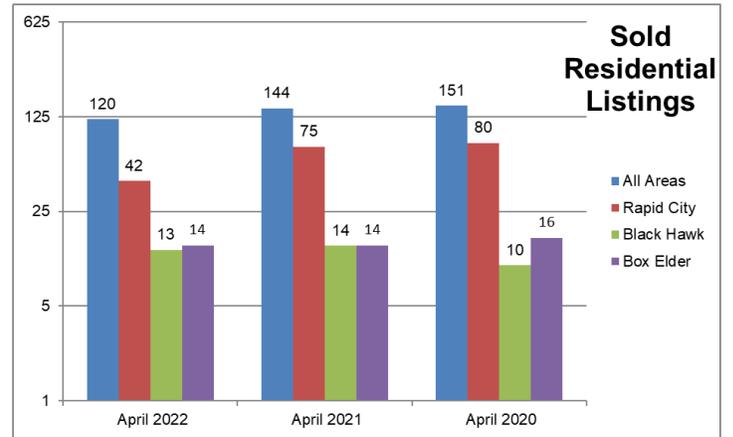
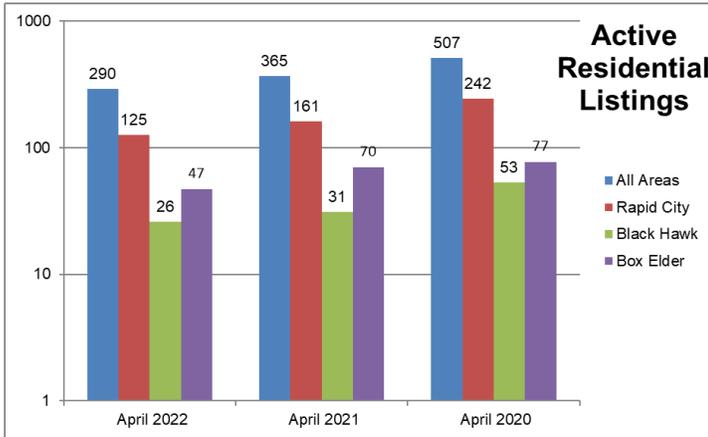


COLDWELL BANKER
BLACK HILLS LEGACY
REAL ESTATE

In This Issue

- P.1 Rapid City & Area Market Conditions P.2 Preparing For An Unexpected Home Emergency Expense
- P.2 What To Expect When You Close On A House P.3 Should You Do Color Cabinets In Your Kitchen?
- P.3 April Real Estate Round-Up P.4 Black Hills Events

Rapid City & Area Market Conditions For April 2022



This representation is based in whole or in part on data supplied by the Black Hills Association of REALTORS® or its Multiple Listing Service. Neither the Association nor its MLS guarantees or is in any way responsible for its accuracy. Data maintained by the Association or its MLS may not reflect all real estate activity in the market. Data was compiled from areas within the MLS known as BG, BX, CC, EC, NR, N, NE, NW, PV, PG, RV, RM, SLR, SW, WB.

What To Expect When You Close On A House

Buying a house is one of the biggest things you might do in your life.

The final step in the process is typically the closing. Once you reach this point, it can be a relief because you're through the arduous underwriting process, but what should you expect when you're closing on a house?

The closing date is usually decided during the contract negotiation. It'll be listed on your purchase agreement. A seller accepts your offer, the earnest money is paid, and then, at some point you'll have your closing.

A closing date can be weeks or months after the formal acceptance of your offer, depending on how much time is needed to complete the deal. Being prepared can speed up the process.

Go Over Your Closing Contingencies

If you have a good team on your side, the closing process should go pretty smoothly.

You will need to make sure all the closing contingencies are completed.

These often include the home inspection and appraisal, the completion of your loan documents, and the purchasing of homeowners' insurance.

The final walkthrough is usually scheduled 24 hours before closing. This is not the same thing as an inspection. Your agent should schedule your final walkthrough. During this time, the seller should have removed all their belongings. The condition of the home should match what you agreed on—otherwise, let your agent know.

Common Problems That Delay Closings

As was touched on, to get to a closing date can take weeks or even months. Knowing what some of the most common hurdles are can help you avoid them. Some of the things that often delay the closing date include:

- Appraisal problems
- Loan issues—preapproval can help you avoid this

(continued on page 3)

Preparing For An Unexpected Home Emergency Expense

When you're a homeowner, one of your challenges is dealing with the unexpected. Unlike being a renter, you're responsible for dealing with emergencies and repairs when you own a home. It can be costly, time-consuming, and stressful.

When you buy a new home, the risk of emergency repairs may be lower. On the other hand, older homes can need quite a bit of upkeep.

An emergency home repair always seems to come along at the worst time.

For example, you might not think much about your roof until there's an issue. The same is true of major systems like your furnace or air conditioning.

According to Nerdwallet, 65% of American homeowners say their house needs repairs to make it free of damage or safe. Cost is the primary barrier to making needed repairs.

A study from Porch found the national average cost to maintain a home is a little over \$16,000, including both repairs and routine tasks. Discover advises budgeting 1% of the value of your home for maintenance every year. If your home is \$300,000, you would theoretically need to plan on spending \$3,000 a year in maintenance.

If you don't have an emergency fund set aside, you might be scrambling to figure out how to pay for repairs.

If you face an emergency expense that has to be dealt with right away and you don't have the cash to cover it, there are some options.

Can You Make a Homeowners Insurance Claim?

In an immediate emergency, you might not be able to wait for the processing and payout of a homeowners insurance claim. If you do have time, you might get coverage through your policy.

The issue here is that your policy may not cover the repair you need.

You also have to keep the deductible in mind.

Disaster Relief

If you have a repair resulting from a disaster, an organization like FEMA or the Red Cross may have options. FEMA often offers funds to homeowners for damage and emergency disaster repairs not covered by their insurance.

Disaster relief is only for repairs related to sanitary living conditions or safety.

Community Development Programs

A community development program may be run by your local or state government, financial institutions,

or agencies. For example, a city might use Community Development Block Grants issued by HUD to give grants or emergency repair loans to homeowners in need. There are often restrictions on these programs dependent on your income, or they might be specifically for disabled or senior homeowners.

You can check with the local housing services, housing authority, or local housing office in your area.

Government Assistance

Aside from the government assistance already named above, there are also other programs.

The FHA 203(k) and Limited 203(k) are loan programs so that borrowers can buy or refinance a property, and then there's additional money added to the total loan amount for the cost of upgrades or repairs.

These loans are available through the Title I Property Improvement Loan Program, issued by the Housing and Urban Development Department. Title I loans are insured by the FHA and issued by lenders, specifically geared toward owners with little equity in their homes.

Home Equity Line of Credit

With a home equity line of credit (HELOC), you can use the value you have in your home. If you have an unexpected major expense, this can be a good way to take advantage of your home's equity. You are borrowing against your home, though, so make sure you use the money wisely and pay it back.

Similarly, a home equity loan is secured against the equity in your house. This loan is different from a HELOC because it's issued as a lump sum rather than a line of credit. You get a fixed interest rate with a home equity loan since it's secured. Secured means your home is the collateral.

To get a home equity loan, you usually have at least 15-20% equity.

Personal Loans

A personal loan isn't the best way to cover an emergency expense if you can avoid it, but it may be your only option. The good things about personal loans are that you can qualify and get funding quickly. Once you're approved, an online personal loan may show up in your account the next day.

The application process is fairly simple too.

Credit Card

Finally, if you have to use a credit card, try to find an option to apply for that has a 0% APR introductory period. The longer this period, the better if you can qualify. Then, you can pay back the cost of the emergency expense over time without high interest rates.

Courtesy of Realty Times



COLDWELL BANKER
BLACK HILLS LEGACY
REAL ESTATE



Should You Do Colored Cabinets In Your Kitchen?

One of the biggest trends in home design right now are painted or colored cabinets. Typically, kitchen cabinets are white or natural wood color. Now, however, a lot of designers and homeowners are moving out of the confines of these traditional cabinet color palettes.

If you're considering painting your cabinets, the following are some things to keep in mind and some trends to consider.

Take Into Account the Rest of the Room

Before you paint your cabinets, consider the rest of your kitchen, and if it's an open-concept space, the living and dining room as well. If you're completely remodeling your kitchen, this isn't as much of a concern because you can build your color palette and design around the color of the cabinets.

If you're just doing a cabinet refresh, you do want to keep the rest of the design in mind.

For example, if you're going with a dark cabinet color, is it going to make the rest of the space too dark, or is there enough natural light to balance it out? Sometimes a fun color can also work as a neutral, such as a shade of gray.

Don't Go Too Trendy

While the idea of having a fun kitchen cabinet color is appealing, be honest with yourself before you jump in. If you're someone who gets sick of things easily, you need to be careful. That mint green shade might seem perfect now, but will you still feel that way in a few months? It's best if you choose a color that you can work around in other ways if you want a refresh in the future.

New Neutrals

As was touched on, you can still have a unique kitchen and cabinets that are a beautiful color while maintaining a neutral color palette. When it comes to cabinets, maybe you go for greige, which is a combination of gray and beige. It's chic and unexpected, but it's still a neutral that gives you a lot of wiggle room if you want to change your design in the future.

Navy is also a beautiful color for cabinets that still is versatile enough to be used in different designs. Navy is a classic color, and it's beautiful with metals like copper and brass, which are trending right now.

Even doing a warmer white as opposed to bright white gives your kitchen cabinets a distinct feel but keeps you in a zone that's easy to work around with the rest of your design.

Dark Colors

If you have enough natural light in your kitchen and you want something bold and dramatic, there are a lot of beautiful dark colors that are on-trend right now. For example, dark greens, dark grays, and even black are popular cabinet color options.

There's a lot of depth and emotion that's created when your cabinets are dark.

The beauty of dark cabinets is also that they hide stains and spills, so if your kitchen gets a lot of use, dark cabinets can be low-maintenance.

Finally, if you want to go with something even more unique and colorful, like a bright green, balance it with neutrals elsewhere. For example, maybe you have an all-white kitchen, but your cabinets are your primary pop of color. You can also do a contrasting island that's a more unusual color, while the perimeter cabinets or white or neutral.

Courtesy of Realty Times

(continued from page 2)

- Problems with the home inspection
- Issues that arise during the walkthrough
- Problems with the paperwork

Closing Costs

Once you make it to your closing date, there are closing costs. These are fees charged by third parties before the purchase of your new home can be finalized.

Closing costs tend to include appraisal fees, attorney expenses, and your premium for your homeowners' insurance.

Overall, the closing fees usually come out to anywhere from 3 to 4% of the purchase price of your new home.

Your lender should send you a Closing Disclosure at least three business days before your closing date. This will tell you all the terms and costs, as well as who pays what and to whom it's paid. Go over these costs carefully and make sure they match what you received in your Loan Estimate.

What Happens on the Day?

Once you arrive at your actual closing day, you'll need to bring your photo ID, any paperwork or documents that are still needed for the mortgage loan officer or title company, and a certified or cashier's check. The check needs to be made payable to the title or closing company. The check is for any closing costs that aren't deducted from the sales price.

On closing day, you'll pay any remaining closing costs that you should already be aware of based on your review of your Closing Disclosure.

The seller signs documents transferring ownership of the property.

You will sign a few things, including a settlement statement that outlines all the costs related to the sale, a mortgage note saying you promise to repay the loan, and a mortgage or deed of trust. Then, a title company registers the deed in your name.

Once you close on your new home, you may be able to move in as soon as the paperwork is completed unless the seller has asked for different terms, but those will already be in your contract.

Courtesy of Realty Times

April Real Estate Roundup

Freddie Mac's results of its Primary Mortgage Market Survey® shows that "The combination of swift home price growth and the fastest mortgage rate increase in over forty years is finally affecting purchase demand. homebuyers navigating the current environment are coping in a variety of ways, including switching to adjustable-rate mortgages, moving away from expensive coastal cities, and looking to more affordable suburbs. We expect the decline in demand to soften home price growth to a more sustainable pace later this year."

- 30-year fixed-rate mortgage (FRM) averaged 5.1 percent with an average 0.8 points for the week ending April 28, 2022, up from last month when it averaged 4.42 percent. A year ago, at this time, the 30-year FRM averaged 2.98 percent.
- 15-year FRM this week averaged 4.4 percent with an average 0.9 points, up from last month when it averaged 3.63 percent. A year ago, at this time, the 15-year FRM averaged 2.31 percent.
- 5-year Treasury-indexed hybrid adjustable-rate mortgage (ARM) averaged 3.78 percent this week with an average 0.3 points, up from last month when it averaged 3.36 percent. A year ago, at this time, the 5-year ARM averaged 2.64 percent.

Courtesy of Realty Times



6015 Mount Rushmore Road
Rapid City, SD 57701
605.343.2700 ph
605.342.2247 fax
www.coldwellbankerrapid.com



Courtesy of:
Ron Sasso
Broker Associate
(605) 593-3759
ron.sasso1@gmail.com

Black Hills Events

Custer State Park Open House Weekend
May 20 - May 22
Custer State Park

Fruhlingfest
May 21: 1:00 PM - 5:00 PM
Main Street Square, Rapid City

Black Hills Farmers Market
Every Saturday May - October
Every Wednesday July - October
Market Park on Omaha

Food Truck Friday
Fridays May 6 - July 29: 11:00 AM - 3:00 PM
Main Street Square, Rapid City

13th Annual Black Hills Film Festival
May 31 - Matthews Opera House, Spearfish
June 3, 4 & 5 - Historic Hot Springs Theatre
June 3, 4 & 5 - Hill City High School Theatre
June 4 - Elks Theatre, Rapid City

Black Hills Quilt Show
June 2: 5:00 PM - 8:00 PM
June 3: 9:00 PM - 5:00 PM
June 4: 9:00 PM - 4:00 PM

Kid's Carnival
Saturday, June 4: 11:00 AM - 3:00 PM
Main Street Square, Rapid City

Summer nights
Thursday, June 2: 6:00 PM - 9:00 PM
Downtown Rapid City

Spring Volksmarch at Crazy Horse
June 4 & 5: 6:00 AM - 4:00 PM
Crazy Horse Memorial

Cookies, Corks & Brews
Holiday Inn - Rushmore Plaza
Tuesday June 7: 5:00 PM - 9:00 PM
Event Benefitting Girl Scouts Dakota Horizons

Sturgis Camaro Rally
June 23 - 26
Sturgis