

Rapid City Real Estate Update



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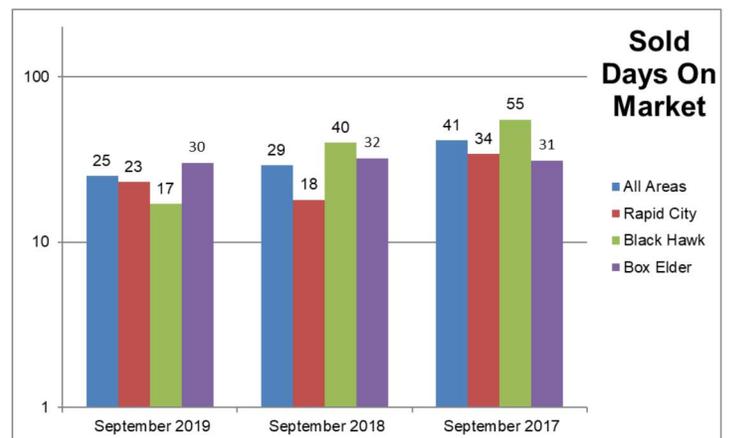
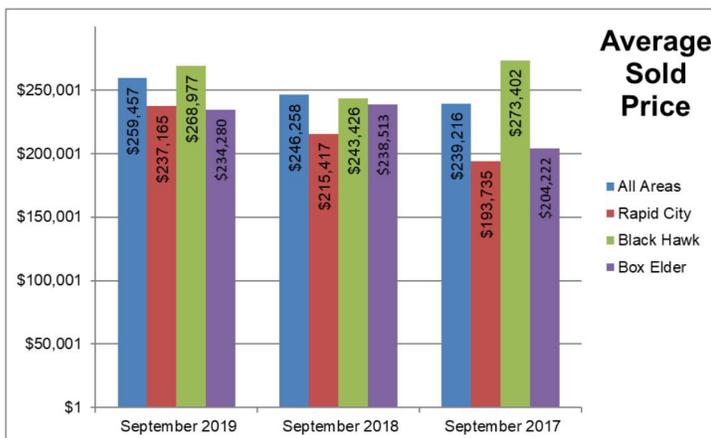
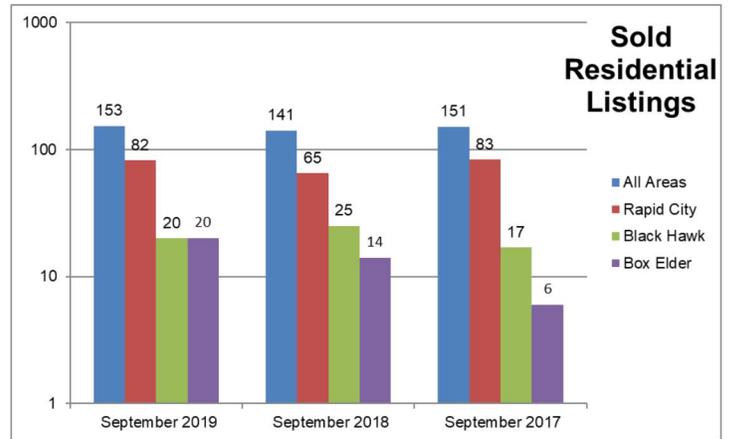
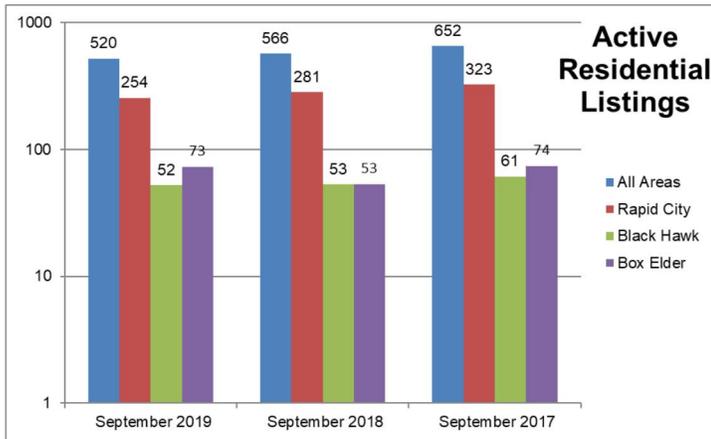
BLACK HILLS LEGACY

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In This Issue

- P.1 Rapid City & Area Market Conditions P.2 Can't Afford To Buy A Home? Have You Looked Into Down Payment Assistance?
 P.2 It's A DIY World Out There. Are You Game? P.3 You Might Still Qualify As A First Time Buyer - Even If You've Owned A Home Before
 P.3 September Real Estate Roundup P.4 Black Hills Events P.4 Want To Feel Safer At Home? Follow These Tips.

Rapid City & Area Market Conditions For September 2019



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It's A DIY World Out There. Are You Game?

More and more homeowners are looking to save money, gain valuable experience, and take pride in their places by doing their own home fixes and renovations. But when do you know if a project is DIY-worthy or DIY-crazy?

We're looking at five of the most popular projects to determine whether you can have at it or you should turn it over to the pros.

New floors

The cost to install new wood floors can range widely, and is largely dependent on the cost of the product itself. HomeAdvisor estimates the cost of installation at \$3–8 per square foot; You can save thousands by installing it yourself, but it can be challenging

"Installing wood (or wood-like) floors can range from a fairly easy DIY project to one that requires a good bit of carpentry and finishing skills," said Today's Homeowner.

Truth be told, installation is hard on the knees, hard on the back, tedious, and seemingly never-ending—and also incredibly satisfying if you pull it off. "Flooring is one of the most popular home improvement projects because it's a way to transform the look and feel of the home without spending a fortune," Dan DiClerico, home expert at renovations website HomeAdvisor, told Money. "We've seen the project really take off in the age of open-floor plans in contemporary homes."

Be sure to invest in good products, good tools, and take breaks as needed to keep your body—and your mental state—in a good place.

New lighting

A sparkly chandelier over the dining table, some new pendants that illuminate the kitchen island—the right lighting can make a huge difference in how your house looks and feels. Sometimes, all it takes is a change of lighting to make a space look fresher or give it some personality. But, while we're all about picking out the good stuff, we don't mess around with anything that can electrocute us. If you have basic wiring skills and feel confident that you won't set the house on fire while installing a new sconce, have at it. This post will give you some good info.

For the rest of us, count on an hourly rate of "\$40 to \$100 per hour with (continued on page 3)

Can't Afford to Buy a Home? Have You Looked Into Down Payment Assistance?

What's the No. 1 reason renters fear taking the leap to homeownership or don't even think the leap is possible? That pesky down payment. Even with an FHA loan that requires a minimum of only 3.5% down, the idea of setting aside several thousand dollars is daunting at the least (and, in many cases, darn near impossible).

A survey from Apartment List shows that most millennial homebuyers can't come up with the funds for a down payment. "Seventy-two percent of millennial renters who plan to purchase a home cite affordability as a reason that they are delaying homeownership, with 62 percent pinpointing a lack of down payment savings specifically," they said. "Forty-eight percent of millennial renters have zero down payment savings, while just 11 percent have saved \$10,000 or more."

Down payment assistance programs can fill in the gap, but many buyers don't even know they exist. "Down payment assistance can come from many different sources—including federal, state, county, city and nonprofit agencies—and aren't always well-publicized," said U.S. News & World Report. Anyone who is interested in down payment assistance is encouraged to check with their real estate agent or lender, but doing your own research is key.

In Texas this week, Wells Fargo & Co., NeighborWorks America, and the Business & Community Lenders of Texas rolled out the NeighborhoodLIFT program, a new down payment assistance program promoting sustainable home ownership in the northern part of the state. This program is so new that some industry professionals might not even know it exists.

NeighborhoodLIFT offers up to \$15,000 in down payment assistance plus homebuyer education to eligible families in Dallas as well as Tarrant County. Eligibility is based on income. In addition, "Military service members and veterans, teachers, law enforcement officers, firefighters and emergency medical technicians may reserve down payment assistance grants of \$17,500 and earn up to 100% of the area median income," said NBCDFW.



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How to find down payment assistance:

1. Do a national search.

You'll be surprised how many programs you can find. "Do you even know that down payment assistance (DPA) programs exist? You're in good company if you don't," said The Mortgage Reports. "These programs help homebuyers with loans or grants that reduce the amount they need to save for a down payment. And there are more than 2,000 of them nationwide."

2. Check out statewide programs.

From the HUD site, you can search by every state plus the District of Columbia, Puerto Rico, and the U.S. Virgin Islands to see which programs are available for you.

3. Now take it local.

Don't forget to check for programs in your city. The City of Los Angeles Housing + Community Investment Department (HCIDLA) offers up to \$90,000 in financial assistance for first-time, low income homebuyers. In Memphis, there is a zero-interest deferred loan that provides funding for first-time homebuyers' down payment and closing costs for eligible homebuyers through its Division of Housing and Community Development (HCD). In Miami, you may be able to get a forgivable zero-interest deferred MDEAT Homeownership Assistance Program (HAP) loan; the program was designed "to increase the number of first-time home purchases for low-to-moderate income residents living in Miami-Dade County."

4. Search by your profession.

If you're a current or former member of the military, you likely already know about VA loans. Did you know they require no down payment?

The Neighbor Next Door Program is another good one. This program for law enforcement officers, firefighters, emergency medical technicians, and teachers requires only a \$100 down payment for eligible homebuyers. Because the program is tied to the idea of revitalization, homes in these communities are offered to eligible buyers at a 50% discount. Buyers must commit to living in-home for at least three years.

Courtesy of Realty Times

You Might Still Qualify as a First Time Buyer— Even If You've Owned a Home Before



First time home buyers are sometimes considered a “pump primer” in real estate. Buying an initial home typically means buying from someone else who then

buys another home. And on it goes. But it's often that first time buyer that starts the ball rolling and why they're encouraged to stop renting and start owning. This group is so important that many state agencies and mortgage companies offer loan programs that cater to first time buyers with special incentives. The incentives could be a lower rate or a contribution toward closing costs and even assistance with a down payment.

How does a lender know if someone is a first time buyer? By asking. Lenders who have access to programs such as a Down Payment Assistance product, will ask the applicant at the early stages of prequalification. A lender will also want to know how many funds are available to close on a home purchase, which includes not just the down payment, but associated closing costs and cash reserves as well. If the applicant responds with “selling my home” then a first time buyer program won't apply.

Depending upon where the subject property is located, there may be grants available to help with funds needed to close. Grants are funds issued to first time buyers that do not have to be paid back. Many such programs do ask that the applicants live in the property for at least three years and if that's the case, when the

home is sold, the grant is forgiven. Various government agencies can also participate in the first time buyer market with loan programs that offer discounted interest rates. There will typically be certain income limitations for such programs, which limit the amount of household income of the applicants. Or, homes located in underserved markets may also work only with first time buyers. There are different variants depending upon the location of the property but most such programs do carry these guidelines.

Someone can qualify for a first time buyer incentive even if they've owned a home before. At first glance that doesn't make a whole lot of sense, but most programs require someone to not have owned a home within the previous three years. If that litmus test is passed, someone may qualify for a first time buyer program after all. Lenders can ask about previous home ownership but can also look at a credit report for the applicants to see if there is a mortgage account listed. The credit report will report the mortgage account and provide dates when the mortgage was originally issued and when it was paid off. If the mortgage was retired more than three years ago, the report will say so. If the mortgage was retired less than three years, the applicant would not be approved for a first time home buyer loan program.

Finally, if a couple buys a home together, there's the possibility one will be a first time buyer and the other having owned a home before. In this instance, the loan would not be considered for a first time buyer program because one of the borrowers was a previous homeowner.

Courtesy Of Realty Times

(continued from page 2)

a \$75 service call-out fee,” said HomeGuide. “Small electrical projects range from \$141 to \$419 with most homeowners spending \$280 on average. Project and hourly rates depend on the electrician's experience level and the type of work.”

New plumbing fixtures

Plumbing is the other thing we don't mess with. We're happy to pay a professional to do the job right. But for those in the know, the savings over hiring a plumber can be well worth it. Adding a shiny new sink and faucet to a kitchen can give the whole space a lift. Ditto in the bathrooms, where changing out a shower head and faucets can make it appear that the space has been updated. Expect to pay a plumber “from \$175 to \$450 for a typical job with the average cost per hour ranging from \$45 to \$200,” said HomeAdvisor.

Replacing windows and doors

New windows and doors can add curb appeal, improve energy efficiency, and provide pretty good ROI while they're at it. For most people, however, this is a professional job. “Window replacement is a bigger job than most homeowners may expect,” said The Spruce. “Window installers, after all, replace windows every day of their life; what is difficult for the DIYer is rote for them.” In addition, “it is difficult for homeowners to buy their own replacement windows for self-installation.

According to HomeAdvisor, “labor will run \$150 to \$800 per window,” so the savings can be substantial. If you want to take a chance, there is some good how-to info here, and Window E-Store is a good place to start looking for windows.

Painting your kitchen cabinets

We've talked a whole lot about painting kitchen cabinets—because it's one of homeowners most-wanted renovations. The cost of hiring a professional can make the project price prohibitive; you're looking at several thousands of dollars to get a fine finish. Scrimp on someone without the experience, or who isn't going to do all the prep or skip steps, and you might save a few bucks, but you might also end up with drips, cracks, peeling paint, or all of the above.

That having been said, painting your own cabinets is a tremendous undertaking. It will test your patience, your resolve, and maybe even your marriage. So consider this one carefully.

Courtesy of Realty Times

September Real Estate Roundup

Freddie Mac's results of its Primary Mortgage Market Survey® shows that “With both the unemployment rate and mortgage rate below four percent and near historic lows, it is no surprise that the housing market regained momentum with home sales and construction at or near decade highs. The fall housing market is poised to continue with steady gains in prices and solid sales activity.”

- 30-year fixed-rate mortgage (FRM) averaged 3.64 percent with an average 0.6 points for the week ending September 26, 2019, up from last month when it averaged 3.55 percent. A year ago, at this time, the 30-year FRM averaged 4.72 percent.
- 15-year FRM this week averaged 3.16 percent with an average 0.5 points, up from last month when it also averaged 3.03 percent. A year ago, at this time, the 15-year FRM averaged 4.16 percent.
- 5-year Treasury-indexed hybrid adjustable-rate mortgage (ARM) averaged 3.38 percent this week with an average 0.4 points, up from last month when it averaged 3.32 percent. A year ago, at this time, the 5-year ARM averaged 3.97 percent.

Courtesy of Realty Times

Black Hills Events

Jewel Cave National Monument Open House

October 19 - 10:00 AM to 3:30 PM
Jewel Cave National Monument, Custer

Scare in the Square

October 26 - 1:00 PM to 3:00 PM
Main Street Square, Rapid City

Entrance Fee Free Day: Veteran's Day

November 11
National Parks & Monuments

Rapid City Rush Games

October 25 & 26
November 6, 8, 9, 20, 22 & 23
Ice Arena, Rushmore Plaza Civic Center

Naja Shriners Show N Sell Holiday Market

November 2 - 9:00 AM to 3:00 PM
Rapid City Shriner Center Event Center

Ice Rink Opening Day

November 23
Main Street Square, Rapid City

Deadweird

October 25 & 26
Deadwood

Veteran's Day Celebration

November 11 - 10:00 AM to 11:00 AM
Main Street Square, Rapid City

Information provided by:

www.visitrapidcity.com
& www.downtownrapidcity.com

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Want To Feel Safer At Home? Follow These Tips.

We all love that taste of independence when we have the keys to our apartment. Having no one bossing you around or dealing with an annoying roommate can be quite exhilarating for many people. However, living alone isn't always that grand- especially when it comes to your safety. If you aren't feeling safe on the premises of your home, your fun experience can quickly turn into a nightmare. That is why you should never compromise on the safety precautions of your house, whenever you are deciding to live alone.

Make sure to look into the following tips to help you manage the security of your home and keep yourself safe from any future threats.

- **Increase the Brightness:** Install motion detectors with lights, especially in dark corners of your yard. You can also try out some apps or devices that put a timer on your home lights.
- **Increase Home Security:** Install or upgrade a security system. Devices such as doorbell cameras and motion detectors can be helpful as well.
- **Get to Know Your Neighbors**
- **Be Smart with Your Keys:** Change the locks of your house and make sure you are the only one with the key. Don't hide spare keys under a rug or potted plant, give them to a close friend or relative you trust. Don't fumble with your house keys before entering your home, it can be dangerous especially if you come home after work at night or live in a quiet neighborhood.
- **Be Careful Online:** Be careful about the things you post online. Posting your current location can be the biggest giveaway you can provide to potential criminals. Be careful not to hint when you are going out or plan on coming home. The more privacy you control, the safer you will be.
- **Emergency Exit Strategy:** When you have a backup plan set up in the back of your head, it can help you respond better to emergencies. Your anxiety will be kept at bay once you have a clear idea of what you can do to keep yourself safe.

Courtesy of Realty Times