

# Rapid City Real Estate Update



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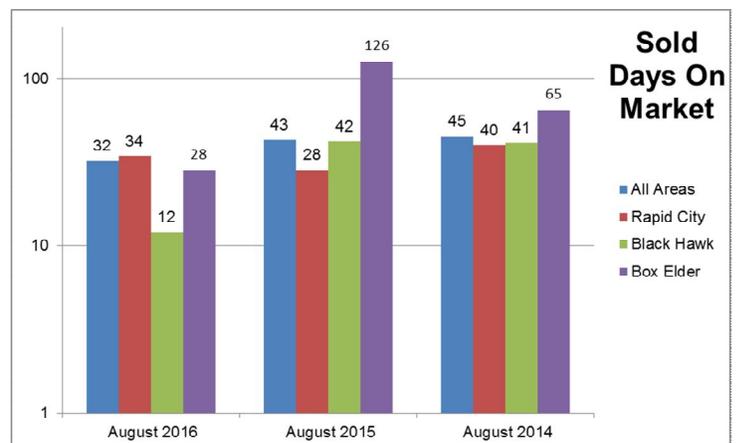
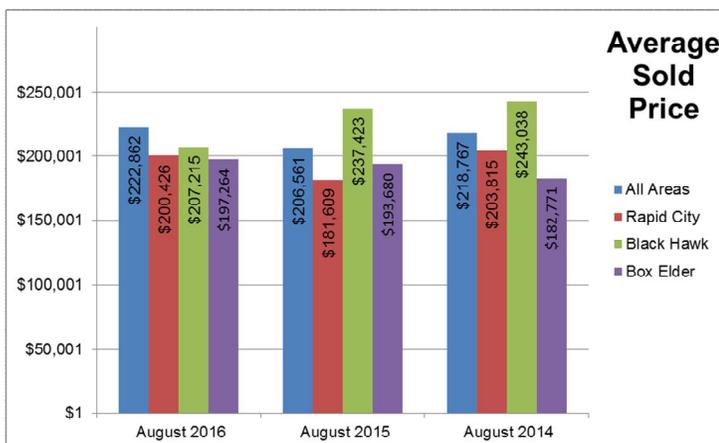
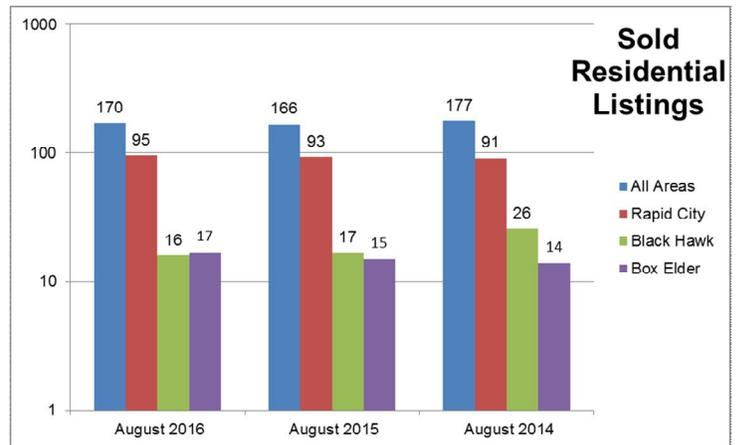
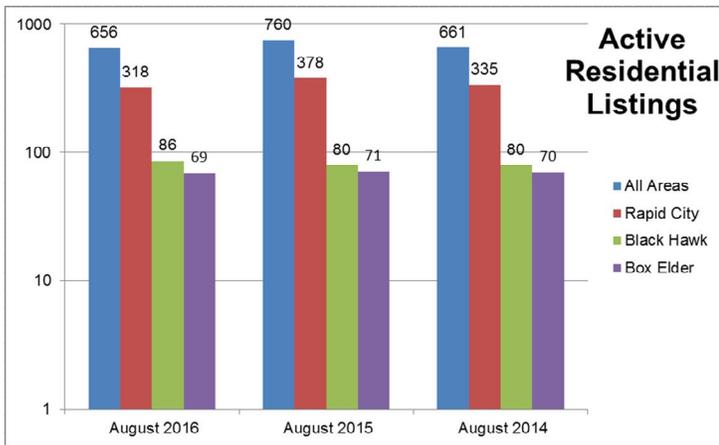
LEWIS-KIRKEBY-HALL  
REAL ESTATE, INC.

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## Rapid City & Area Market Conditions For August 2016



### 3 Sanity-Saving Tips For Moving-In Day

No matter how intensely you prepare for moving day, you may still face problems if you overlook three sanity-defeating challenges. Can you and your partner really think clearly when swamped by distractions, exhaustion, and disorientation?

Adopt these 3 Crucial Sanity-Saving Tips for living happily beyond moving day and you'll make settling into your new home a great success:

**#1: Anticipate Distraction and Prepare to Think Ahead:** Distraction is not a physical state, but a mental one. In a car, you can have both hands on the wheel, eyes on the road, cell etc off, and still be distracted while driving. The moving experience represents a huge mental distraction, so that what you say to new neighbors can get you off on the wrong foot in spite of your best intentions. With your head packed full of moving details and your brain in a state of exhaustion from moving out of your last home and preparing to set up your new home, you are not as in charge of your brain and your mouth as usual.

Acknowledge you'll be distracted and be prepared. Just as celebrities prepare responses for paparazzi, think about what you want to say before the day arrives. If a wildfire of neighborhood curiosity engulfs you, how will you respond to: "What did you pay for the house?" or "Why did you have to move?" When asked personal questions about family and your occupation, a light-handed, but respectful response in "love to tell you more later"-style may be a friendlier response than disjointed descriptions or "not now please" rebuffs. Make politeness your goal for the day even if neighbor behavior tests your resolve.

**#2 Fight Exhaustion and Prepare for Energy Plus:** The sustained physical and mental stress of moving out of the old home and into the new one, even if you have lots of help, will disrupt your routines. Fast-food and junk food may seem like an easy fix, but your exhausted moving team (including you) needs more substance to be continually refreshed and recharged during the moving process. Expect this and stock up on nutritional supplements, healthy quick foods, bottled water, non-sugar drinks, and fruit, and encourage cat-naps whenever feasible. Avoid sugar, caffeine, and alcohol until after the

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## 4 Things You Should Be Doing With Your Home Equity

You may be sitting on a goldmine. Or a small fortune. Or at least a little chunk of cash. Rising home prices across the country means homeowners have some equity. So what can you do with it? More importantly, what should you do with it? If you've got money in your house, you've got some options.

"Done wisely, you can use the lower-interest debt secured by your house to pay off debts with high interest rates, like credit cards," said houselogic. "It's also a good choice if you know exactly how much you need to borrow for a big expenditure like a new kitchen."

Historically low interest rates have ignited "a surge in demand for home equity loans this year," said HOUSINGWIRE. James Chessen, chief economist for the American Bankers Association, told them: "The market for home equity loans and lines will likely continue to grow as a larger pool of qualified borrowers looks to take advantage of low rates to make property improvements or pay off higher-interest debt."

### 1. Make smart updates to your home :

Home improvement is "the No. 1 use" of home equity loans and home equity lines of credit (HELOCs), Kelly Kockos, senior vice president of home equity for Wells Fargo in San Francisco, told Bankrate.

Smart property improvements that raise the value of the home make sense for those who have a cushion. But, it's important to keep in mind the increase in payments. Even if a kitchen remodel or an overhaul of the front-yard landscaping ends up raising the value of your home, you won't recoup that money until you sell.

Make sure you're not "increasing overhead to the point that it's not affordable or comfortable for you," Justin Lopatin, vice president of mortgage lending for PERL Mortgage in Chicago, told Bankrate.

You'll also want to focus on smart renovations that provide return on investment. An attic remodel may not pay off like updates to your bathrooms.

**2. Put your kids through college:** "A HELOC or home equity loan can be an attractive way to finance a child's education because the interest rate might be lower and the maximum loan amount higher than some other types of education financing," Andy Tiip, president of Trillium Valley Financial Planning in Sherwood, Oregon, told Bankrate.

Interest rates on home equity loans and lines of credit are "roughly comparable" to rates federal Stafford loans, according to HSH.com, "but far less than the 7.21 percent interest rate currently charged for federal PLUS loans made to parents."

**3. Pay off those high-rate credit cards:** Did you know that the average interest rate on credit cards is more than 15 percent?! If you have a \$10,000 debt on a credit card at that interest rate and make the minimum payment, you'll be paying it off for nearly 30 years, and it'll cost you almost \$12,000 in interest.

A HELOC with an interest rate around five percent that you use to get your card(s) paid off makes a lot of sense.

"HELOCs are often touted as a great vehicle for consolidating high-interest debt," said nerdwallet. "Because HELOCs are secured by your home, their interest rates are significantly lower than credit cards. Additionally, rates on home loan products (including HELOCs) have been at historic lows since the Great Recession. This means that if you roll several cards onto one HELOC, you could save serious money on interest payments." The tax-deductible interest is also a huge advantage. "This could add up to savings when tax time rolls around."

**4. Leave it alone:** If there's one thing we learned from the downturn, it's that reckless financial decisions related to your house can have dire consequences.

"The fact that you're staking your home against your ability to pay off the debt is just the beginning of the potential drawbacks," said HOUSELOGIC. "A home equity loan is a lien on your house that usually takes second place to the primary mortgage. As such, home equity lenders can be left with nothing if a house sells for less than what's owed on the first mortgage. To recoup losses, second-mortgage lenders will sometimes refuse to sign off on short sales unless they're paid all or part of what they're owed."

Moreover, even though the lender loses its secured interest in the house should it go to foreclosure, in some states, it can send debt collectors after you for the balance, and report the loss to credit agencies. This black mark on your credit score can hurt your ability to borrow for years to come."

Leaving your equity and letting it continue to grow while the home appreciates and/or you pay down the balance is the safest choice. But is it the one that works for you?

*By Jaymi Naciri  
Courtesy of Realty Times*

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# Use Technology To Attract High End Home Buyers

ERA Real Estate and HGTV reported 46 percent of consumers see smart-home technology as important for their current and future residences. But luxury homebuyers are willing to make the ultimate sacrifice. According to Digital Interiors, 94 percent of buyers surveyed would sacrifice 1,000 square feet of living space for more technology in their new home. Oversized houses are no longer the driving trend in the luxury real estate market and agents are under pressure to respond to the demand. Here's what affluent homebuyers are looking for and which gadgets are must-haves.

## Get a Smart Thermostat

Outfit your listings for luxury with smart-home additions like a smart thermostat. The Nest programs itself based on your preferences and can adjust whenever you leave to conserve energy. Your clients can control the system right from their smartphones. Owners can warm up the living room before an evening entertaining clients, talk about how they can jet set to their vacation home and simply check-in on their property as needed. The idea behind a smart thermostat is really about controlling the overall climate of the home as opposed to an exact temperature.

## Enhance your Home Surveillance

Home security systems have always dabbled in the high-tech world of smart automation. In the past, most alarms simply triggered an annoying sound and contacted the police at signs of danger.

Today, home security cameras keep an eye on the inside and outside of the home with wireless cameras. A wireless camera system can be mounted to the wall or ceiling and monitored

remotely. Home buyers are sure to be wowed by its sleek and discreet design. Some home security companies, like Lorex Technology, even offer subscription-free monitoring options, yet another attractive feature for potential buyers. New owners can keep an eye on their home from vacation, at work or on a spontaneous outing without worry.

## Go High-Tech Culinary

Updating a kitchen has always been a recommended way to raise a home's price tag and attract buyers. But affluent home shoppers are looking for more than just new appliances and chef's kitchens. The latest technology trends include no-touch faucets and smart refrigerators that can alert you when you're running low on groceries. The LG model features an internal camera to check on its contents, built-in Wi-Fi to connect to your mobile device and offers available accessories that can be 3-D printed. Other high-tech touches like Bluetooth smart cooking thermometers tell your mobile device when your food is ready to create perfect dishes every time.

## Upgrade your Luxury Entertainment

Just about every home has a flat-screen television; some piped for surround sound and home theaters. Let your clients take entertaining to a new level by controlling everything from one device like Savant. Your clients can adjust the lighting, change the channel on your smart TV and turn on music. A system like Savant can also help monitor your home's security and adjust the climate as needed. While clients are getting ready upstairs for an evening with friends, they can adjust the entertainment area and living room downstairs to create a luxurious atmosphere.

*Courtesy of Realty Times*

(continued from page 2)

last box is safely inside and the moving truck leaves. Resolve to crash after everything is done not during a crisis.

## #3 Counteract Disorientation and Prepare for the Worst:

In even the most cohesive enclaves, there are undercurrents of past grievances, real and imagined, so step carefully. You will not know what sentiments were left behind by the previous owners.

Many of the new introductions may not stick, so prepare to re-greet. There's no way you'll remember who everyone is and who all the kids belong to.

Don't expect to have time to search solutions on your phone&mdash;if you can find it! If you're new to the area, make a list of the phone number and address for the nearest hardware store (with key cutting), grocery store, medical clinic, pharmacy, bank/ATM, and gas station in case an emergency run is required.

Neighbors usually only want to help, but they can be drains on attention, energy, and good humor. Decide who is doing what during the move, so one partner isn't trapped entertaining neighbors while the other slaves in fuming silence.

If you have very private or expensive things that you don't want the entire neighborhood to see, box or bag these treasures them.

Decide which typical moving-in problems would be a big deal for you and prepare for the worst, so you'll achieve the best outcome possible. Parking issues regarding the moving truck and helpers' cars represent another prepare-ahead detail.

Engage your real estate professional to ensure you'll receive the right keys and copies when you expect to. Also ask what happens if there is a closing delay and the keys are not available. Who will pay any costs of this delay including issues with the moving truck?

You may be on top of all the hundreds of details involved in moving your family, but a successful move hinges on preparing to head off these three sanity-defeating problems — distractions, exhaustion, and disorientation — before they "move in" on moving day.

*By PJ Wade  
Courtesy of Realty Times*

## Tips To Improve The Odds Of An Offer

Pay attention to the following important details for the best offer on your home:

**Price it right.** Set a price at the lower end of your property's realistic price range.

**Prepare for visitors.** Get your house market ready at least two weeks before you begin showing it.

**Be flexible about showings.** It's often disruptive to have a house ready to show at the spur of the moment. But the more amenable you

can be about letting people see your home, the sooner you'll find a buyer.

**Anticipate the offers.** Decide in advance what price and terms you'll find acceptable.

**Don't refuse to drop the price.** If your home has been on the market for more than 30 days without an offer, you should at least consider lowering your asking price.

*Courtesy of Realty Times*

# Black Hills Events

## Taste of the Hills

September 13 - 6:00 PM to 9:00 PM  
Main Street Square, Rapid City

## Deadwood Jam

September 16-17  
Deadwood

## Great Downtown Pumpkin Festival

September 24 - 9:00 AM to 4:00 PM  
Main Street, Square Rapid City

## 1880 Oktoberfest Train

September 24  
1880 Train Depot, Hill City

## Oktoberfest In Deadwood

September 29 - October 1  
Deadwood

## Annual Buffalo Roundup

September 30  
Custer State Park

## Crazy Horse Autumn Volksmarch

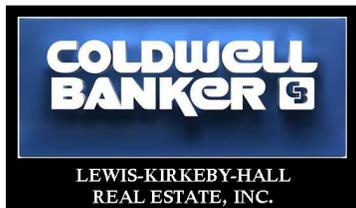
October 2 - 6:00 AM to 4:00 PM  
Crazy Horse Memorial, Custer

## 2016 Black Hills Powwow

October 7-9  
Rushmore Plaza Civic Center, Rapid City

## Information provided by:

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& [www.downtownrapidcity.com](http://www.downtownrapidcity.com)



2700 W Main Street  
Rapid City, SD 57701  
605.343.2700 ph  
605.342.2247 fax  
[www.coldwellbankerrapid.com](http://www.coldwellbankerrapid.com)



Courtesy of:

**Ron Sasso**  
Broker Associate  
(605) 593-3759  
[ron.sasso1@gmail.com](mailto:ron.sasso1@gmail.com)

## Fixed Rates Remain Low

In Freddie Mac's results of its Primary Mortgage Market Survey® (PMMS®), the average fixed mortgage rates remained unchanged from the previous week, while still remaining near their all-time record lows.

30-year fixed-rate mortgage (FRM) averaged 3.43 percent with an average 0.6 point for the week ending August 25, 2016, unchanged from last week. A year ago at this time, the 30-year FRM averaged 3.84 percent.

15-year FRM this week averaged 2.74 percent with an average 0.5 point, unchanged from last week. A year ago at this time, the 15-year FRM averaged 3.06 percent.

5-year Treasury-indexed hybrid adjustable-rate mortgage (ARM) averaged 2.75 percent this week with an average 0.4 point, up from last week when it averaged 2.74 percent. A year ago, the 5-year ARM averaged 2.90 percent.

According to Sean Beckett, chief economist, Freddie Mac: "Treasury yields were little changed from the prior week and the 30-year fixed-rate mortgage held steady at 3.43 percent this week. This marks the ninth consecutive week that mortgage rates have been below 3.5 percent. Markets are erring on the side of caution ahead of the second estimate for second-quarter GDP and Fed Chair Janet Yellen's speech on Friday"

*Courtesy of Realty Times*