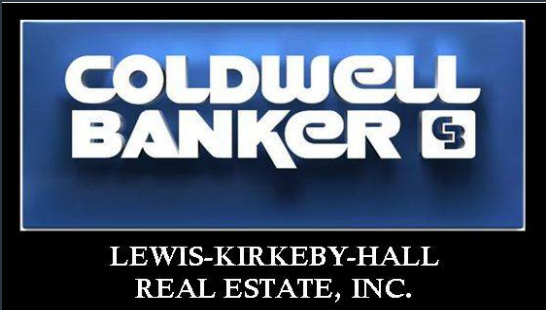


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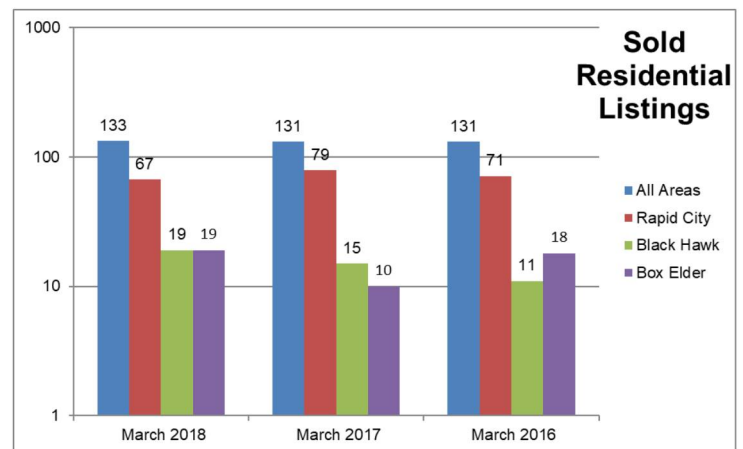
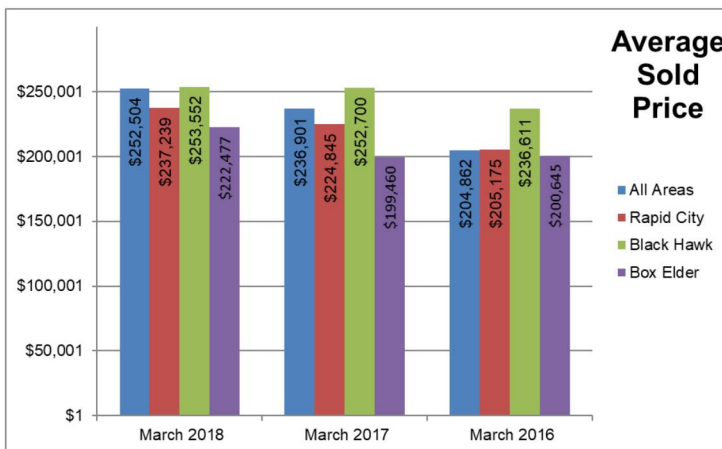
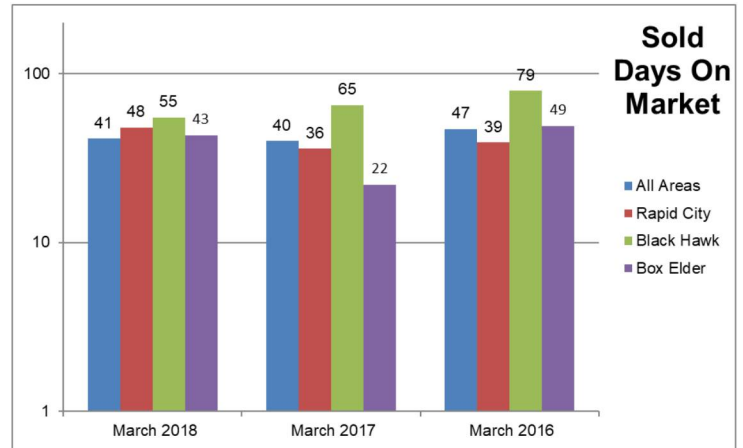
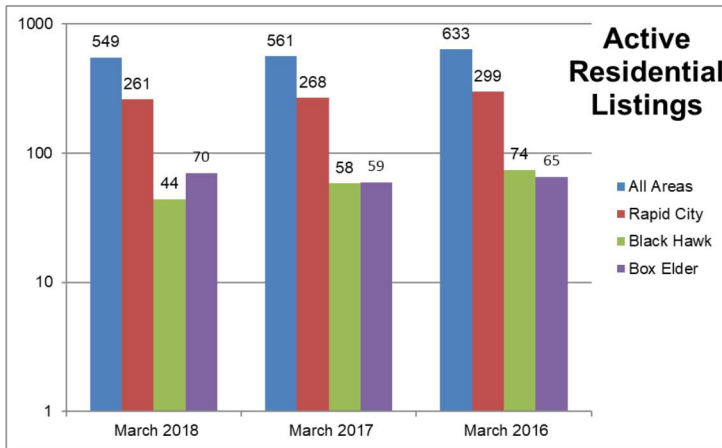
April 2018



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Rapid City & Area Market Conditions For March 2018



Improve Your Chances of Obtaining a Home Mortgage

Securing financing to purchase a new home is one of the most important, exciting, and nerve-wracking financial steps most people will ever take. During the housing boom, mortgage requirements were relaxed to unsustainable levels, and it seemed just about anyone could approach a lender and walk away with financing. But in an effort to recover from a record increase in foreclosures and loan defaults, lenders became more stringent; loan applicants need to meet more demanding requirements to obtain a mortgage. Does this mean that you won't be able to get the financing you need? In a word, no. Here are a few tips to follow for a smoother path to home ownership.

Shore up your credit! If there is one thing you can do to increase your chance of obtaining a mortgage loan, it is to take careful stock of your credit situation and address any issues that are lowering your credit score. The first thing to do is to order a copy of your credit record from all three major credit reporting agencies: TransUnion, Equifax, and Experian. Look over this information carefully to make sure that all three agencies are aligned in their rating of your credit. If you see any errors, dispute them with the company in question. If your credit is too low to obtain an attractive interest rate on a mortgage (680 or higher is considered good; 720 will put you in very good position to secure financing), take a few months to increase it. One way to do this is to take out a credit card, use it to make regular purchases, and pay off the balance monthly.

Reduce your debt. By paying down your debt, you will not only show a lender that you are a good risk for making regular payments, you will end up with fewer outstanding payments or accounts to factor into your debt-to-income ratio. Simply put, the fewer static payments you have on your financial record, the better. While it might not be feasible for you to pay off your

(continued on page 3)



Trends Cost Sellers Money

Every new and widely-adopted trend changes what's considered "standard." When this happens in real estate — inside or out — a seller's non-trend or off-trend house or condominium unit may become "substandard" in buyers' eyes. Sellers who expect top dollar for their property must ensure it makes an on-trend impression with homebuyers, especially millennials.

In interior design, the trend toward ensuite bathrooms combined with the trend to "spa-like" bathrooms has put expensive-renovation pressure on sellers' existing bathrooms. No matter how nice they are to use, if bathrooms don't have the magazine-look buyers lust after, their "this is a gut job" reaction means renovation cost and inconvenience to buyers and the home gets a "too dated to love" mark against it.

To understand what buyers expect, sellers benefit from taking a long hard look at their main rooms after spending a few hours binging on home-renovation shows or pouring over home-decor magazines.

If the resale house or condominium unit doesn't have spa-like bathrooms, an oasis-style master bedroom suite, and an airy (that means new, larger windows) open concept (down come those kitchen, dining room, and living room walls) central living space, buyers will only see massive, expensive renovations to achieve these "must haves."

Buyers may dramatically under-value your house or condo or ignore it altogether. Ask local real estate professionals about the type of buyers who would be interested in the delayed gratification of paying for your "slightly dated" home's location and then undertaking extensive renovations themselves. Will they pay you top-dollar? Kitchens and bathrooms are the most expensive rooms to renovate, so it's annoying to sellers that these are the only rooms that add value to a home. These key rooms may even decide whether a property sells at all.

The last renovation may seem a recent memory to sellers, but they must check the calendar. If it was more than 5 or even 10 years ago, this time lag puts sellers out of phase with millennial buyers — your home reminds them of their parents' or grandparents' place. Not a way to add value or evoke a "dream home" atmosphere.

- If the last renovation was fairly recent, on-trend paint and other cosmetic staging touch-ups may be all that's necessary for great return on this investment.
- If your home decor pays homage to the 20th Century, discuss 21st-Century renovations

options with real estate, construction, and staging professionals.

Hone down what needs to be done to an effective cosmetic minimum after any necessary repairs. Usually sellers aim for the best potential short-term return on decor investment, not on long-term construction returns. As well as kitchen overhauls, here are a few common "out dated" problems:

- Paint color trends now change every year in sync with fashion. The "shades of grey" look is out and color is back. If you have older beige or pink-green color schemes, buyers may discount your home's value dramatically.
- Wallpaper is in again, but if you don't have current wallpaper styles (including ease of removal), you've got a home that represents hours of scraping — not a task most buyers want to spend top-dollar to inherit.
- Stainless steel appliances and brushed nickel finishes were mandatory for years, but they are beginning to fade in popularity. Gold is the new hot metal color even though it hasn't made it to appliances yet. Buyers want new, matching, preferably high-end appliances. How do yours rate?
- Floating bathroom vanities or at least vanities with slender, exposed legs are the new norm. Old chunky cabinets, especially those without double sinks, will generate expensive "gut job" reactions from buyers.
- Solar panels and gas fireplaces have come down in price and so have increased in popularity in many locations. Skip these trends and your home may be considered "out dated" even though you have a new furnace and a classic wood-burning fireplace. "Needs up-dating" responses from buyers mean they see renovation dollar signs instead of the value that sellers believe they live with.

Staging can add cosmetic cleverness, but there still may be a few renovation projects necessary. Staging distracts from negatives and enhances positives with strategic furniture placement, scaled-down furniture, wanna-have pieces, and refreshing repainting. These elements can do a lot to enhance market value, but they can't overshadow a seriously out-of-date kitchen or a poorly-maintained exterior.

A real estate professional's thorough evaluation of market value for your property should include a list of simple and more-complex up-dates that may add to your bottom line. Remember, sellers should concentrate on what target buyers want in their "dream home," not on what sellers have been comfortable living with for years.

By PJ Wade
Courtesy of Realty Times

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Rates Hold Steady

In Freddie Mac's results of its Primary Mortgage Market Survey® the average fixed mortgage rates held largely steady for the week.

30-year fixed-rate mortgage (FRM) averaged 4.44 percent with an average 0.5 point for the week ending March 29, 2018, down from last week when it averaged 4.45 percent. A year ago at this time, the 30-year FRM averaged 4.14 percent.

15-year FRM this week averaged 3.90 percent with an average 0.5 point, down from last week when it averaged 3.91 percent. A year ago at this time, the 15-year FRM averaged 3.39 percent.

5-year Treasury-indexed hybrid adjustable-rate mortgage (ARM) averaged 3.66 percent this week

with an average 0.4 point, down from last week when it averaged 3.68. A year ago at this time, the 5-year ARM averaged 3.18 percent.

According to Len Kiefer, Deputy Chief Economist: "Treasury yields fell from a week ago helping to drive mortgage rates modestly lower. The yield on the 10-year Treasury dipped below 2.8 percent for the first time since early February of this year. The decline in Treasury yields comes as investors move into safer assets amid increased trade tensions. Following Treasuries, mortgage rates fell slightly. The U.S. weekly average 30-year fixed mortgage rate fell 1 basis point to 4.44 percent in this week's survey."

Courtesy of Realty Times

(continued from page 2)

car or student loans quickly, you should be sure that credit card and store balances are low or nonexistent.

Don't splurge. If you can put off making any large purchases until after your home sale has closed, do so. This isn't the time to run out and buy a luxury car or take a lavish vacation. The rule of the day is to be conservative with your spending - meaning more cash in hand for that down payment and reserve cash in the bank to fall back on once you need to start making your monthly mortgage payments.

Save. Save more. And then save more. The amount of money you have in the bank is going to be important when you need to prove to a lender that you can offer up a healthy down payment. While 20% down is the conventional rule of thumb, there are mortgages available that require less cash up front. Your loan officer can point you in the right direction to take advantage of any low- or no-cost down payment programs for which you might qualify. But wherever possible, add to your savings - more money in the bank can only help you qualify for a loan.

Stability is key. Maintaining steady employment or income is an absolute must when you apply for a mortgage. This isn't the time to try a new career path on a lark or risk taking a new position without a lot of job security. Lenders are going to want to see that you have a proven, stable source of income, that you make regular payments on your rent or existing mortgage, and that you seem like a good risk for financing.

Obtaining a mortgage loan may seem like a challenge, but with a little diligence, a little financial restraint, and the aid of an experienced loan officer, you'll have all the tools you need to secure the financing you need. If you can prove your commitment to the cause, you'll be on the path to home ownership in no time

*By Chip Poli
Courtesy of Realty Times*



5 Tips To Refresh Your Home For Spring Time

It may still be snowing in some parts of the country, but spring is almost here.

Before the flowers start budding outside, refresh the inside of your home to give your interior spaces that springtime glow.

Bring the outdoors inside

Adding fresh plants or flowers to an otherwise ho-hum space can spice things up in the blink of an eye. Even if you don't have a garden full of fresh flowers to choose from, greens make a lovely addition to your living room, or even an eye-catching centerpiece for your dining room table. Better Homes and Gardens suggests gathering a few fresh fern fronds for dramatic texture and rich color.

Don't be afraid to add color

One of the easiest ways to perk up your space is to invest in a gallon of paint, call in reinforcements to help you out, and go to town with brushes and rollers. If you're not incredibly adventurous when it comes to color choices but still want a pick-me-up, try going with a warmer, creamier version of the neutrals you already have; a creamy barely-yellow adds so much more warmth and interest than stark white.

You could even paint an accent wall a bold, fun color and use that space to showcase some of your favorite art or family portraits for your own personal art gallery. ForRent.com suggests incorporating bright colors in a breakfast nook or one of the smaller spaces of your home or apartment. It's less of a risk than painting your entire kitchen or living room, but still packs a punch.

Reorganize your bookshelves

If you've got a fantastic library, now is a great time to take everything off the shelves, blow the dust off the covers, and reorganize. You might even consider artfully stacking books in different directions, some horizontal and some upright. Apartment Therapy reports some pretty impressive results simply by arranging books by color for a uniquely eye-catching display.

Update window treatments

Spring is a great time to trade in your richly-textured drapes for lighter, breezier, more summery colors. If privacy isn't a huge issue in a space, try adding light, breezy sheer curtains on a thin, minimalist rod. You'll love how much the change automatically brightens your space. You might also consider substituting your ordinary blinds with Roman Shades. They're a classier way to control light and privacy, and to update your style.

Make your entryway welcoming

Upgrade (or thoroughly clean) your front-door mats and add a wreath to your front door. This could be a fun DIY project for the entire family. Make sure you have an efficient landing spot just inside your front door - a place to drop keys and hang up a coat or jacket before coming inside. This is also a great place for a fun mirror and a flower arrangement. Your home's entryway often gives guests their very first impression of your home, so make it shine with your family's personality and a touch of style.

Courtesy of Realty Times

Black Hills Events

National Park Fee Free For First Day of National Park Week
April 21
All National Parks

Kids Fair
April 27-29
Rushmore Plaza Civic Center

Fruhlingsfest & Spring Market
May 5 - 11:00 AM to 3:00 PM
Main Street Square, Rapid City

May Paint Party
May 10 - 6:30 PM to 9:30 PM
Dahl Arts Center, Rapid City

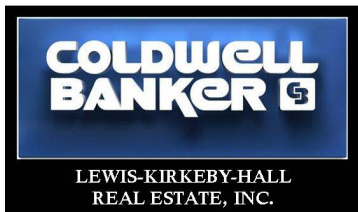
Art & Wine Festival
May 12 - 12:00 PM to 6:00 PM
Main Street Square, Rapid City

Mother's Day Brunch
May 13 - 10 AM to 2:30 PM
Prairie Berry Winery, Hill City

Mother's Day Outing
May 13 - 12:00 PM to 5:00 PM
Reptile Gardens, Rapid City

1880 Train Mother's Day Express
May 13 - 1:15 PM to 4:00 PM
1880 Train Depot, Hill City

Information provided by:
www.visitrapidcity.com
& www.downtownrapidcity.com



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How Much Renting Is Costing Millennials

By the time millennials turn 30, they will have paid \$92,600 in rent, according to a new study by RentCafe, a nationwide listing service for rentals. It's more than previous generations paid when they were between the ages of 22 and 30. RentCafe researchers studied how much millennials, Generation X members, and baby boomers spent on rent during that eight-year time period of their life by using U.S. Census Bureau statistics dating back to 1974.

Millennials have been hit the hardest by rising rents, and Generation Z - the generation following millennials - may have it worse, according to the analysis. Researchers estimate that by the time Generation Z reaches age 30, its members will have paid more than \$102,000 in rent.

Millennials may earn more compared with previous generations (earning \$206,600 in the eight-year period), but they've had to spend more on rent, the study found. Millennials spent 45 percent of their income on rent between the ages of 22 and 30 - more than the 30 percent that most financial advisers recommend.

Courtesy of Realty Times