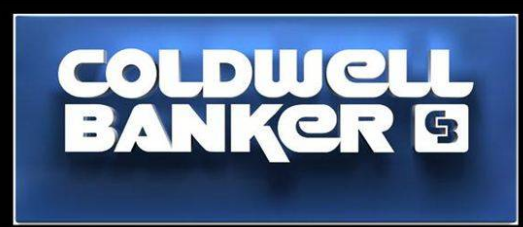


# Rapid City Real Estate Update

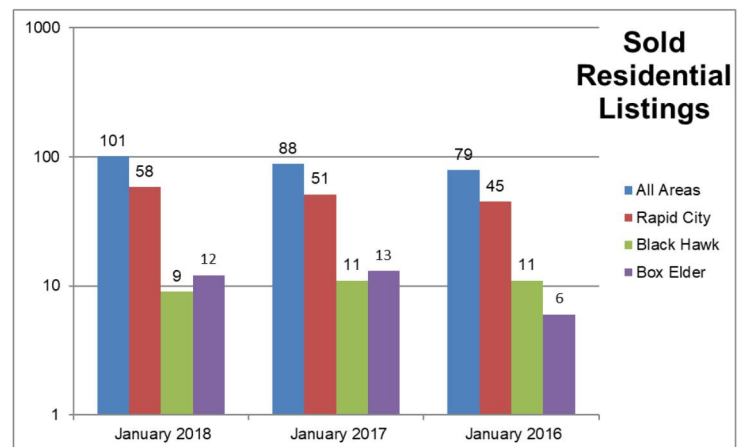
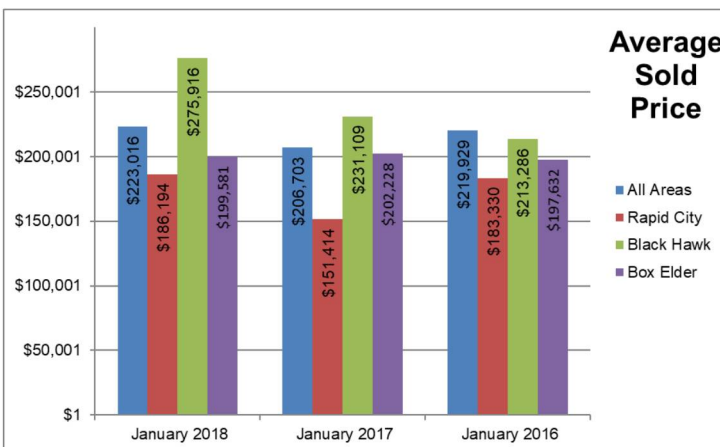
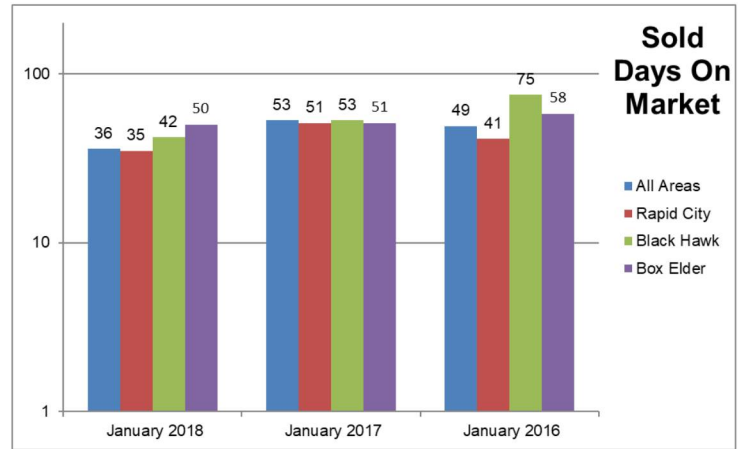
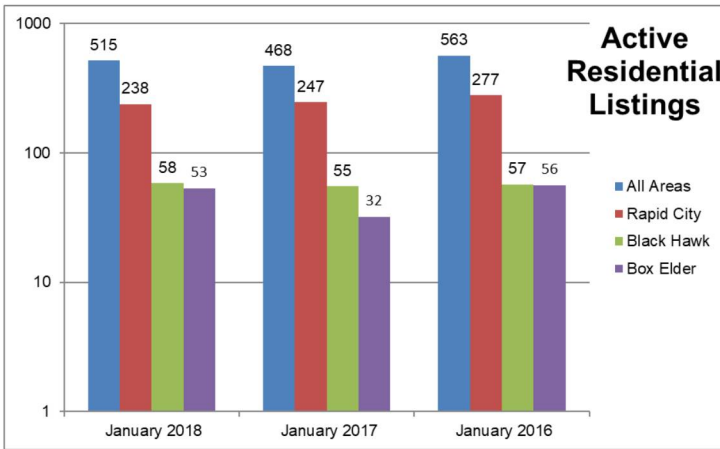


LEWIS-KIRKEBY-HALL  
REAL ESTATE, INC.

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## Rapid City & Area Market Conditions For January 2018



## Selling Your Home This Year? 6 Reasons To Renovate Now

Face it. Your home's not perfect. You may keep up with general maintenance, and perhaps you're meticulously clean. But how old is your kitchen? Do your paint colors reflect current trends? Could your living room use some updating?

When it comes to selling your home today, it's got to be perfect, or buyers will simply move on to the next option. Doing some renovations, whether that means overhauling areas that are long overdue for a facelift or making some simple changes that freshen up the place, is typical. But if you're thinking they can wait until you're ready to list your home, these 6 reasons may make you rethink that plan.

1. You get to enjoy the new look: "A worthy update can either serve to reduce your cost of living while you remain in the home or add significant value to the home's sale price when you decide to put it on the market," said Scott McGillivray, a real estate investor and host of the HGTV show *Income Property to US News*.

But if you're going to spend some cash on updating and renovating your place, you should at least be able to get some enjoyment out of the updates before turning the house over to someone else, right? If you've been waiting for 10 years for new appliances, it would be a shame to not have the opportunity to at least cook a few meals and throw a dinner party or two.

2. They always take longer than expected: It's a fact of renovation. If your timeline is six weeks, it'll take 12. At least. Giving yourself plenty of time before you're ready to list your home will help you avoid a stressful scramble at the end when you're trying to get it on the market.

3. There may be issues you're unaware of: Your Realtor will point out areas that need to be addressed and recommend changes to make your home more saleable. But, getting your home ready

(continued on page 3)



## Remodeling Your Outdoor Patio On a Budget

Creating and sticking to a home improvement project's budget is about as easy and comfortable as pulling teeth. But when it comes to a task as exciting as an outdoor space remodel, it's necessary to think and talk about the budget before taking any further steps.

The good news is that with a little practice and some research, you'll be able to conquer your patio design project and stay within your financial boundaries - and maybe even have a little left over for that kitchen cabinet remodel you've been dreaming of tackling next!

**Plan and Prioritize:** It's time to plan the actionable steps. Make sure your supply list includes preparation items, tools and decorative accessories. If you're redoing the outdoor brick pathway, will you be using any of the old brick? What type of concrete is needed, and is there a less expensive alternative? Are you looking to go eco-friendly or simply cheap and efficient? Nail down the details beforehand to eliminate potential headaches while shopping.

**Research Realistically:** When embarking on any new project, start by going over what resources you have on hand. Do you have an account allocated for home renovations, designated money under your mattress or a forgotten gift card or coupon in your desk drawer? Next, whether you're looking to replace a brick walkway or reupholster outdoor furniture, research similar projects that have been completed near your location. Entirely finished, up-to-date design projects will be the most accurately quoted. If you are meticulous in your research, you can model your project after a successful one and plan on how to use your funds most effectively.

Taking all these factors into consideration, target each piece of the project to create a holistic budget. Then, purchase a gift card at the retailers where you intend to purchase supplies during the course of the project. Stores like The Home Depot even offer Project Cards and DIY Cards exactly for this purpose, so by allocating the money up front, you'll be able to monitor the funds, see how they're being spent, and avoid going over budget. Plus, you can safely give the card to a contractor to purchase supplies, without the concern of handing off a credit card to a stranger (and you'll be able to see exactly what things cost).

**COLDWELL  
BANKER**

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**Editor in Chief:** Let's be realistic - it's pretty common to grab a few extra items while roaming the aisles. Whether these are things you forgot to list or their shininess just happens to catch your eye, do a quick calculation to determine if those extra items are simply fun add-ons - or budget breakers. While outdoor lanterns could seem like a necessity for the atmosphere you wish to create, they may be out of reach, for now.

Make sure to consider taxes, construction fees, labor costs, cleaning materials and any extra expenses you may have overlooked while budgeting. A good rule of thumb is to subtract 15-20% from your total available funds and rely on that as the amount you can use to purchase actual project materials. Once you've reached a hard number, edit your cart, and then edit it again to pare down to the true essentials. You're now ready to begin your remodel!

**Review and Refine:** Even after the construction of your new patio is completed, you may notice that something is missing. Maybe the new walkway needs some romance or the reupholstered furniture needs one more layer of color. Then what? This is when you can go back for those add-ons that you edited from your cart previously. If you have a little bit left on your gift card, bring in some greenery, textiles or lighting to spruce up your space while you save up for some more elaborate upgrades.

When your birthday or the holidays come around, consider asking friends and family to give you specific gift cards so you can continue your renovation process. With outdoor patios or backyard spaces, it's easy to switch up the decor seasonally to make the area look new, again and again.

Although it's not easy, budgeting for an outdoor remodeling project is a task that will result in a beautiful, tranquil space you can be proud of. Remember to stick to your guns and go with your gut when starting projects and making big purchases. Ask advice from people who have completed a similar project and consider - and differentiate - your wants from your needs. Before you know it, you'll have a brand new outdoor area ideal for relaxing, entertaining guests and gazing up at the stars.

*By Kerrie Kelly; ASID  
Courtesy of Realty Times*



## 4 Pros, 4 Cons Of Open Floor Plans

Homeowners are showing a desire to have no walls separating the kitchen, dining, and living areas. In fact, 84 percent of new single-family homes have fully or partially open layouts.

Realtor.com® highlighted some pros and cons of open floor plans to help owners and buyers decide if it's right for them:

### Pros:

- Takes advantage of square footage: An open floor plan home will feel bigger because you don't have all this unused space.
- Brightens a home: More natural light from windows can spread throughout an open home.
- Fosters social gathering: Open floor plans

can make it easier to socialize, putting family and guests all in one space together.

- Encourages flexibility: Open floor plans create a usable space that's flexible, based on your needs.

### Cons

- Smells travel: The cooking heat and kitchen aromas will be impossible to contain, so the smells are more present.
- Offers less privacy and can be noisier: You may have a tough time hiding from noise - the lack of walls makes the space echo.
- Can't hide messiness: Without separate rooms, any mess will be on display.
- Being a fad that fades: The open floor plan is a hot trend right now, but everything eventually goes out of style.

*Courtesy of Realty Times*



## The Pitfalls Of Holding Title To Real Estate As Joint Tenants

Many older people add an adult child (or grandchild) to the title of their assets (especially their home) as a joint owner in order to avoid probate. However, this type of property can create all kinds of problems, including:

1. When a joint owner is added, the original owner loses control. To sell real estate held in joint tenancy during your lifetime, you must have the signature of both joint tenants. If your joint tenant is uncooperative or becomes incapacitated, you may not be able to readily sell or transfer your property.
2. Part of the asset could be lost to the joint owner's creditors; if your joint tenant has creditor problems, the creditor of the other joint tenant can garnish the jointly held asset to satisfy the debt. This could ultimately cause you to lose the asset!
3. The assets could become part of a joint owner's divorce proceedings. The last thing you want is to have your property dragged through the divorce court proceedings with its attendant delays and expenses.
4. Individuals often look at joint tenancy as a vehicle to avoid probate. However, when a parent places a child on title as a joint tenant

on their real estate, they are often unaware that they have made a gift of one-half of the value of the property. If that value exceeds \$14,000 in one year, the gift is a taxable gift causing the parent to have to file a gift tax return.

5. When someone inherits an asset, the cost basis of the asset is the stepped up to current value on the date of death. Say for example that an elderly parent leaves a home to their children that is valued at \$400,000 on the date they pass away and the cost basis of the property is only \$100,000. (The home was purchased 20 years ago). While the beneficiaries may have to pay estate taxes depending on the size of the estate, they will not be responsible for capital gains tax on the \$300,000 worth of gains. Since they received a step-up in basis, they will only be responsible for gains that might occur from the point they inherit the asset and then sell it. On the other hand, with joint tenancy property only a one-half step up is basis is permitted.

In summary, although there are advantages to using joint tenancy, they are usually outweighed by the disadvantages.

*By Mark D. Klein, Esq of Lighthouse Legal Services  
Courtesy of Realty Times*

(continued from page 2)

to sell might be harder than you expect if problems like mold or termites are uncovered. Getting a jump on any big issues or anything that goes beyond the cosmetic will give you the time you need to fix the problems and hold onto your sanity.

4. They don't have to be huge: No one said you have to take your home down to the studs. Sometimes, a light touch is all that is needed. "Start by thinking small," said Realtor.com. "Minor cosmetic upgrades go a long way in getting more buyers through the door for a quicker sale - and time on market is key to determining what you'll net at closing."

5. You're going to need them: You may not love the idea of having to do anything to - or spend any money on - your home, especially if you already have your eyes on a new one. But, most every home needs a little upgrading, updating, or, at least staging. You don't want to have the one place in the neighborhood that won't sell because potential homebuyers see a project house, without the project price.

6. You'll get a return on your investment...if you renovate smart : Speaking of price... updated homes typically sell faster and for more money, if the updates have been done well and they're the ones buyers are looking for. If you're not sure which renovations to consider, take your cues from the Cost vs. Value Report, which tracks the "average cost for 29 popular remodeling projects with the value those projects retain at resale in 99 U.S. markets." It's a great way to look at national trends but also break down what's trending in individual areas. "How much work you'll need depends on your home's value, your market, and the comps in your neighborhood," said Realtor.com.

US News also has a great list of "popular updates that are worth the money," including adding a backsplash in the kitchen and updating bathroom vanities.

*By Jaymi Naciri  
Courtesy of Realty Times*



# Black Hills Events

## Skates & A Movie

February 17 - 5:00 PM to 7:00 PM  
Main Street Square, Rapid City

## Rapid City Rush Hockey Games

February 21, 23 & 24  
Rushmore Plaza Civic Center

## Annual Nemo 500 Outhouse Races

February 24 - 1:00 PM  
Nemo Guest Ranch

## Last Day To Skate Beach Party

February 24 - 1:00 to 5:00 PM  
Main Street Square, Rapid City

## Mountain West Whiskey Festival

March 3 - 6:00 to 11:00 PM  
The Rushmore Hotel, Downtown Rapid City

## BHHB Home Show

March 9-11  
Rushmore Plaza Civic Center

## Sylvan Lake Snowshoe Hike

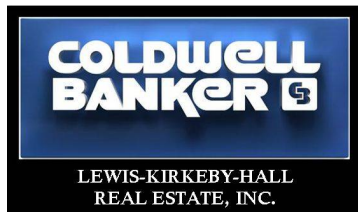
March 10 - 10:00 AM  
Sylvan Lake General Store

## 30th Anniversary Black Hills

Motorcycle Show  
March 17-18  
Rushmore Plaza Civic Center

## Information provided by:

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## Storage Tops Kitchen Uses, Owners Say

The majority of homeowners recently surveyed prioritized storage over all other functions of their kitchens, according to the 2018 U.S. Houzz Kitchen Trends Study of more than 1,700 homeowners. Storage, at 63%, trumped other priority uses for homeowners in the kitchen like easy to work, play, and live (38%), to entertain (32%), or to clean (32%).

Homeowners are remodeling their kitchens to add more storage and organization, such as with recycling baskets, cookie sheet and tray organizers, revolving corner trays, deep drawer organizers, and pull-out or swing-out trays and shelves.

Homeowners want to show off their countertops. It's the most common major feature upgraded during a kitchen renovation and most commonly splurged-on item, the Houzz survey finds.

*Courtesy of Realty Times*