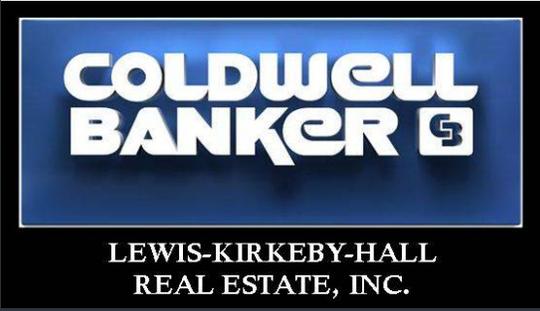


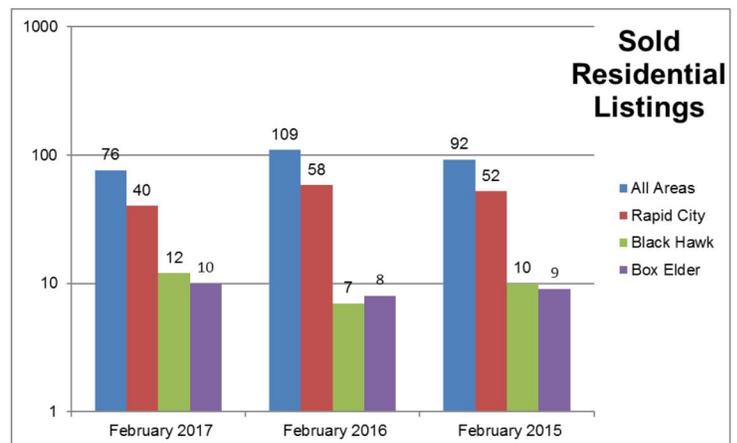
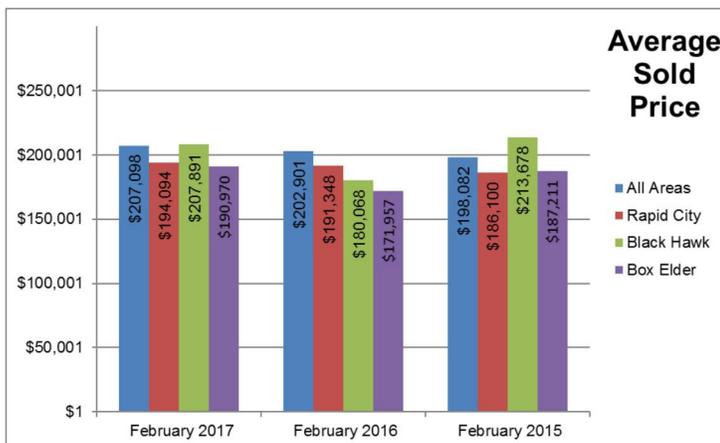
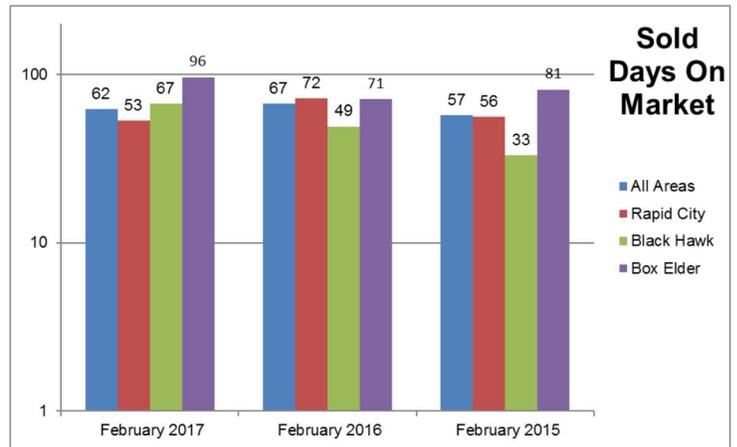
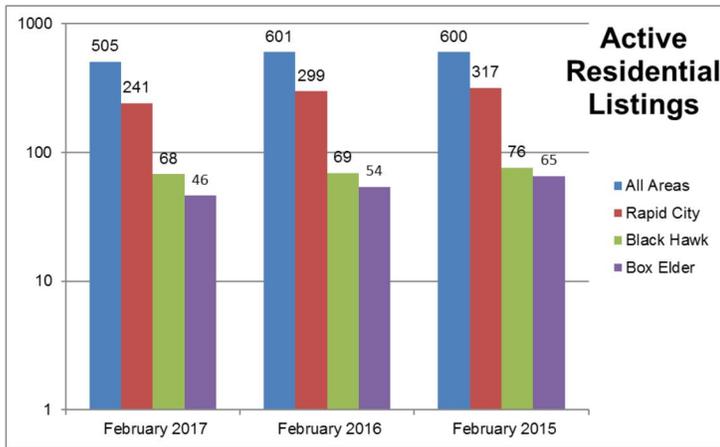
Rapid City Real Estate Update



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Rapid City & Area Market Conditions For February 2017



Eco-Friendly And Budget Conscious Tips For Your Home

We're a few weeks into the new year, and you might be wondering how you can make some improvements around the home and maybe get some savings in at the same time. Let's take a look at some of the ways in which you can revamp your home and be eco-friendly at the same time.

Consider a Metal Roof: Metal roofs have been around for long time, but lately they have been getting some well-deserved attention. Traditionally thought of as unattractive, today's metal roofs are not the industrial-looking vertical slats of tin that you might see on a barn. Instead, as one Dallas roofing company points out, they are now available in an array of styles, materials, and colors to compliment all styles of architecture.

While the cost of metal roofing is greater than that of the traditional asphalt shingle roof, metal roofs are lightweight with greater durability. They have better resilience to weather conditions than asphalt roofs which helps to increase their longevity. And what about the environmental factor? Asphalt shingles are a petroleum product with a negative impact on our environment. Also, asphalt roofs need to be replaced every 15 to 20 years. Compare this with metal roofing that can last four or five decades and is often constructed from recycled materials. That's a big difference. And the best part? Metal roofs are energy efficient reducing both your cooling costs in the summer months and your heating costs in the winter months.

The combined savings from the durability of the metal roof to the savings it will help accrue on utility bills will offset the increase in expense over an asphalt roof. Our vote is definitely with the metal roof.

Low Maintenance Lawns: One third of Americans' water usage goes toward maintaining lush, green lawns. Having a beautiful lawn is of course pleasing to the eye, but are there less expensive alternatives that don't make you pause each month as you prepare to open the water bill? Yes, there are definitely cost efficient ways to have beautiful landscaping without wreaking havoc on your finances. Let's take a look at some of those ways:

Try a different breed of grass. Most varieties of Zoysia, Bermuda, and Buffalo grasses are drought tolerant and require less water than some other types of grasses, though Bermuda requires more water than the other two.

Grow a prairie meadow. Prairie meadows are a blend of wildflowers (continued to page 3)



To Buy Or Not To Buy: Is Now The Time?



LEWIS-KIRKBY-HALL
REAL ESTATE, INC.

The US Census Bureau recently revealed that the US homeownership rate declined to 62.9%, the lowest level reported in 51 years of Census tracking.

This statistic does not signal impending doom. Since 2006, there has been a decline from peak ownership rates which is attributed in part to responsible lending practices and shifting demographic patterns. What is significant about this statistic is that it can give those intent on homeownership the false impression that they are fighting a losing battle. If you're on the non-homeowner side of this statistic, does this spell opportunity for you? With the economy and employment gaining strength, and predicted home-buying demographic shifts, homeownership may start an upward swing. If you don't own your own home, you know there are reasons why not. One may ask, "How sure are you that those reasons are still valid or insurmountable?"

Ask any real estate or financial professional, and they won't hesitate to tell you that homeownership is, rarely if ever, achieved by those who make no effort or take no action in that direction. Any "short cuts" lie in understanding exactly what effort and action are required for the most direct path to ownership success. That's what real estate professionals are trained to know all about. They understand how to relay that information to willing buyers and sellers.

- Interview real estate professionals until you find one with the right mix of experience and determination to assist you with your ownership goals.
- Listen and take notes or record when this professional explains your options and how to achieve your ownership goals. If you ask questions, you will also receive details about various ownership options, including cooperatives, condominiums, and other alternatives available in your area and price range. More questions and you'll discover how the purchasing process works.
- Consider the full range of neighborhoods and communities within your area. Prices tend to go down the further out you go from city center. With good public transit, moving to the suburbs may not require as many sacrifices as you might think.
- If you'd like to own your own home, this may be the right time for action. : There are a number of ways to increase your purchasing power and bring real estate ownership within reach. The important thing is not to give up

on making an effort before you have explored opportunities available to you in this real estate market:

- Interest rates have not risen as dramatically as they are predicted to do in the future. Waiting until rates rise will limit the size of mortgage you qualify for. Mortgage brokers can explain how much you'll qualify for and how you may be able to improve that level of financing. When you purchase, aim for the longest term you qualify for without seriously compromising purchasing power. That way you'll have years at a rate you can afford while the mortgage debt is declining.
- Debts can reduce the size of mortgage you qualify for, but financial professional advisers can suggest do-able debt-reduction strategies to improve borrowing power. The first step may be reducing the accumulation of new debt by ending discretionary spending like impulse shopping, eating out, and holiday travel.
- The real estate you purchase may become a "financial partner" in achieving ownership. For instance, buying a one or two-unit rental income property may raise your qualifying income by some or all of the rent the rental unit or units would bring in. This financial leverage may also be possible in a non-rental property if you can prove you have boarders who will move in with you, pay rent, and share expenses.
- Uncertainty abounds, but the economy continues to build momentum and job prospects continue to improve. Untapped income opportunities may exist. When was the last time you explored new employment and education opportunities with your current employer or within your community? Having a job that is "just enough" to keep you going can create inertia that defeats your belief that there's more out there for you if you persist.

As you research ownership ideas and opportunities, stay skeptical. Ask for details and persist until you understand exactly what you and others involved will be responsible for. Beware of anyone promising overnight success or cheaper-than-believable housing. Stick with professionals who have verifiable credentials and proven expertise. Since the downturn, you've had years to consider homeownership. Is it time for action before rising interest rates and increasing demographic demand move real estate ownership further out of reach?

By PJ Wade
Courtesy of Realty Times

How To Tell When A Neighborhood Will Be Hot

Bargain-hunting home buyers willing to purchase in an up-and-coming neighborhood can get a good deal and, get in on the ground floor of appreciation.

Here are five signs that a neighborhood is about to take off:

1. An up-and-coming neighborhood often is characterized by retail or residential construction that is already in progress.

2. They also often are found where trendy establishments, such as wine bars or farm-to-table restaurants, are opening.

3. Buyers also should look for neighborhoods adjacent to big cities or those where crime is on the decline and public schools are on the rise.

4. Public building projects are on the rise.

5. Renovated homes are going on the market.



4 Ways Your Location Can Boost Or Bust Your Home Value

A few years back, "the Starbucks effect" became a legitimate term to explain the higher real estate values associated with living close to the coffee house. But being within easy striking distance of a Grande Skinny Vanilla Latte isn't the only thing that can help boost your home value. Then again, not every location can help build equity. Chose wrong, and you could see your value drop - even if the house is great.

1. Being close to schools

The good: Families seek out neighborhoods with good schools for obvious reasons. Living close to a quality elementary school is especially desirable for parents who envision walking with their young children in the morning.

From a value standpoint, a location close to well-performing schools can be a smart decision for buyers regardless of their family status. "Living near a high-scoring school can increase your home's value by over \$200,000, according to the Brookings Institution," said AOL.

The not so good: But, being too close to a school - no matter how good it might be - may be a deterrent for some buyers, which could end up hurting your bottom line. If you're in the path of the school pickup and drop-off, which creates considerable traffic, or directly across the street from a playground, which means there is noise throughout the day, you could have trouble when it comes time to sell. A location that is close enough to be easily accessible but out of range of the daily inconveniences is often the best option.

2. Being close to area conveniences

The good: "The Starbucks effect" is tangible: Data has shown that, "Between 1997 and 2013, homes closer to the coffee shop increased in value by 96%, compared to 65% for all U.S. homes," said CNN Money.

Now Starbucks has company, with a new report that shows that proximity to a high-end grocery store - namely Trader Joe's or Whole Foods - can also raise home values considerably.

"Between 1997 and 2014, homes near the two grocery chains were consistently worth more than the median U.S. home," said Business Insider. "By the end of 2014, homes within a mile of either store were worth more than twice as much as the median home in the rest of the country. The analysis found that 2 years after a new Trader Joe's opened, home values within one mile went up by 10 percentage points more than homes in the rest of the city.

The not so good: But, that doesn't mean all area amenities boost home value. Adult entertainment spots, industrial businesses, a nearby airport that puts the home in the path of flights, and small businesses like tattoo parlors, check cashing, cash advance, or pawn shops that can be indicators of a lower-income or high-crime area can drive people away.

3. Being convenient to freeways

The good: A location close to major thoroughfares can be a selling point since it helps homeowners cut down on the dreaded daily commute. Many suburbs require an additional 10 to 20 minutes in the car after exiting the highway. Promoting the convenience of a home closer in can help it stand apart.

The not so good: Having a car fly off the freeway onto your roof is not ideal. Neither is having to endure the daily noise, congestion, and pollution of living right next to the freeway. If it bothers you, it's going to bother buyers when you sell. Being close - but not TOO close - is key.

4. Quiet location

The good: A home that's in a peaceful area surrounded by nature may be a benefit to buyers seeking a serene setting. A house that backs up to nature or is close to hiking trails can sell for more than a house in the same neighborhood that's only surrounded by other houses.

The not so good There is such a thing as too quiet...

*Written by Jaymi Naciri
Courtesy of Realty Times*

(continued from page 2)

and native grasses that grow easily in the grasslands of North America, typically in the Midwest. They do not require watering and make for a very pretty landscape.

Any number of ground covers can add greenery to your yard. There are plants that spread outwards but do not grow very tall—these make optimal ground coverings. You can choose plants with flowers or plants that are edible, such as strawberries or various herbs. Just make sure to do your research so that you are choosing plants that require a minimum amount of water for the area that you live in. One thing your ground cover will need is some type of wood or brick border to contain the plants in the area that you want them to stay in.

Save on Hot Water: According to Consumer Reports, heating water can take up one third of a home's energy consumption. So what's the best way to tackle this problem? There are a couple of options.

Some people opt to replace their conventional water heaters with tankless ones. The unique aspect of tankless water heaters is that they only heat as much water as is needed. This efficiency means you can see up to a 40 percent savings on your utility bill. They are definitely eco-friendly as they help to reduce carbon emissions. There is, however, a drawback to these units, and that drawback is the cost. Most tankless units are two to five times more expensive than conventional ones. This cost may be worth it to you since tankless heaters last nearly twice as long as regular water heaters, and of course provide savings every month on your utility bill.

Another step you can take toward reducing your hot water consumption is to install low-flow, aerating faucets and shower heads. For the best efficiency, select a showerhead with a flow rate of less than 2.5 gpm (gallons per minute). You can run a simple test at home to see how your showerhead rates. Turn on the shower, have a bucket which is marked off in increments of gallons, and catch the water flow. If the water reaches the "one gallon" mark in less than 20 seconds, then you could stand to use a more efficient showerhead.

Saving energy and being environmentally friendly can be done in big and small ways. We hope that some of the tips suggested here can help you maximize your home efficiency while being eco-friendly at the same time.

*By Blanche Evans
Courtesy of Realty Times*

Black Hills Events

2017 SDHSAA State Boys & Girls AA Basketball

March 16 - 19
Rushmore Plaza Civic Center

Deadwood St. Patrick's Day Weekend

March 17 - 18
Deadwood

2017 Black Hills Motorcycle Show

March 18 - 19
Rushmore Plaza Civic Center

Black Hills Home Builders Association Home Show

March 24 - 26
Rushmore Plaza Civic Center

Rapid City Rush Games

March 29 & 31
April 7
Rushmore Plaza Civic Center

2017 Rapid City Polar Plunge

April 1
Black Hills Harley Davidson

Deadwood's Forks, Corks, Kegs Food and Wine Festival

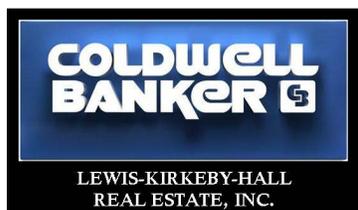
April 7 - 8
Deadwood

Dakota Territory Gun Collectors Show

April 8 - 9
Rushmore Plaza Civic Center

Information provided by:

www.visitrapidcity.com
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The Big Down Payment Myth

Having the spare capital to put 20% down on a home purchase is great, but it's certainly not the norm. Still, many people think it is, and that belief may be holding some would-be home buyers back.

Indeed, 39% of non-owners say they believe they need more than 20% for a down payment on a home purchase. Twenty-six percent believe they need to put down 15 to 20%, and 22% say they need a down payment of 10% to 14% to buy, according to the NAR's 2017 Aspiring Home Buyers Profile report.

But now for the reality: The average down payment on a purchase mortgage was just 11% in 2016. And that's just the average; often times down payments are much lower. For borrowers under the age of 35, the average down payment was just under 8%, according to NAR's survey.

As such, "aspiring first-time buyers think it takes twice as much to buy a home than it really does," writes Jonathan Smoke, Realtor.com chief economist. How much a person truly needs for a down payment depends on their situation. Their financial circumstances, home location, and the price of the home are important factors.

But there are many mortgage options that offer the opportunity to make low or even no down payments. The largest share of loans for buyers under 35 last year were for people putting down less than 5% on a home purchase (or about \$3,500).