

# Rapid City Real Estate Update

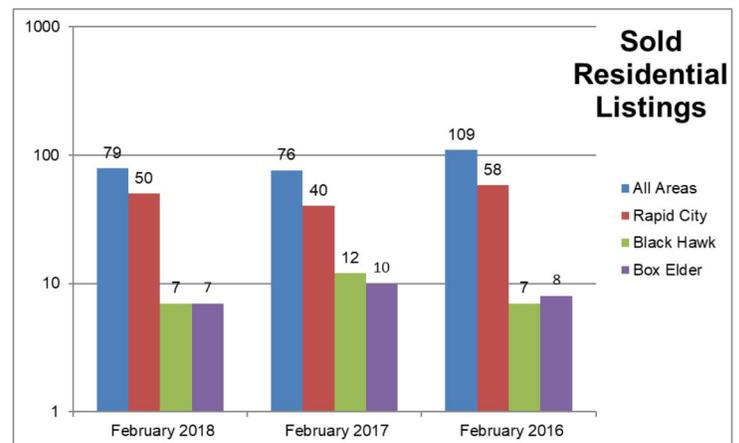
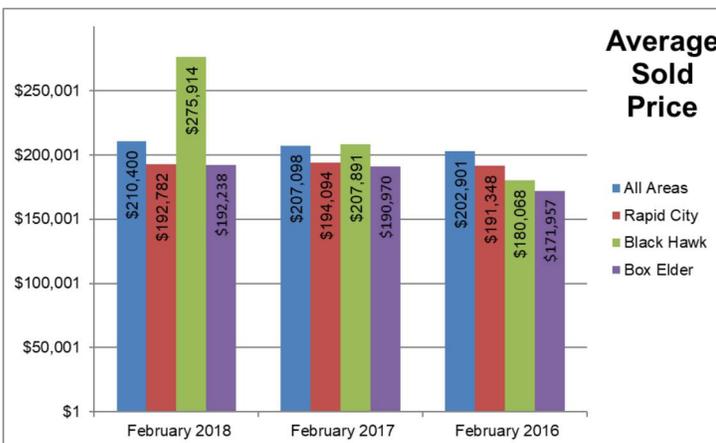
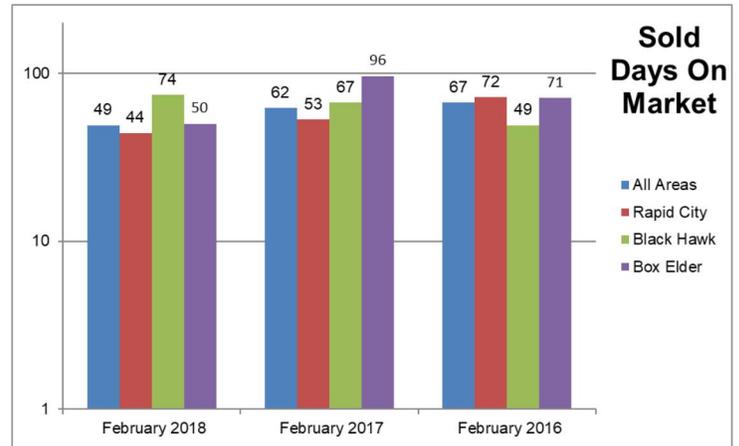
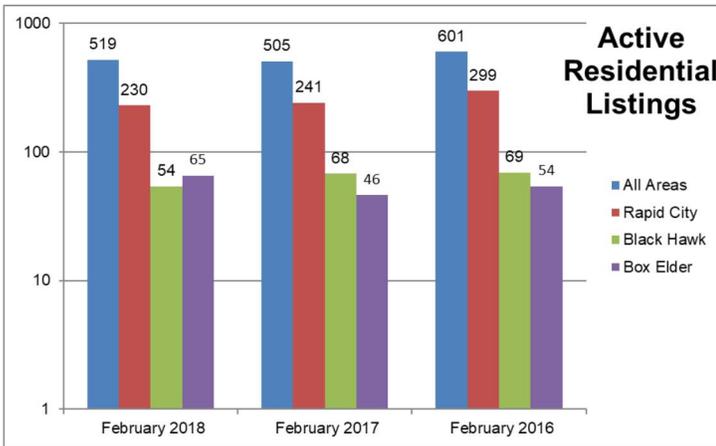


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## Rapid City & Area Market Conditions For February 2018



## Backyard DIY Projects

You don't have to pay through the nose to have the best backyard on the block. If you have a few simple DIY skills and know how to use a tape measure and level, you can easily upgrade and update your backyard all on your own.

If you've ever dreamed of a lovely garden path, perennial garden or a privacy fence, but you've hesitated because of cost, now is the time to invest a little sweat equity to create the backyard of your dreams.

### Plant a Perennial Garden

Tending perennials may seem daunting to inexperienced gardeners, but in reality, they're some of the easiest flowers to grow. Best of all, plant them once and they return to bloom every year. Perennial gardens make lively backgrounds for your annual plantings. Use them along fences and border porches and decks to add color from early summer to late fall.

To ensure the stability and liveliness of your perennial plants:

- Keep the roots wet until you put them in the ground
- Plant them in improved soil
- Apply regular helpings of water and fertilizer
- Place a 3-inch layer of mulch around, but not touching, the plants.

### Install a Privacy Fence

If you crave a secluded backyard oasis, consider installing a 6-foot or 8-foot section of privacy fence. Your local home improvement store sells this type of fencing in sections. All you have to do is level the terrain and dig the post holes. Use a quick-setting cement to anchor your fence posts, making sure everything is level and square before moving on to the next section.

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## Maximize Your Listing Price While Minimizing Your Expense



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It's almost spring and in many parts of the country the housing market is already starting to thaw. Some markets like Denver, Seattle, and Portland are red hot. According to the S & P CoreLogic Case-Shiller National Index, prices nationwide are up 5.6 percent as of November 2016. Pricing your house correctly and increasing appeal with low-cost, high-value upgrades can mean more offers.

### The Price is Right

There's generally two schools of thought in regard to listing price. One philosophy is to list at top price and lower the price progressively until it sells. Sellers who choose this strategy are usually in less of a hurry and more risk averse. A second strategy is to list slightly under expected sales price. These sellers are usually trying to sell faster and hope to bring multiple offers, boosting the final selling price. The latter is, counterintuitively, the better strategy for getting the most money for your home. Here's how to do it:

### Price Under a Typical Search Limit

If your home is worth \$400,000, set your listing price at \$399,000. This way, you capture everyone who might be setting their search ranges at \$400,000 or less. Like how products are priced at retail stores, psychologically, a price that ends with 99 appears to be a better value. Better yet, such that it deviates from both, such as \$397,400 which studies have shown also increase the perception of value.

### Create Demand

It might seem risky to underprice your home — what if your home is worth \$400,000, you list for \$375,000, and the offers all come in at only \$375,000? First, that's your home's actual market worth. Two, if you receive offers you don't like, you can counteroffer or decline them. Listing your home under value creates a psychological sense of urgency. You want buyers to visit your home and become attached enough to put in an offer. If enough people do this at once, you have created a buyer frenzy and increased your chance for multiple offers and escalated prices.

### Use Comprehensive Comparables

Your agent should create a comparative market analysis of recently sold homes but also those currently active, expired and off-market. What is selling is as important as what is not. According to Zillow, ensure your home is priced within 10 percent of the average home price in your area. If there are few sold comparables nearby, price your home 10 percent under any currently active or expired listings.

### Home Improvements Before Listing

There are many home improvements that might enhance your home's value, such as putting in an expensive new kitchen or bath, but stick to the lowest cost for the highest possible value. Your goal is to make a positive first impression and sell your home quickly.

### Replace Tired Flooring

If your carpet is more than five years old, has unsightly stains or is starting to buckle, it's time to replace it. You can replace carpet with carpet but today's buyers see more value in hard floors. Buyers with kids or pets tend to prefer engineered floors, bamboo, or cork for their sustainability. One continuous floor of the same material also creates the appearance that the home is bigger, creating an impression your home is worth more.

### Paint, Paint, Paint

A coat of paint can cover scuff marks and dirt and brighten a room. Did you love flamingo pink for your hallway and forest green in your kitchen? That's great! But chances are buyers won't have your tastes so instead opt for neutral colors such as grays and earth tones when readying your home to sell.

### Revitalize Your Kitchen

Fully remodeled kitchens are a great return on investment but don't spend the money if you are looking to sell. Instead, paint them with Annie Sloan chalk paint. Chalk paint looks so good the buyers will barely be able to tell it's not the original finish. For about \$500 you can transform your kitchen in a weekend.

*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, as Trulia's Michael Corbett says, "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.

4. Public building projects are on the rise.

5. Renovated homes are going on the market.

*Courtesy of Realty Times*



## Tech To Attract Affluent Home Buyers

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*

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With a little tenacity, you can install a privacy fence in one weekend. Done properly, it adds privacy and enjoyment to your backyard and value to your home.

### Replace Your Pool Liner

It sounds like a difficult challenge, but replacing your pool liner is quite simple when you start with the right tools and quality supplies. Visit webpages such as poolproducts.com in-ground liner to find the materials you, as a DIYer, need to perform simple maintenance on your in-ground pool. Keep the following points in mind as you replace your pool's liner:

- Replace your liner during warm weather
- Remove all water and debris from your pool
- Avoid over-stretching your replacement liner
- Utilize sandbags to secure the base seal
- Have a comprehensive understanding of the process before starting.

### Hardscape Your Backyard

The addition of pavers, retaining walls, fire pits and patios all add value and comfort to your backyard, but many homeowners don't realize they can easily complete these upgrades without the help of professional landscapers.

Lay decorative pavers on a bed of tamped sand to make an easy patio that stands up to the elements, or layer simple bricks with or without mortar to make attractive and functional retaining walls. A meandering garden path guided by decorative cobblestones can lead to a simple water feature or wooden bench in your garden. Delight your backyard guests and yourself this summer by creating a simple hardscape that complements the design of your home.

*Courtesy of Realty Times*

# Black Hills Events

## Rapid City Rush Hockey Games

March 14, 16, 17, 30 & 31  
Rushmore Plaza Civic Center

## 2018 SDSHAA State A Boys Basketball Tournament

March 15-17  
Rushmore Plaza Civic Center

## Deadwood St. Patrick's Day Weekend

March 16-17  
Deadwood

## 30th Anniversary Black Hills Motorcycle Show

March 17-18  
Rushmore Plaza Civic Center

## 2018 SDHSAA All State Band

March 22-24  
Rushmore Plaza Civic Center

## Eggstravaganza

March 31 - 11:00 AM to 3:00 PM  
Main Street Square, Rapid City  
Easter Egg Hunt at Memorial Park - 11 AM

## Forks, Corks & Kegs Food & Wine Festival

April 6-7  
Deadwood

## Cub Fest At Bear Country USA

April 14 & 15  
Bear Country USA, Rapid City

## **Information provided by:**

[www.visitrapidcity.com](http://www.visitrapidcity.com)  
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## Mortgage Rates Climb

In Freddie Mac's results of its Primary Mortgage Market Survey®, the 30-year fixed mortgage rate increased for the seventh-consecutive week.

30-year fixed-rate mortgage (FRM) averaged 4.40 percent with an average 0.5 point for the week ending February 22, 2018, up from last week when it averaged 4.38 percent. A year ago at this time, the 30-year FRM averaged 4.16 percent.

15-year FRM this week averaged 3.85 percent with an average 0.5 point, up from last week when it averaged 3.84 percent. A year ago at this time, the 15-year FRM averaged 3.37 percent.

5-year Treasury-indexed hybrid adjustable-rate mortgage (ARM) averaged 3.65 percent this week with an average 0.4 point, up from last week when it averaged 3.63. A year ago at this time, the 5-year ARM averaged 3.16 percent.

According to Len Kiefer, Deputy Chief Economist:

"Fixed mortgage rates increased for the seventh consecutive week, with the 30-year fixed mortgage rate reaching 4.40 percent in this week's survey; the highest since April of 2014. Mortgage rates have followed U.S. Treasuries higher in anticipation of higher rates of inflation and further monetary tightening by the Federal Reserve. Following the close of our survey, the release of the FOMC minutes for February 21, 2018 sent the 10-year Treasury above 2.9 percent. If those increases stick, we will likely see mortgage rates continue to trend higher."

*Courtesy of Realty Times*