

Rapid City Real Estate Update

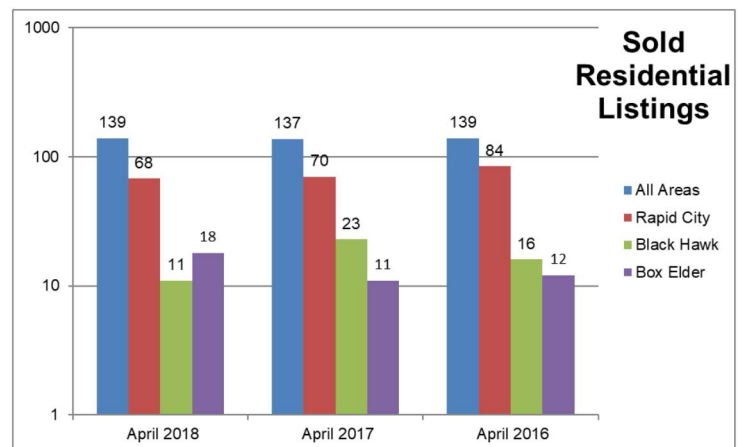
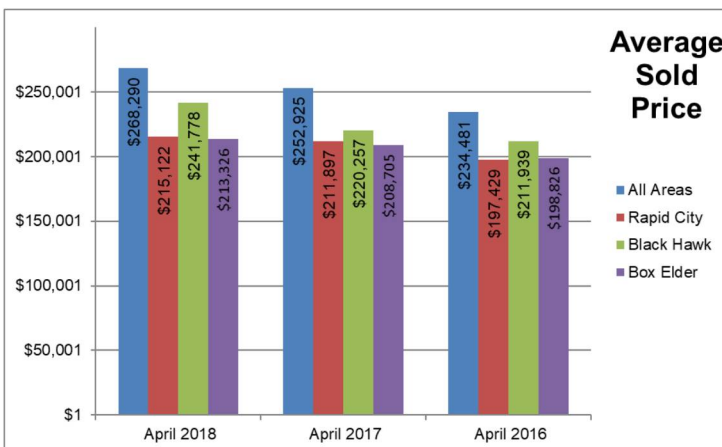
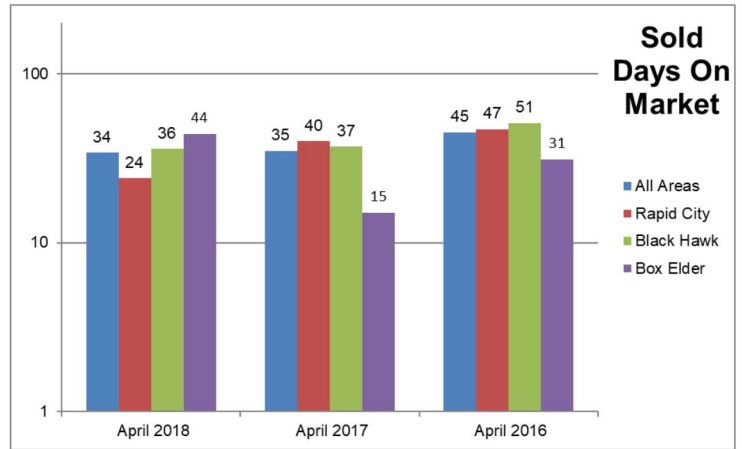
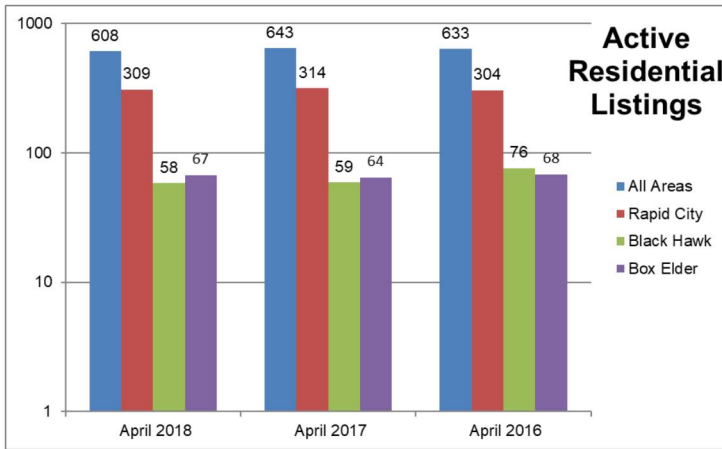


LEWIS-KIRKEBY-HALL
REAL ESTATE, INC.

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Rapid City & Area Market Conditions For April 2018



The First Offer May Be The Best Offer

Sometimes when everything goes right we have trouble accepting that fact. Perhaps nowhere is this phenomenon more clearly illustrated than in the case where a seller receives a good offer right away.

The annals of real estate are well stocked with stories of sellers who refused to take a good, but not perfect, first offer, and who then waited a long, long time before finally accepting something else at a considerably lower price. And most agents who have been around for a while know to shudder when a good strong offer is made almost at the outset of a listing; for the seller's reservations are almost inevitable. "Did we list it too low?" "If someone will offer this much so soon, maybe we should wait a while and see if we can get more." Etc..

When we read of Silicon Valley listings routinely selling at above list price, and while we are still in a period when multiple-offer situations are commonplace, it is understandable that such thoughts come to mind. Nonetheless, they are generally unfounded, especially if the market is anywhere near "normal", as ours is today.

As an antidote to the ill effects of the "curse of the first offer", a couple of observations might be kept in mind.

First, the fact that an offer is received early in the listing period -- even in the first few days -- doesn't mean that the property has been listed too low.

It is easy to overlook how very efficient the residential real estate marketplace has become. Modern multiple listing systems (MLS) provide agents, and thus their buyer clients, with virtually instant access to information about existing inventory and about what has newly come on the market. In the old, old days a buyer's agent did not become aware of new listings until "the book" (i.e. the compilation of MLS listings) was published. There might have been a lag time of ten days or more from the time the listing was taken.

Today, most buyer's agents will have electronically entered a "profile" of his clients needs and price range into the system. Then,

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Three Big Things Homebuyers Are On The Look-Out For



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As a seller, you have a lot more control in pleasing buyers than you think. If you start the selling process by learning what buyers really want, you can prepare your home to come as close to their dreams as possible.

Here are the five biggest turn-ons for homebuyers and what you can do to please buyers.

Curb Appeal: You only get one chance to make a first impression. Your home should sell to the buyer from the curb. That's how important curb appeal is. Your buyer should be so impressed, so charmed, so delighted that they want to leap out of the car and run inside.

How do you create curb appeal? Show attention to detail. Your home has to be prettier, cleaner and in better condition than its neighbors.

Start with sweeping the drive, walkway, and porch or entry of dirt and debris. Get rid of leggy bushes, wilted flowers and broken tree limbs. Plant fresh flowers in the front garden or in containers at the entry.

Power-wash the exterior and hand-wash the windows. Touch up paint around the windows, if needed. Paint the front door a fresh, modern color. Replace the door hardware and porch sconces.

Space: The number one reason why people buy homes is to have more room. Whether they're moving from an apartment or moving up from the home they have, they want to have plenty of space to do the things they enjoy.

If you have a large home, you're golden, but that doesn't mean you've got it made. You can ruin a buyer's first impression with too much clutter, so make sure to keep your home picked up so your buyer can see your home's features clearly and easily.

What if you don't have a lot of space? Plan to do some storing and staging. Rent a storage unit and put away all out of season clothes, toys, and home decorations and accessories. Clean off all tables and counter-tops so you have only the minimum of things you need to operate your home. Empty closets of anything that is "stored" and move it to the storage unit. The small expense you'll pay in storage fees you'll more than make back from your buyer's offer.

Updates: There's a reason why first-time buyers and singles tend to buy older homes - they're more affordable than buying new. So unless your buyer is a building contractor, chances are they want a home that's as updated as possible.

You may not be interested in putting in a new kitchen in order to sell your home, but you can do a few things to make buyers happy. Replace the most dated features - countertops, cabinet pulls, or appliances.

Bathrooms are so personal that they can easily turn buyers off. Invest in new towels, bathmats and a shower curtain. Throw out slimy soaps and limp ragged bath sponges. Replace with liquid shower and bath products. You can take all the new stuff with you to the next home.

Painting is expected by buyers, but don't repaint the same colors that you chose 10 years ago. Pick an updated neutral like a warm grey instead of beige. Be sure to choose a color that will complement the architecture and flooring in your home.

Keep in mind that the typical home purchased in 2013 was 1,860 square feet and built in 1996, so homebuyers aren't expecting your home to be a mansion, nor do they expect it to be new, but they do expect to see pride of ownership. The more tweaks, updates and repairs that you perform, the more confident your buyers will be that they're choosing the right home.

Courtesy of Realty Times

Homeowners Don't Want Cookie-Cutter Lawns

Homeowners today are focused on making changes to their front yards so they're markedly different from their neighbors' yards and easier to maintain, finds the U.S. Houzz Landscaping Trends Survey.

Homeowners want their yards to look distinct. Only 6 percent of homeowners reported front yards that were nearly identical to those in the neighborhood after their outdoor project, compared to more than a third before the update (36 percent), the Houzz survey shows.

Two in five owners say they wanted to make a statement with a new front yard that was "very" or "extremely" different from others in the neighborhood following their update.

More homeowners are turning to low-

maintenance plants to enhance their front yards, along with native plants and those that attract insects and birds. More than half of those who updated their front yard say that beds or borders, shrubs, and perennials were the most important to improving curb appeal.

Some owners are removing their front yard lawns altogether, citing environmental considerations as a strong motivator, the survey also showed.

Lighting is also growing in popularity among outdoor upgrades, particularly LEDs, low voltage, solar, and wireless lighting. Nearly one in five homeowners reported installing lights that could be controlled from their mobile device.

Courtesy of Realty Times

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whenever he logs on to the MLS, he will be notified if a listing has been entered that matches that profile. In a low-inventory market such as we have had recently, buyers' agents will log on a half-dozen times a day, or more, to see if an appropriate new listing has been entered. Moreover, in most systems the buyer's agent is able to place the buyer himself on a similar notification.

The point is that potential buyers learn quickly of the existence of an appropriate new listing. Thus a flurry of activity at the outset of the listing does not necessarily imply a too-low price; rather, it reflects the efficiency of the system.

Secondly, an early first offer does not imply that the seller should hold out for full price.

We all know that there is typically a bit of a dance in the pricing and negotiating for a property. Sellers, with the concurrence of their agents, will usually list their property for an amount that is both higher than what they believe its value to be and higher than what they would be satisfied to receive. Why? Because they know that buyers almost always want and expect to pay less than the listed price.

However, when an otherwise acceptable offer comes in near the outset of a listing period, sellers are frequently tempted to hold out for full price, or much closer to it than would normally be expected. Caution should be exercised in this regard.

For one thing, as we have noted, exposure of the property to buyers occurs pretty quickly nowadays, and sellers shouldn't assume that there are going to be more, much less higher, offers as the listing period progresses.

Secondly, there often can be a transactional benefit to "leaving something on the table." A real estate transaction is a process. These days, with inspections and disclosures, there are almost always "second negotiations" during the course of escrow. A buyer who feels ground down in the purchase negotiation may well be more difficult to deal with as other issues arise.

By Bob Hunt
Courtesy of Realty Times



What Sellers Should Know About CMAs

Whether you are buying or selling a home, your real estate professional can give you a snapshot of the local market known as the competitive or comparative market analysis or CMA. These are convenient reports that help sellers choose a listing price and buyers to make competitive offers on a given home.

CMAs are generated from multiple listing service software and vary greatly depending on the search fields that are input by the real estate professional. Each quantifier makes the search increasingly specific - type of home (detached vs. attached), zip code, number of bedrooms, baths and living areas, square footage, and numerous other search criteria.

The result is a report that tells you which homes have recently sold, their selling prices, how long they were on the market and other information. The CMA will also tell you about homes in competition with yours that are similar in size, price, amenities, and location.

As many fields of information as there are, some criteria simply isn't available in a CMA. If the MLS has a field for "water views," you'll know. But if not, you'll have to learn more in the remarks section that is filled in by the listing agent. There you might find "great views" or "lake views." But who's to say what makes a great view?

CMA results may vary even between identical homes. One property may simply

offer better drive-up appeal or is in better condition than the other. One may be updated or staged more attractively. Those differences can be reflected in the sales price.

When you're looking at properties that sold, you can also learn how long the home took to sell. This is where a real estate professional who is a neighborhood specialist can be invaluable. He or she may see these homes while they were being marketed and can tell you if they were in condition similar to yours.

One thing a CMA can't tell you is why a seller agreed to take less for their home or why a buyer paid over market for another home. Family problems, corporate relocations and other reasons all play a role. If the sale was quick, the seller was likely highly motivated to take the first offer. If it didn't sell quickly, the seller may have overpriced the home.

For these reasons, CMAs are not home valuations. They are simply tools to use alongside your real estate professional's knowledge of the market. Your real estate professional will suggest a pricing strategy for you based on the CMA, but the asking price will be up to you.

Last, a CMA is only as good as the most current information. Ask your real estate professional to keep you abreast of the market with new sold and listings information.

By Blanche Evans
Courtesy of Realty Times

Black Hills Events

Custer State Park Open House & Free Fishing Weekend

May 18 - May 20
Custer State Park

Black Hills Walk For Wishes

May 19 - 8:30 AM to 12:00 PM
Main Street Square, Rapid City

Crazy Horse Memorial Day Weekend Open House

May 25-28
Crazy Horse Memorial, Custer

Summer Nights

May 31, June 7, 14, 21 & 28
6:00 to 9:00 PM
7th Street, Downtown Rapid City

Thursdays On The Square

May 31, June 7, 14, 21 & 28
6:00 to 9:00 PM
Main Street Square, Rapid City

33rd Annual Spring Volksmarch

June 2-3
Crazy Horse Memorial, Custer

Kids' Carnival

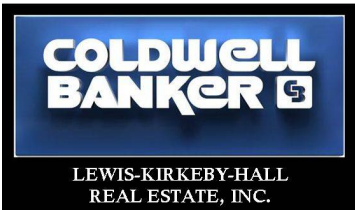
June 2 - 11:00 AM to 3:00 PM
Main Street Square, Rapid City

Mount Rushmore Rodeo

June 9 - 6:00 PM to 9:00 PM
At Palmer Gulch
12620 Hwy 244, Hill City

Information provided by:

www.visitrapidcity.com
& www.downtownrapidcity.com



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2 Common Mortgage Deal Delays



A last-minute problem with financing can quickly delay a closing on a home sale. Here are two of the most common problems that can surface:

Failure to disclose key financial information. One of the biggest reasons for a financial issue. Buyers who are not forthright about their financial circumstances can face a delay. Lenders will quickly find borrowers who are behind on child support obligations or real estate taxes, for example.

Running up credit as a mortgage application is pending. Lenders will recheck borrowers' credit right before the closing date. If new debt obligations suddenly appear, that can be a red flag to a lender. Prior to making any large purchases prior to closing, borrowers should check with their lender.

Courtesy of Realty Times