

Rapid City Real Estate Update

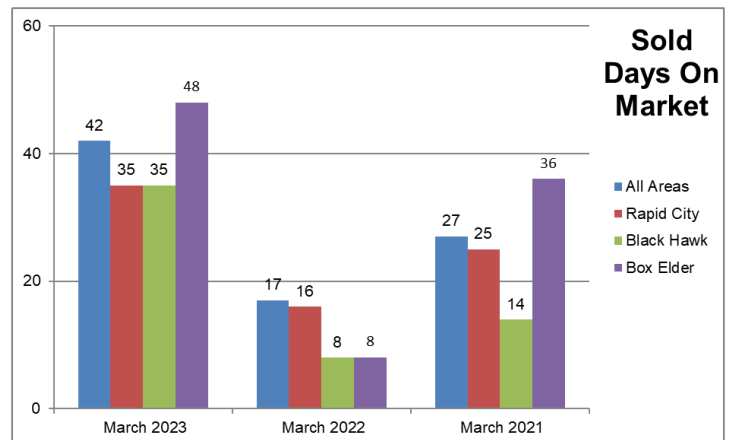
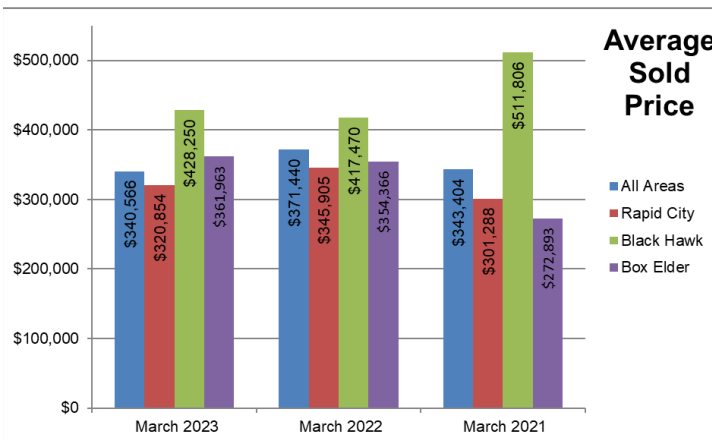
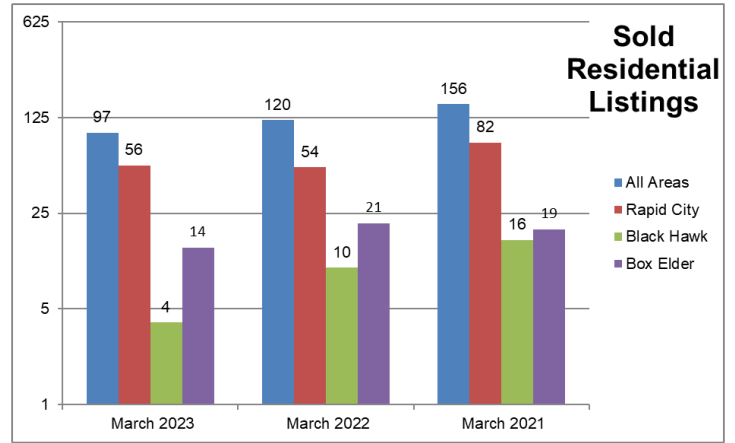
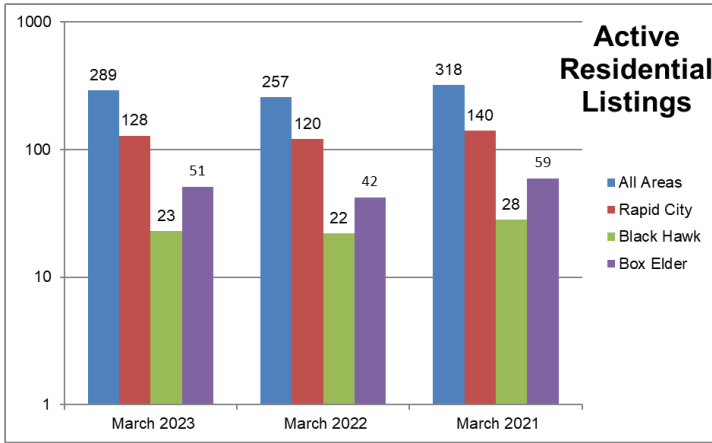


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In This Issue

- P.1 Rapid City & Area Market Conditions P.2 Is Spring Really The Best Time To Sell A House?
- P.2 Sellers: Clutter-Free Tips That Can Make Your Home More Appealing P.3 When Your Purchase Needs Repairs
- P.3 March Real Estate Round-Up P.4 Black Hills Events

Rapid City & Area Market Conditions For March 2023



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Sellers: Clutter-Free Tips That Can Make Your Home More Appealing

Tidying up your home for your open house or a buyer's showing can make all the difference when it comes to selling your home. Yet, sometimes sellers neglect to do this even though it will help increase their chances of getting an offer.

A little bit of tidying up, organizing and showcasing your home's best features can help shorten the amount of time your home is on the market.

Here are some hot clutter-free tips that can make your home look more appealing and—an added benefit—easier for you to live in, too.

The kitchen is an area that tends to get cluttered easily. Even if the countertops are cleared off, inside the cabinets often lies a cluttered mess. Those crammed cabinets are not appealing to buyers. They often see the disarray and think there's less room for their own items than there really is because they can't see behind the clutter.

Star Hansen, a professional organizer, says cans create the most clutter. She recommends using soup can racks to store them. They're inexpensive and they store three times as many cans. Spice racks are a great way to clear the clutter out and make it look clutter-free.

Hansen also shows how to use storage solutions like airtight containers, hanging baskets, shelf dividers to separate food items, and how to use chalkboard and magnetic paint.

Painting the inside of your cabinet with magnetic paint allows you to hang light-weight items like aprons, towels, or recipes inside your utility cabinets. Using chalkboard paint, you can write notes inside your cabinet about which supplies you need to purchase.

(continued on page 3)



Is Spring Really The Best Time To Sell A House?



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We're in the middle of winter right now, but interest rates are going down a bit, leaving sellers wondering when the best time to put their home on the market might be.

During the height of the pandemic, typical seasonal patterns disappeared from the housing market because the demand was so high that any time was an excellent time to put your home on the market.

The market has stabilized and cooled a bit, so timing has to become a consideration again.

Overall, research and data show us that you will probably get the best outcomes if you sell your home during the late spring and early summer. You can earn thousands of dollars more on selling your home if you wait until the peak months—May, June, and July. The slowest for home sales, according to a report from ATTOM Data Solutions in 2022, were October and December which we'll discuss more below.

What's the Best Month for Sellers?

As mentioned, late spring is the best time to sell homes historically, and in that time period, May is the best month. According to ATTOM's research on the sale of single-family homes and condos over the past decade, if you sell your house in May, you might net a seller premium of 12.6%. A seller's premium is defined as the amount that's above the market value of a home.

Going in order, the months you might earn the most on your home are May, June, July, and April. During these four months, there were almost 17 million transactions to purchase, according to ATTOM.

June isn't too far ahead of July for the second-place spot, seeing a 10.7% seller's premium. According to the ATTOM data, it was 10% for July. In March and April, returns were 8.9% and 9.2%. Once you get to September, based on this data, the seller premiums start to diminish, dropping to 7.9%.

If you're on the other side of the transaction and hoping to buy a home, you might consider getting a jumpstart before those prime selling months. They're the worst for buyers in terms of inventory and pricing.

The Impact of Seasonality

Every region experiences seasonality to an extent, but it can be more or less impactful depending on where you are throughout the country.

In places like the South and West, temperatures are more moderate, so there's less of a gap between the peak and the slow seasons, according to the National Association of Realtors. In the Midwest and Northeast, where there's more variance in seasonal weather patterns, there's also more of a disparity between home sales patterns.

Why Are Spring and Summer Best for Sellers?

If you list your home in the spring or summer, the weather is good, and that can be especially relevant if you live somewhere that gets a lot of cold weather. People are more eager to look at properties during these warm weather months because the days are longer, so the more exposure you get on a listing, the greater the chances of selling it.

Families also tend to look in the spring and summer to get into a new home before starting a new school year.

If you're considering buying a house in the spring or summer, now's the time to go ahead and get your finances in order, including a preapproval for a mortgage.

The Slow Times

The declines in seller's premiums start in September, typically when families with kids have already found and moved into a home. The start of the holiday season comes shortly after that, so people put off homebuying, and it's not necessarily a priority.

Plus, it's cold, and the days are shorter, so people are less motivated to get out and look at properties. Based on that, you might think January would be the worst month to sell, but data shows it's October, with a 5.2% seller premium, according to ATTOM.

If we slip into a recession, it could mean that the historical trends of the real estate market are no longer relevant. If the economy contracts, people are less likely to want to make a big purchase. Even sellers might not necessarily want to deal with closing costs and commissions, so they could wait until the economy stabilizes.

Real estate is also incredibly localized, so while these might be general trends, you should talk to an expert in your area because they might have a different insight.

Courtesy of Realty Times



When Your Purchase Needs Repairs

Is one of the homes you're thinking about buying something akin to a 'scratch and dent' special? In general the property is okay but there are certainly some things that you'd want to fix before or right after you moved in, should you in fact do so. This is where the property inspection report comes into play. Note here, the inspection report is not the same as a property appraisal.

The appraisal helps determine the market value of the home while the inspection attempts to identify any structural or physical issues. A full appraisal, should your lender require one, will in fact make note of the property's overall condition but basic repairs, relative minor ones, are not listed. BTW, if you're tempted to forgo an inspection, I think you're making a mistake. A thorough inspection is well worth the investment. Your real estate agent can point you to some qualified property inspectors.

Let's first look at some basic repairs. Maybe the windows need some recaulking. Perhaps the carpet is a bit too worn out. Cracks in the sidewalk? All of these items are relatively minor and your lender probably won't care about any carpeting issues before approving a home loan application. The cracks in the sidewalk might be an issue but typically won't be unless the interior door jams show signs of settlement.

If this turns out to be one of your prospective buys, it pays to hire an engineer to determine the cause of the settlement and if the property needs to be lifted in certain parts of the home in order to alleviate any settlement. Otherwise, the property should move through the loan approval process.

However, there are some needed repairs that appraisers will note 'deferred maintenance' associated with the home. As the name implies, the property needs to have certain issues fixed that should have been fixed some time ago. The issues weren't alleviated but instead put off. Maybe to let the next buyer deal with them. But if the term 'deferred maintenance' does pop up somewhere, your lender will have a problem with that.

Mold in the home noted? Your lender will want more information before moving further. Foundation cracks? It's time to call in the engineer for a report. Cracked or broken windows? That's typically a lender call but in all likelihood the lender will want these repairs to be completed.

Your prospective home is probably the biggest expense you'll incur in your lifetime. That said, it pays to make sure the property is in livable condition, and the lender wants to make sure the home is in such a condition that financing won't be a problem.

Courtesy of Realty Times

(continued from page 2)

Using airtight containers to store pastas, grains, and other food works well in the cabinet to conserve space because they're stackable. Hansen also recommends using a label maker to mark all the food sections.

Grouping food together in categories such as ingredients or prepared food and then placing those items in boxes allows you to easily grab what you need without having to move 15 items just to get to the one you need.

The key to this type of clutter-free reorganization is to make sure it's portable. Since you're selling your home, you likely don't want to spend the money installing professional systems that will remain with the home when you move.

Fortunately, there are wonderful products on the market that help you organize without having to drill or glue them into your cabinets. These shelving products look good and, when all the items are placed inside the shelves or under-shelving hanging baskets, you've created the illusion of more cabinet space—a plus for all buyers.

So where do you look for these products? Without even leaving your home, companies like Rubbermaid, make it simple to view a wide selection as well as see some creative options for organizing your pantry. Many of the products are under \$20 and well worth the price to reduce the headache of searching through a crammed pantry or over-stuffed cabinet. One of my favorites is the Corner Helper Shelf: it holds up to 10 pounds and allows you to stack food items below it.

The best part of doing this type of reorganization is that when you move, the inside of the cabinets look great for buyers and you'll be able easily pack up and take all this work with you to your new home.

Courtesy of Realty Times

March Real Estate Roundup

Freddie Mac's results of its Primary Mortgage Market Survey® shows that "Mortgage rates continued to slide down as financial market concerns came to the fore over the last two weeks. However, on the homebuyer front, the news is more positive with improved purchase demand and stabilizing home prices. If mortgage rates continue to slide over the next few weeks, look for a continued rebound during the first weeks of the spring home-buying season."

- 30-year fixed-rate mortgage (FRM) averaged 6.42 percent for the week ending February 23, 2023, up from last month when it averaged 6.5 percent. A year ago, at this time, the 30-year FRM averaged 4.42 percent.
- 15-year FRM this week averaged 5.68 percent, up from last month when it averaged 5.76 percent. A year ago, at this time, the 15-year FRM averaged 3.63 percent.

Courtesy Of Realty Times



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Black Hills Events

Black Hills Farmers Market

April 22 & 29 - 9:00 AM to 12:00 PM
May 6, 13, 20, & 27 - 8:00 AM to 2:00 PM
Market Park, Rapid City

Marketplace Spring Pop Up

April 29 - 10:00 AM to 4:00 PM
The Monument, Rapid City

Naja Shrine Circus

May 5 - 7:00 PM
May 6 - 1:00 PM
The Monument, Rapid City

Mother's Day Special

May 14
1880 Train, Hill City

Fruhlingsfest

March 20 - 1:00 PM to 5:00 PM
Main Street Square, Rapid City

Family Food Truck Night

May 23 & 30 - 5:00 PM to 8:00 PM
Canyon Lake Park, Rapid City

Food Truck Friday

May 26 - 11:00 AM to 2:00 PM
Main Street Square, Rapid City

100th Anniversary Celebration

May 27 - 9:00 AM to 6:00 PM
Museum of Geology, Rapid City