

# Rapid City Real Estate Update

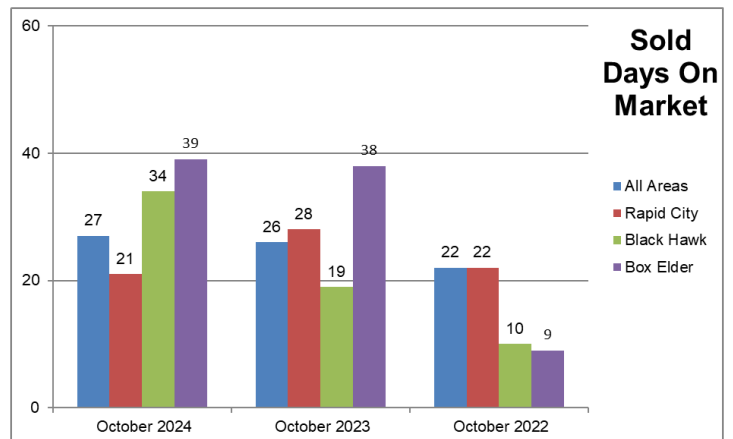
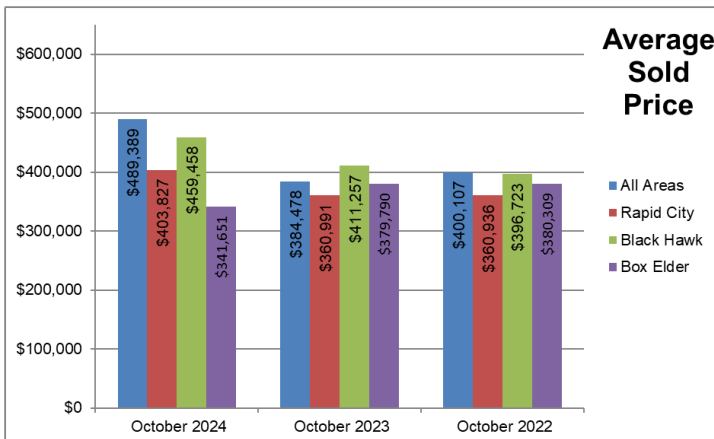
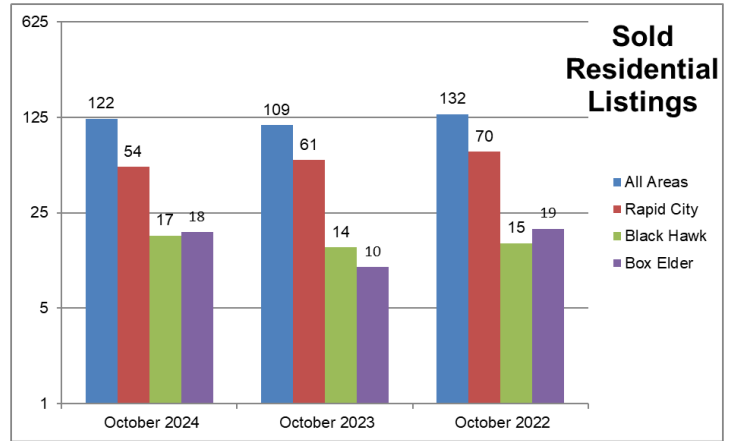
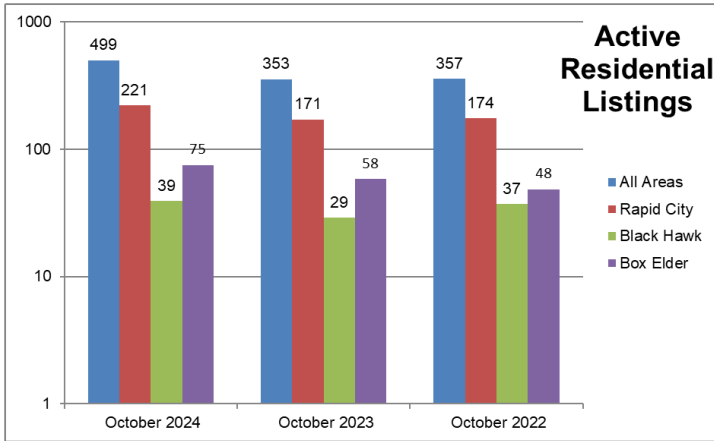


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## Rapid City & Area Market Conditions For October 2024



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## What Can You Do If A Contractor Doesn't Finish The Job?

If you hire someone to do work on your home and they don't complete that work as agreed upon, it can be incredibly stressful, especially if you already paid them. Whether it's a small or large project, it's not as uncommon as you might think for a contractor to skip out on the job. If you've tried to contact them and you haven't gotten a response, you might be sitting not only in an unfinished home, but it can potentially be dangerous.

So what do you do?

If you've only paid for the work that's been done, then the obvious answer is to hire another contractor. Yes, it can be a process to find someone new, but overall, you're probably going to find that's the simplest solution.

On the other hand, if you've paid for more work or supplies than you've received, you might have a bigger problem on your hands. This is also true if a contractor didn't do high-quality work or did damage to your home and then disappeared.

### Make Complaints

There are different organizations where you can go to make complaints. For example, you can complain about the contractor who didn't finish the work with the Better Business Bureau or on Angie's List. You should also contact the contractor licensing board or commission in your state.

You can usually file a complaint online, and you might not recover all of your losses, but you're taking steps to prevent the contractor from treating other people the same way.

### Taking Legal Action

If you've repeatedly tried to get in touch with a contractor and you've been unsuccessful, your only option might be to take legal action.

This should be the option you take only if you've tried to have conversations already. It's a good idea to write emails so that you have a paper trail showing you repeatedly tried to get in touch with the person and come up with a solution.

Any time you call or text the contractor, whether you speak or not,

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## Could Your Garage Get Your Home Sold?

You've made updates to your kitchen. Made sure your bathrooms look fresh and clean. Decluttered EVERYTHING. Even dropped your price. But your house still isn't selling. Could your garage make the difference? It just might.

"When prospective buyers visit your for-sale home, they're going to inspect every room in the house—even the garage," said Sara Reese of Berkshire Hathaway HomeServices Beach Properties of Florida on RISMedia. "It's not exactly a glamorous space, but if your garage is a mess, it's going to send a bad signal and turn off visitors. Therefore, it's helpful to spend a little time in your garage and make it look its best."

Here are a few tips to get your garage in great shape.

### Replacing your garage door

If your garage door works perfectly fine, replacing it may not be a high priority. But consider it curb appeal. Garage doors are large items, and they take up a lot of eye space. Especially if your garage faces the street, a dented, chipped, or dingy door could be stealing focus from the rest of your otherwise-put-together house.

"Remodeling Magazine found in its 2019 Cost vs. Value study that an upscale garage door replacement can actually net you a return of 97.5%," said HomeLight. "A new garage door will run you between \$300 to \$1,500, depending upon the size and style, while installation typically costs between \$500 and \$800."

If the garage makes a loud or creaky sound when it opens, spending a few hundred dollars to replace the garage door opener is a no-brainer.

### Finishing out the garage

Finishing out your garage isn't recommended if you're looking for the best return on investment (ROI). While this type of upgrade may appeal to a niche buyer, most aren't going to pay extra for it, and you likely won't recoup your costs.

Just adding epoxy to the floor can cost between \$1,400 and \$3,000. You could do it yourself for about \$100, but the process can be tricky and the results may reflect your novice status.

If you don't want to go to the trouble and expense of epoxying the floors, make sure you get them nice and clean. "If your garage floors are cracked and covered in oil stains from cars gone by, it's a good idea to give the floor a good pressure washing and repair those cracks (depending on how big or noticeable they are)," said Nexx.



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According to homewyse, power washing the garage floor will cost around \$200.

### Adding storage

After giving the garage a good cleaning, this is the No. 1 must-do to get the space in good shape. According to Kiplinger, 85% of buyers said they want garage storage.

You can easily spend thousands on dedicated garage storage systems that make the space look pristine, but creating spaces to neatly stash your stuff doesn't have to be costly. A few large metal shelving units placed side by side will only cost you a few hundred dollars. These freestanding units are popular with buyers because the doors hide messes. And, when you put a few of them together, you can turn the top into a work surface.

### Adding a garage

If you don't have a garage and you're in an area where most homes do, adding one might be on your mind. Your real estate agent should be able to advise you on whether or not this is a smart move, especially given the expense and expected ROI. "At a national level, home sellers can expect to recover close to 64.8% of their initial garage addition costs," said Clever. "Let's say that you invest \$27,000 in adding a garage to your home, you may recover about \$17,496 when you sell your home."

### Doing a garage conversion

Perhaps you're thinking of converting your garage to living space. It is less expensive than adding on; According to Realtor.com, a garage renovation "comes in at \$11,000 on average."

While a conversion isn't necessarily a recommended strategy if you're looking to get your home sold right away because of the expense and the time involved, there are some instances where this might be a good move.

"Nearly 30% of shoppers rate a garage as one of the most important home features, just ahead of an updated kitchen and open floor plan. But "a 'well-done' garage conversion to living space can give you up to an 80% ROI."

The decision of whether to go this route largely hinges on that expense, but also on the specific area in which your home is located. It's best to talk with your real estate agent before dropping the hammer on your garage conversion. It could be that homes without garage in your area just don't sell. Or, perhaps there is a growing trend toward multi-generational living locally that could inform your renovation and make your home especially desirable.

*Courtesy of Realty Times*



## Understanding Financial Gifts

Getting a little help from ol' Mom and Dad to help buy your first home? Lucky you! For most first time homebuyers, coming up with the money for a down payment and closing costs is the biggest challenge. But getting a bit of a financial windfall will go a long way. Just know in advance how lenders view and treat financial gifts when qualifying for a home loan. What's important?

One of the things to know is that lenders will want to 'source' the financial gift to make sure it's from a legitimate source. For instance, when you provide your bank statements to the lender, they'll match up what appears on your paycheck stubs with deposit verification from your bank statements. If you get paid on the 1st and 15th, there should be deposits shown on those dates. But if you get a financial gift, the money will simply appear in your account. Lenders will want to know where that irregular deposit came from.

Lenders want to make sure, for one, that the money showing up in your bank statements doesn't come from a loan. A loan will mean you have to pay it back, either in monthly installments or in one big lump sum. That can affect your ability to pay your mortgage

and at minimum increase your debt to income ratios.

Qualified sources for gift funds include family members, qualified non-profits and life partners. Whichever the source, you'll be asked to provide a letter from the donor stating that the funds are indeed a financial gift and are not expected to pay them back. If you do decide however to pay back the donor either all or in part at a later date, you may certainly do so.

It's just upon receiving the gift, you'll need an explanation as to where those funds came from. Lenders also have the right to make sure the donor has the ability to pay the gift and not expect to be paid back. The gift letter will also point out the source of the donor's gift funds. A simple 'from our bank account' will suffice.

When counting on getting some financial help from qualified sources, know in advance it's not as simple as just saying 'it came from my checking account.' You'll need to show the funds are yours, not expected to be paid back and the funds will be used to help finance the purchase of your new home.

Courtesy of Realty Times

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you should also document this.

If you've taken a big financial hit because of the action or inaction of a contractor, your only choice might be litigation. With that being said, you have to make sure that it makes sense based on the cost of litigation and how much compensation you might recover.

If a contractor doesn't complete a job, it'll probably go through the small claims court system. The good news with that is you don't need to hire an attorney.

You'll just need to bring all of your evidence and documentation with you to court.

If you have damages that are higher than the maximum allowed in small claims court, you might have to file a claim in county court. You'll have to pay an attorney unless you're going to represent yourself, so this is really where you have to balance the costs against the compensation you might recover.

### What If You Didn't Have a Written Contract?

When you hire someone to do work on your home, you should always have a written contract. The more specific you can be in that contract, the more you're protecting yourself. What if you don't have a written contract, however, and the contractor doesn't finish?

You can sue for a breach of contract even if you don't have a written contract. You will have to prove that there was an oral contract, though. What is often helpful in this situation is that increasingly people communicate by text or email, so you might have all of your communications with a contractor when you hired them.

You might also be able to use witnesses as part of your evidence if they saw certain conversations taking place.

Finally, if you did experience a situation with a contractor not doing the work they promised or causing damage, there is often a statute of limitations. That's the legal amount of time you have to file a lawsuit. It varies depending on whether you have a written or oral contract. If you have an oral contract, the statute of limitations tends to be shorter, so you need to be proactive once you realize the contractor isn't coming back and you've paid them.

Courtesy of Realty Times

## October Real Estate Roundup

Freddie Mac's results of its Primary Mortgage Market Survey® shows that "Increasing for the fifth consecutive week, mortgage rates reached their highest level since the beginning of August. With several potential inflection points happening over the next week, including the jobs report, the 2024 election, and the Federal Reserve interest rate decision, we can expect mortgage rates to remain volatile. Although uncertainty will remain, it does appear mortgage rates are cresting, and are not expected to reach the highs seen earlier this year."

- 30-year fixed-rate mortgage (FRM) averaged 6.72 percent for the week ending October 31, 2024, up from last month when it averaged 6.08 percent. A year ago, at this time, the 30-year FRM averaged 7.76 percent.
- 15-year FRM this week averaged 5.99 percent, up from last month when it averaged 5.16 percent. A year ago, at this time, the 15-year FRM averaged 7.03 percent.

Courtesy Of Realty Times



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# Black Hills Events

## **RC Rush Hockey Games**

November 22, 23, 27, 29 & 30  
December 12, 13 & 14  
The Monument

## **Little Norge Fest**

November 23  
Sons of Norway Borgund Lodge 1-532  
2900 Canyon Lake Drive, Rapid City

## **Cirque Dreams Holiday**

November 23  
The Monument

## **Storybook Island Christmas Night of Lights**

November 29, 30  
December 1, 5-8, 12-23, 26-29  
Storybook Island

## **1880 Train Holiday Express**

November 30  
December 7, 9, 14, 15, 21-24, 28 & 29  
Hill City

## **Festival of Lights Parade**

November 30  
Downtown Rapid City

## **Winter Market**

November 30  
Main Street Square

## **Nutcracker! Magical Christmas Ballet**

December 3  
The Monument

## **Holiday Marketplace Pop-up**

December 14  
The Monument