



Water, water everywhere?

**Not a flood but a
very valuable resource.**



In the real estate business, we are more worried about today's realities than just listing and selling properties. Changes are occurring in the environment, whether man made or natural. In this area, we've always been concerned about the water being too little or too much. Our own supply isn't limitless, but our location on top of a natural aquifer system serves us pretty well.

In many areas there are problems. A recent study published in the June 2008 *Discover* magazine, "Science, Technology and the Future" by Daniel Zimmer (Executive Director of the World Water Council), reports the following information:

In summary, South America has 30 % of the world's fresh water, North America 15 %, Africa 9%, and the Middle East 11% with other areas dividing the rest. If, in fact, North and South America do control about 45%, we are indeed fortunate. In the United States (with 300,000,000 people), while there are other points of concern in the southwest, California, and the central plains/Ogallala aquifer, we in the Black Hills are still able to enjoy and often waste enormous water resources . . . not a good plan but still working for the moment. The article, "Better Planet," also discusses "a smarter way to think about how much H2O we use" and goes into more detail. For example, in this country it takes about 144 gallons of water on an average to grow a pound of wheat. For a pound of meat, the actual water required is 5 to 10 times higher. The experts now claim that the water supply for worldwide crop irrigation needs to increase by 14% to 17% by 2030 just to meet the world population's dietary needs. The Black Hills may not have enough water to support one million people; but, with a bit more conservation on our part, we'll continue to do well. **For more info, go to:**



www.waterfootprint.org or
www.worldmappers.org

A word of advice:
***Don't waste and don't pollute.
Just take care of what we have.***

Gone with the wind!

*What happened to
my flipping equity?*



In the past few years, people and investors bought real estate with the idea of possibly updating or just holding home property for a short time and letting inflation and the rising market produce big profits in the national **hot market** that was a real gold mine for many owners. At the same time, easy financing came along. These were adjustable loans, no document loans, 20% add-on loans and more. The fast-rising market and easy money blended to make huge profits for some and lead others into financial and credit disaster. Along the way with extremely low interest rates and large equity build, many people decided to use their real estate as a **cash bank** and refinance to buy more of anything and everything. Not a bad idea as long as the prices continue to escalate in the **hot market**. However, this is not a good idea when values slide down instead of going up.



For more details, check the national media everyday in our area. Even with our market in the Black Hills being a bit slow, we are still doing well. The prices are a bit lower but our future is bright!

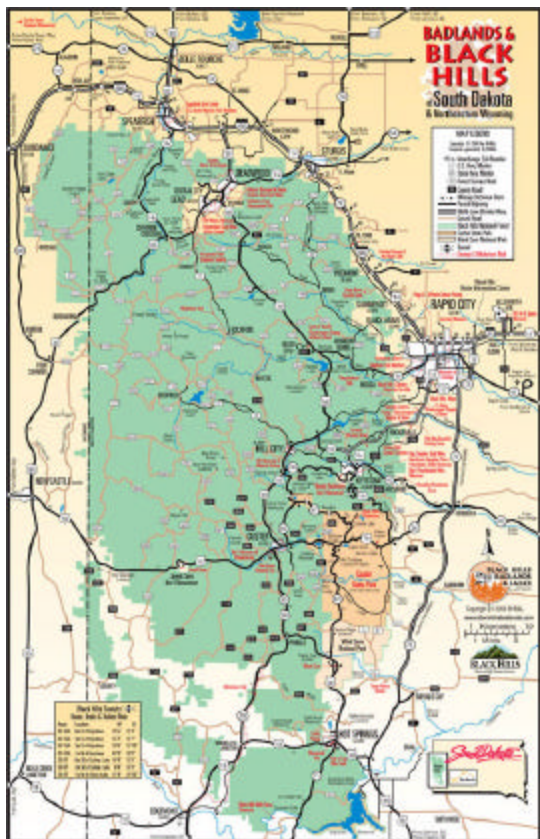


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Planning to buy or sell property on your own without REALTOR® services?



Whether you are experienced or not in handling real estate transactions on your own behalf, there are some things you need to know and address to avoid pitfalls! This knowledge can protect you and other parties from future problems or possible litigations.

Since buyers and sellers have different agendas and goals in real estate transactions, it pays to be informed. *Commercial* - As REALTORS®, we work hard to avoid difficulties for our clients. – *End Commercial*. So to begin, to protect yourself and others **Disclose! Disclose! Disclose!**

The State of South Dakota requires that a seller handling his/her own home sale must prepare a written disclosure about the property's condition and history as known. (See below for computer disclosure form access or call us.) These days, more than ever, the transfer of real estate involves property inspections, surveys, title companies, appraisers, lenders, and often government agencies concerning zoning and building codes. That being said, consumer protection issues (such as methamphetamines and crime) are also a consideration. To summarize, knowledge and communication can solve problems and save you aggravation and money.



Now you may ask, "What can I do?" You could hire us for the answers, assistance, and results that you need. You can also visit our web site at www.rapidcityrealestate.com and scroll down the left side navigation to Real Estate Law. There you'll find all the necessary real estate documents which you can print out and use (including the Seller's Property Condition Disclosure).

Just one final thought - houses with a 6-month home warranty for the seller and a 1-year warranty for the new buyer help both parties.

Current Lender Rates – 30 Year

Conventional – 6.22% - 0 Points

VA-FHA - 6.50% - 0 Points

SDHA - 5.375% - 1 Point

Step Rates Starting at 4.375%



As of June 12, 2008



*Feeling down in the dumps?
Move to South Dakota . . . the least
depressed state in the United States!*

In its new state-by-state rankings based on the prevalence and severity of depression, the nonprofit Mental Health America found that places like the Dakotas and Hawaii fared better, in part because they have more psychiatrists and social workers per capita and also because there are more residents with health insurance. Says psychologist Davis Shern, the organization's president and CEO: "Access is the moral of this story."



Do-It-Yourself Financial Calculator

There's a great tool on our web site called the "Financial Calculator." Just go to www.rapidcityrealestate.com, click on **Financing Information** on the left side of the page under **More Info** and then click on the **Financial Calculator** at the top of that screen. You can find answers to the following questions by just filling in some data:

Home Financing

- ✓ *Should I refinance?*
- ✓ *How much will my fixed rate mortgage payments be?*
- ✓ *How much will my adjustable rate mortgage payments be?*
- ✓ *How much will my payments be for a balloon mortgage?*
- ✓ *Should I rent or buy?*
- ✓ *Which mortgage is better for me?*
- ✓ *How much will I save by increasing my mortgage payment?*
- ✓ *How much mortgage might I qualify for?*
- ✓ *Should I consolidate my loans?*
- ✓ *How much home can I afford?*

Pre-Qualification Questionnaire

Before searching for just the right property, it is generally necessary to gather the information you'll need when approaching a lender for pre-qualification and finally for loan approval.

In the past, our company offered an "in house" mortgage service, but today there are many mortgage companies, banks, and other financing services. All these options will give you the advantage of more choices in selecting the financing that is best for you. If you do not presently have a lender connection, we'll be happy to provide a list of area financial resources and arrange an appointment of your choice at no cost or obligation to you.

If you haven't been through buying and financing before, you'll also find a pre-qualification form under **Financing Information** on our web site. It will help you collect the answers you need to begin the process of purchasing a home and seeking financing for that purchase.

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We're pleased
to introduce
all of our neighbors at
Third and Main Streets.

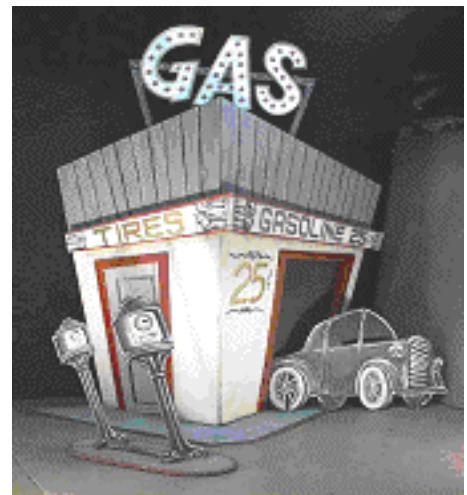


- **The Heart and Hearth Shoppe** *Fireplaces & Stoves* 343-3792
- **Mountain States Investigations & Security, Inc.** *Security Guards, Patrol Service & Investigations* 343-7448
- **Black Hills Web Design** *Graphic & Web Design* 342-3926
- **Front Porch Coalition** *Working to prevent the incidence of suicide and providing support to those who have lost a loved one to suicide* 348-6692
- **Property Management Services, Inc.** *Residential Rentals* 341-3000
- **Aflac Insurance** *Supplemental Health & Life Insurance* 343-7448
- **Rayner Photography** *Digital Photography* 342-3926

Could Gas Eat Your Stimulus Check?

By The Editorial Board of the New York Times
May 13, 2008, 4:29 pm

With gas prices on the rise again, some economists are starting to fret that the \$110 billion fiscal stimulus package crafted by Congress and the White House earlier this year to pump prime the economy might go straight into the coffers of a few oil companies, providing next to no stimulation along the way.



After all, the price of a gallon of gas has risen about 75 cents since February, when President Bush signed the economic stimulus bill, to about \$3.75. That's a 25 percent jump.

For somebody driving around in, say, a Chevy Tahoe, that means it costs \$20 more to fill her up than it did 3 months ago. Drive around enough and you could burn pretty quickly through a \$600 check — with little left over to drive the economy forward.

But according to economists at Goldman Sachs, gas prices would have to rise much more still to take the punch out of the fiscal package. They note that total spending on gasoline amounts to about \$400 billion a year, or \$33 billion per month. That means the 25 percent price hike since February would increase spending on gas by \$8.25 billion. While this is a lot of money, it doesn't quite deplete the stimulus, which will amount to \$35 billion a month for three months.

The Goldman Sachs analysis estimates that to eat up the whole stimulus package, gasoline prices would have to rise to \$7.50 a gallon. So, it looks like there will be a stimulus — but that soaring gas prices will take some of the pep out of the original plan.

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Major Influences on our Area Economy



Rapid City Area Single Family Home Sales

Year to Date

(January 1 through Jun 13, 2007)

Total Currently Listed – 1,826
 Number Sold – 760
 Percentage Sold – 41.62%
 Average List Price Sold - \$177,988
 Average Sales Price Sold - \$173,165
 Sale Price/List Price Ratio – 97.29%
 Average Days on Market – 87
 Average List Price Unsold - \$267,837

Please Note: These figures do not reflect separate statistics for new construction but rather combine new construction with pre-owned homes.

(Based on local public records and not verified for accuracy.)

Emma's Strawberry Pie

1 cup sugar
 1 cup water
 3½ tablespoons corn starch

Cook together until thick and clear.
 Remove from heat and stir in 3 table-
 spoons dry strawberry Jell-O. Cool.

No Roll Pie Crust - Mix ½ cup Crisco oil and 2 tablespoons milk together. Add 1½ cups flour, 2 tablespoons sugar, and 1 teaspoon salt. Blend and then pat into pie pan with fingers. Bake at 375° for about 15 minutes. Cool slightly.

Cut up strawberries and place in crust. Pour glaze over the berries and refrigerate. Serve with whipped cream.

Recipe can also be made with fresh peaches and peach Jell-O.

Tested by Danielle at Raben Real Estate.



How to spend that stimulus check . . .



With hopes of sparking the economy, the federal government is shipping economic stimulus payments to about 130 million Americans. There are certain eligibility and income requirements. But, if you meet them, Uncle Sam hopes you'll spend the money you receive. Consider some better options for boosting your balance sheet.

- Pay off debt. Target high-interest, non-deductible debt – such as credit cards first.
- Build emergency cash. Haven't stashed away 3 to 6 months of living expenses yet? This is your chance to start or finish building your fund if you're close.
- Save for retirement or college. Your check may be just what you need to open or add to an IRA or 529 college savings plan.

Source: *USAA Magazine Summer 2008*



Remember the Code of the West!



Moving to your new home in the Black Hills is a great adventure, “a dream come true,” and can offer a special life for you and your family. However, if you have always been a city dweller, you may want to check out these possibilities.

On our main web page, www.rapidcityrealestate.com, is a check point (Rural Codes) that takes you to a great information site provided by Pennington County. It's a resource for getting acquainted with country living. It provides much information you will need for happy times in your new home.

A few high points will be worth knowing before you buy. The items are often obvious but not always considered.

- Access to the property - private, county, forest service, easements and more, such as road maintenance, effects of weather conditions, and so forth.
- Utilities and public services - private co-op, phone and satellite access, gas or propane, and easy access to electric service.
- Environmental issues from waste disposal to water purity. Also, fire hazards are important as well as rural trash services. Consider all of these and more when you are selecting a home site or existing house.
- Mother Nature is a factor. There are snowstorms, gully washers and forest fires to consider. Also, if gardening is your passion, be prepared to defend your crops from deer and rabbits.
- Code and regulations are here and still coming concerning wells, septic systems, and actual “buildability” of some parcels of land. Governments more and more regulate wells, wastewater, grading, and emergency access.
- And last but not least, away from municipal services you will have to be more independent and caring for the Black Hills environment. It's not like pioneering, but often the responsibilities are yours. Even if you are friends with the governor, he probably won't be able to answer your questions or solve your problems at 3:00 in the morning.



Have you ever wondered about . . .



The Beginning 65,000,000 Years Ago

In the center of North America, in the United States of America, in the middle of the high plains country is a wonder-filled land, the Black Hills of South Dakota – the beautiful Paha Sapa. It's an ancient place formed over 60,000,000 years ago when these rugged mountains were pushed up through the seas that covered this region and lifted up thousands of feet of layered sea bottom to over twice its present height.

Now it is a mixed land of granite peaks, ridges of quartz and slate, high plateaus of limestone and sandstone, hills of gypsum, towers of ancient volcanic rock and seashells and fossils from those early seas and times . . . all this with forests, rich farm and ranch lands, fresh air, clear water, and room to live.



The History 132 Years Ago

Rapid City was founded in 1876 (later than some of the mining camps in the region) when this was still Dakota Territory. The town came into being when the Brennan party settled along the creek near the present civic center. It quickly grew and became the source of supplies for the larger mining towns. The "Hay Camp" continued to grow; and, in a few years, passed the older areas in size. Rapid City offered easy access from the east, milder weather at only 3,250 feet above sea level, and a central location. The railroad arrived next; and, in the early 1900's, Rapid City continued to grow into the major population center in Western South Dakota.

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