Case No. 18VA005

Legal Description:

Lot 14 of Block 1 of Knowllwood Heights Subdivision, located in Section 30, T2N, R8E, BHM, Rapid City, Pennington County, South Dakota
**DEPARTMENT OF COMMUNITY DEVELOPMENT**  
City of Rapid City  
300 Sixth Street, Rapid City, SD 57701-2724  
Phone: (605) 394-4120  
Fax: (605) 394-6636  
Web: www.rcgov.org

**APPLICATION FOR A VARIANCE**

**Written statement describing the proposed and/or intended use and detailing the Variances(s) being requested:**

This property was improved many years ago and fully complied with all applicable ordinances at the time it was built including all set back requirements. Subsequent to those improvements, the city determined to change its ordinances to require larger side-yard set backs and reclassified my property from "legal conforming" to "legal non-conforming."

I have recently determined to sell my house and I listed it for sale with Kahler Realty here in Rapid City. I received an offer that was subject to a financial contingency. Following the completion of a survey for the property, I was notified by my realtor that Blue Ribbon Mortgage rejected a mortgage on the property because of its classification as "legal non-conforming." As a result, that sale fell through. I received another offer but that one was terminated because of the classification of the property which renders it unacceptable to the secondary mortgage markets.

Attached to this application is a copy of the rejection letter I received from Blue Ribbon and a letter from Kahler Realty further explaining the situation with my property and the city's classification of it. I would like to continue to use the property as residential property and to be able to sell it for that use at a fair value.

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**Applicant’s Justification:**

Pursuant to Chapter 17.54.020.D of the Rapid City Municipal Code, before the Board shall have the authority to grant a Variance, the applicant must adequately address the following criteria:

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Applicant Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Granting the Variance is not contrary to the public interest;</td>
<td>I am only one of hundreds and even thousands of Rapid City citizens who will be affected by this re-zone and re-classification which is preventing the sale of our property and/or limiting the pool of available purchases which affects the value of the property.</td>
</tr>
<tr>
<td>2. Special conditions on the property will result in an unnecessary hardship for the applicant;</td>
<td>The hardship to me is pretty apparent. The change in zoning and the resulting change in the property classification is devaluing my property and affecting a significant asset in my retirement plan.</td>
</tr>
<tr>
<td>3. Granting the Variance is in the spirit and intent of the Zoning Ordinance, and;</td>
<td>The ordinance was intended to adopt new set-back requirements while preserving the value and marketability of existing properties which were legally constructed and conformed to applicable ordinances. This situation is not consistent with that purpose.</td>
</tr>
<tr>
<td>4. Granting the Variance will serve substantial justice.</td>
<td>I have fully complied with all laws and restrictions applicable to my property and I have not contributed, in any way, to the circumstances that are now preventing me from being able to sell my property.</td>
</tr>
</tbody>
</table>
STATEMENT OF CREDIT DENIAL, TERMINATION, OR CHANGE

Applicant: Stephanie E Jankord
Date: March 15, 2018
Address: 2130 Covington St., Rapid City, SD 57703
Loan Number: 1801037066
Loan Amount: $166,822.00
Interest Rate: 4.500 %
Term: 30 years

Description of Account, Transaction, or Requested Credit:

Description of Action Taken:

Part I. Principal Reason(s) for Credit Denial, Termination, or Other Action Taken

A. Credit
☐ No credit file
☐ Insufficient number of credit references provided
☐ Limited credit experience
☐ Unable to verify credit references
☐ Garnishment, attachment, foreclosure, repossession, or collection action or judgment
☐ Excessive obligations
☐ Insufficient income for total obligations
☐ Unacceptable payment record on previous mortgage
☐ Delinquent credit obligations
☐ Bankruptcy
☐ Unacceptable type of credit references provided
☐ Poor credit performance with us
☐ Number of recent inquiries on credit bureau report

B. Employment Status
☐ Unable to verify employment
☐ Length of employment
☐ Temporary or irregular employment

C. Income
☐ Income insufficient for amount of credit requested
☐ Unable to verify income

D. Residency
☐ Temporary residence
☐ Length of residence
☐ Unable to verify residence

E. Other
☐ Credit application incomplete
☐ Inadequate collateral
☒ Unacceptable property
☐ Insufficient data – property
☐ Unacceptable appraisal
☐ Unacceptable leasehold estate
☐ Value or type of collateral is not sufficient
☐ We do not grant credit to any applicant on the terms and conditions you have requested.
☒ Rebuild letter unacceptable to investor

Part II. Disclosure of Use of Information Obtained from an Outside Source

This section should be completed if the credit decision was based in whole or in part on information that has been obtained from an outside source.

☒ Our credit decision was based in whole or part on information obtained in a report from the consumer-reporting agency listed below. You have a right under the Fair Credit Reporting Act to know the information contained in your credit file at the consumer-reporting agency. The reporting agency played no part in our decision and is unable to supply specific reasons why we have denied credit to you. You also have a right to a free copy of your report from the reporting agency, if you request it no later than 60 days after you receive this notice. In addition, if you find that any information contained in the report you receive is inaccurate or incomplete, you have the right to dispute the matter with the reporting agency.

Name: Credit Plus
Address: 31550 Winterplace Parkway, Salisbury, MD 21804
Telephone number (toll free): 800-258-3488
We also obtained your credit score from this consumer reporting agency and used it in making our credit decision. Your credit score is a number that reflects the information in your credit report. Your credit score can change, depending on how the information in your credit report changes.

Credit Agency Name: EXPERIAN
Address: PO BOX 2002, ALLEN, TX 75013
Phone: 888-397-3742

Your Credit Score: [REDACTED]
Date: January 2, 2018
Scores range from a low of 320 to a high of 844
Key factors that adversely affected your credit scores:

Number of recent inquiries on consumer report

Credit Agency Name: TRANSUNION
Address: PO BOX 2000, CHESTER, PA 19016
Phone: 800-888-4213

Your Credit Score: [REDACTED]
Date: January 2, 2018
Scores range from a low of 309 to a high of 839
Key factors that adversely affected your credit scores:

Number of recent inquiries on consumer report
Credit Agency Name: EQUIFAX
Address: PO BOX 740241, ATLANTA, GA 30374
Phone: 800-685-1111

Your Credit Score: [redacted]
Date: January 2, 2018
Scores range from a low of 334 to a high of 818

If any of the following items have negatively affected your credit scores:

☐ Number of recent inquiries on consumer report
If you have any questions regarding your credit score(s), you should contact the consumer reporting agency(ies) at the above addresses or phone numbers.

☒ Our credit decision was based in whole or part on information obtained from an affiliate or from an outside source other than a consumer-reporting agency. Under the Fair Credit Reporting Act, you have the right to make a written request, no later than 60 days after you receive this notice, for disclosure of the nature of this information.

If you have any questions regarding this notice, you should contact:
Lend Smart Mortgage, LLC.
2025 Jackson Blvd, Rapid City, SD 57702
651-631-4919

Notice:
The Federal Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status, or age (providing that the applicant has the capacity to enter into a binding contract); because all or part of the applicant's income derives from any public assistance program; or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act. The Federal Agency that administers compliance with this law concerning this creditor is:
Federal Trade Commission
Consumer Response Center, Federal Trade Comm, DC 20580
877-382-4357

This notification is given by: Lend Smart Mortgage, LLC.
2025 Jackson Blvd
Rapid City, SD 57702
605-343-8087

Notice mailed on: March 15, 2018
By: [Signature]
Bart Banks

From: Shauna Sheets <shauna@thekahlerteam.com>
Sent: Thursday, April 5, 2018 2:59 PM
To: Bart Banks
Subject: Fwd: 1502 Racine

Bart,

Please see below email from one of my preferred lenders. Because he was out of town for a funeral, he sent an email vs a letter.

Shauna Sheets
Broker Associate
Cell. (605) 545-5430
shauna@thekahlerteam.com

---------- Forwarded message ----------
From: Ryan Hatleli <rhatleli@cmgfi.com>
Date: Thu, Apr 5, 2018 at 2:30 PM
Subject: 1502 Racine
To: Shauna Sheets <shauna@thekahlerteam.com>

Shauna,

I'm sending you an email to recap our previous discussions on your 1502 Racine listing in Rapid City. After reviewing the current zoning on the property, this home would not be eligible for secondary market financing. A rebuild letter would not be issued, if the structure was over 50% destroyed. This is not a new rule, but has been in existence for the entirety of my 17 year career in the mortgage industry. There is always the chance that a non-conforming zoned home may slip through the cracks, but this would only be due to an appraiser not identifying the issue on the report.

Let me know if you have any other questions.

Thanks,
Equal Housing Opportunity This message is for the designated recipient only and may contain privileged, proprietary, or otherwise private information. Any unauthorized use, dissemination of the information, or copying of this message is prohibited. If you are not the intended addressee, please notify the sender immediately and delete this message. CMG Financial. All Rights Reserved. CMG Financial is a division of CMG Mortgage, Inc. NMLS# 1820. Corporate Address: 3160 Crow Canyon Road Suite 400, San Ramon, CA 94583; www.cmgfi.com. CMG Mortgage, Inc. Licensed by the Department of Business Oversight under the California Residential Mortgage Lending Act #4150025, California Finance Lenders Law #6053674. To verify our additional state licenses, please log onto the following website, www.nmlsconsumeraccess.org.
HANSON SURVEYING & MAPPING
MICHAEL R. HANSON - R.L.S
832 HORACE MANN DRIVE
RAPID CITY, SD 57701
605-388-9652

SCALE: 1"=20'

LOT 14

HOUSE

GRANITE STREET

HANCOCK

DITCH

SHED

GRAVEL

RECEIVED
APR 09 2018
RAPID CITY DEPARTMENT OF COMMUNITY DEVELOPMENT

IMPROVEMENT LOCATION EXHIBIT
The purpose of this exhibit is to provide a representation of the information gathered at the time of the inspection for the interested parties. This exhibit is based on existing but confirmed boundary evidence and is subject to any inaccuracies. No property corner will be set and no warranty as to the location of the true boundary of the subject property is extended herein to the present or future owners or occupants.

LEGAL DESCRIPTION
LOT 14 IN BLOCK 1 OF KNOLLWOOD HEIGHTS SUBDIVISION
RAPID CITY, PENNINGTON COUNTY, SOUTH DAKOTA
1502 RACINE STREET - DEVIN & STEPHANIE JANKORD

Project # 18.033
Surveyed by: M.R.H.
Date: 1/29/18
Drafted by: M.R.H.

SURVEYOR'S CERTIFICATE
I, the undersigned, do hereby certify that I have inspected the property described herein and that the information shown is an accurate representation of the information gathered at the time of the inspection of the subject property.

Michael R. Hanson S.D. Reg. #6251