

Find Out What Your Possessions are Worth with an
Independent Appraisal

BY S. KAY BELL

You've spent years collecting precious objects, inherited some family heirlooms or got a nice piece of jewelry as a gift. Now you need to know what these items are worth. An independent personal property appraiser can help.

It was so thoughtful of Aunt Jane to give you that heirloom vase. It looks wonderful next to the crystal candy dish you bought on eBay, sitting atop the console you got for a song at the flea market.

But now it's time to sell them. How do you know what prices to ask?

Hire an appraiser.

You're familiar with appraisals, thanks to your home's annual property tax bill. But when it comes to determining the value of what's inside the house, you need a personal property appraiser. They provide evaluations of the worth of fine art, jewelry, antiques and general household contents.

An independent appraisal can keep peace in a family, especially when a loved one's estate is being divided. It can provide a degree of certainty when you're insuring property. Or an appraisal might be legally necessary, such as when making a tax-deductible donation of valuable items or determining asset division in a divorce.

Keep in mind, though, that personal property appraisers are unregulated, with no educational or licensing requirements. That means it's up to you to thoroughly vet the person who will value your property.



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HOW DO I FIND AN APPRAISER?

Start with the people you know. Ask your attorney for recommendations. Insurance agents are helpful, as are antique dealers. Art galleries and museums also will have suggestions.

You also can seek referrals from the various appraisal trade organizations. Although there are no formal government regulations, these professional groups offer various levels of training and continued education options for their members.

The American Society of Appraisers, for example, has a membership of approximately 3,500 accredited appraisers and an online search engine to help you locate one. The International Society of Appraisers has a similar "find an appraiser" online option, as do the Appraisers National Association, the Appraisers Association of America and the Certified Appraisers Guild.

WHAT SHOULD I LOOK FOR?

Any time you hire someone to offer financial guidance, you want to ensure that person is qualified.

Conduct a thorough interview. Find out how the appraiser's experience and knowledge relates to the particular appraisal you need.

Ask for documentation. A reputable appraiser will supply a qualifications statement or a resume that includes job history, educational degrees and recognition received for professional accomplishments. Get details about accreditations and how the appraiser qualified for the certifications, such as continuing education programs.

And always demand references from current and former clients.

THERE ALSO ARE SOME "DON'TS" WHEN IT COMES TO HIRING AN APPRAISER.

Don't hire one who tells you the value of an item immediately. A quick analysis makes for an entertaining *Antiques Roadshow* episode, but you want your appraiser to spend as much time as necessary to provide accurate value.

Neither do you want someone who offers to buy the item at the appraised price or whose fee is based on the item's value.

And be particularly leery of an appraiser who offers to give you a "high" or "low" value, depending on how the appraisal will be used.

Get the latest tax tips and news at S. Kay Bell's blog, *Don't Mess With Taxes* dontmesswithtaxes.typepad.com

WHAT WILL IT COST?

Fees are set by the individual appraiser, and often are based on an hourly, half-day or full-day basis. Experience and expertise contribute to the fee.

Many professional appraisers offer a free estimate of the time and cost involved before they accept a job. When work starts, you also are likely to incur added costs, such as fees for expert consultation the appraiser deems necessary.

Get a complete fee schedule or estimate and make sure all your cost-related questions are answered before you sign an agreement.

WHAT SHOULD I EXPECT?

An appraiser will examine your property's condition and look for specific or notable characteristics. The article's history – your great-grandfather brought the violin with him when he emigrated from Italy – also is useful in the evaluation, as is any documentation on the piece you can provide.

Research is next. A thorough appraiser has access to a variety of reference resources, from books to periodicals to subscription information services that provide up-to-date reports from national and international auction houses. During this process, the appraiser should discover any comparable sales.

After the data gathering is complete, you'll get a written report. It should contain:

- **A cover document explaining in detail what type of value is being sought and how the appraisal is to be used; for example, fair market value used for taxes or replacement value used for insurance coverage.**
- **A complete description of the property written so that it can be identified without photos.**
- **The methodology and resources the appraiser used to arrive at the property's value.**
- **The date and location of the property inspection and on what effective date the appraised value was reached.**
- **A statement by the appraiser that he or she has no financial interest in the property or, if there is such interest, a statement disclosing that.**
- **The appraiser's qualifications and signature.**

Note that "no interest" statement. In most cases, you should seek an appraisal from someone who is not going to buy or sell the property. That independence is one of the best indicators that your appraisal will be fair and accurate. *AW*