

Why appraise?

Knowing what your valuables are worth is always a sensible thing to do, being it your jewelry, watches or sterling silver. This is why it's important to keep your appraisals up to date, especially given the continuing rise in the gold and gemstone markets.

How much is mom's diamond brooch worth? Can you share inherited jewelry equitably? Are you giving jewelry as a gift to a family member, or someone else?

Independent appraisers are not in the business of buying or selling jewelry so they are likely to be unbiased—and this can also mean they are less likely to overvalue your jewelry as a way to please you as a customer.

For the most part, insurance companies prefer that your jewelry appraisals be done by an independent appraiser, as opposed, for example, to someone employed by a jewelry store.

Not long ago, I appraised a number of pieces for a young woman who brought me her engagement ring, along with several family pieces including a ring that was on life support, alas: she could see, through my microscope, a large crack in the center ruby, and the broken prongs.

"I have one more thing," she said, "and probably it's worth nothing." This was a diamond on a fine gold chain. "My grandfather gave it to me when I was little, and I used to wear it at tea parties with my stuffed animals."

Looking at the stone, I realized it was one of the loveliest I'd ever seen, and worth \$10,000. My client's grandfather has dementia, and no one in the family had known the diamond's value, or why he had given it to her.

An appraisal would have helped the family keep track of pieces like these and insure their value in case of damage or loss.

Most independent appraisers offer several levels of service. A simple verbal appraisal of each piece will at least get you started. A catalogue provides a listing of each item, its worth, a brief description and a photograph.

For insurance purposes you will want a full, complete, and highly detailed appraisal of each stone.

An appraisal is a legal document you can present to insurance companies in case of damage or theft, for example, and it is also essential in the process of settling an estate. Insurance companies prefer that you keep your appraisals up to date, every three to five years.

Insurance Replacement Appraisal

The most important reason for having an appraisal done is for jewelry insurance replacement value in case of loss. An appraisal provides you with protection for proper reimbursement.

If you lose your jewelry, you have a document describing your item in exact and extensive detail—stone measurements, clarity, and color – quality and value of the item. With this information, you can get the original item replaced with a similar one.

Diamonds and gemstones of the same size can range drastically in value according to their specific qualities and characteristics. Therefore, you are protected and assured that the replacement is on par with the lost item.

Most jewelry insurance companies request an appraisal for items above a certain value, for their homeowner's policy. The appraisal validates their existence and condition, and determines proper coverage and premiums for the policy.

Depending on how the policy is written, these appraisals are then consulted at the time of loss, theft or damage, to assist in replacement. The jewelry replacement value reflects the price that the client would most likely pay for one of the same or similar description on the date of the appraisal.

Estate Appraisal

An estate jewelry appraisal value is different than the appraisal value for insurance purposes. Fair Market value is used for estate-evaluation purposes, and is an assessment based on what a willing buyer and seller would agree to without a forced sale.

Appraisal criteria for estate jewelry have been legislated to include specific information and data, but do not include the factor that an insurance replacement appraisal does, and so this usually a lower value. The following is the U.S. Treasury definition of FAIR MARKET VALUE:

“The fair market value is the price at which the property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or to sell and both having reasonable knowledge of the relevant facts.

The fair market value of a particular item of property includible in the decedent's gross estate is not to be determined by a forced sale price. Nor is the fair market value of an item property to be determined by the sale price of the item in a market other than that in which such item is most commonly sold to the public, taking into account the location of the item wherever appropriate. Thus, in the case of an item of property includible in the decedent's gross estate, which is generally obtained by the public in the retail market, the fair market value of such an item would be sold at retail.”

(Treasury Regulation 20.2031-1(b))

(A Fair Market Value appraisal is appropriate in cases such as dissolution of a marriage)

Personal Jewelry Catalog

There are times when you want a record of your jewelry items or personal jewelry catalog. You may not need the full detail that an appraisal will give, but you want a document with digital pictures of your items, their condition, and value.

The best times to have a Personal Jewelry Catalog created follow:

- You are getting your affairs in order and want to clarify the jewelry items you have.
- A document will need to be created that shows, on a current day, these items where seen and recorded.
- A family member has passed away leaving an Estate to be Valued and Distributed.
- A family member is moving out of their home into a care facility. (Assisted Living or Skilled Nursing)

A Personal Jewelry Catalog may contain a few items or many. [View a sample of a Personal Jewelry Catalog.](#)

Verify Internet Jewelry Purchase

Buying jewelry on the internet can sometimes be a risk. Even when you buy jewelry from trusted websites, there are times that you want to be sure that what you received is what you paid for.

If you have questions like: "Is it real?", "Should I have it insured?" or have bought items on eBay, Craig's List, Blue Nile, Amazon, Overstock.com, and other such websites, a verbal appraisal can give you peace of mind. It may be one piece, several, or a jewelry chest of items.

Buying online can save you money, and I can verify that what you bought is what you received.

Selling Gold & Diamond Jewelry

Occasionally many of us acquire fine jewelry that no longer is of use to us. It may be jewelry inherited from a grandmother, a great aunt, a past relationship or similar type circumstance.

On such occasions, I can guide you through this process and give you a means of selling your jewelry in complete confidentiality. If you're thinking that you'd like to sell jewelry or some of your items, [call for a consultation.](#)