

APPRAISING FINE JEWELRY

Tips For Finding a Jewelry Appraiser

Did you know that your homeowners or renters insurance rarely will cover the full value of your fine jewelry in the event of theft or loss? Depending on your deductible, you may not get anything at all! To cover the full value of your fine jewelry, you should have a professional appraise each piece and then have it covered by your insurance under a separate policy or an attachment to your homeowners or renters policy. To accomplish this, most insurance companies will require professional appraisal by an independent gemologist.

How To Choose A Jewelry Appraiser

These are six questions that will give you a good idea of the qualifications and experience of the professional jewelry appraiser.

1. Is the jewelry appraiser a Graduate Gemologist ("G.G.") or Fellow of the Gemological Institute of Great Britain ("F.G.A.")? These credentials are educational minimums in the field of gem sciences. Graduates will know how to properly identify and grade diamonds and colored stones.
2. Has the jewelry appraiser completed formal training and has been formally tested in appraising/valuation by a recognized appraisal organization, such as American Society of Appraisers (ASA), International Society of Appraisers (ISA), and/or the National Association of Gem and Jewelry Appraiser's (NGJA)?
3. Does the jewelry appraiser follow the Uniform Standard of Professional Appraisal Practice (USPAP)? Although appraisers of personal property, such as fine jewelry, are not required to follow the same federal rules for appraisers who appraise Real Estate, the larger appraisal organizations such as USPAP feel this is important enough to require their members to follow these rules.
4. Is the jewelry appraiser a full time appraiser, or does the appraiser work in a jewelry store and occasionally do appraisals, a service that may be provided as a necessary evil? A good jewelry appraiser will have extensive background in all aspects of the jewelry business.
5. Does the jewelry appraiser have references? Ask for references, especially from other professionals such as banks, trust companies,

and attorneys who have used and are familiar with the appraiser's professional work.

6. How does the appraiser charge? The fee for a professional appraisal should only be on an hourly rate or a piece rate based on time and complexity, and never a percentage of the value of the item appraised.

So, you've decided to go ahead and have your fine jewelry appraised by a professional. Here are a few tips that should help in the process:

- Give the jewelry appraiser copies of any documentation you have relative to the jewelry, such as original receipts and previous appraisals.
- Expect to pay a flat fee for the appraisal. The fee will depend upon the complexity of the project, but you can expect that it will be more than \$50.
- You might be tempted by online companies that offer free or cheap appraisals. Online appraisals are only good for real property items that can be certified through photographs or receipts and descriptions. Even online appraisers admit that jewelry items of colored stones and diamonds require a more hands on approach. Any item such as fine jewelry, requiring certification or testing to prove identity or authenticity, can't be appraised online.
- Verify with your insurance company how often they require an appraisal in order for the insurance to remain valid. It is your responsibility to provide your insurance company with the required appraisals, and not their responsibility to remind you to update the appraisals.