

Finding a worthy appraiser

by Gary Thrapp

I started seeing a rise in jewelry appraisals in January due to the economy and the rise in price of precious metals. There are more unethical companies looking to divest people than ever before. If you've decided to sell your jewelry, have it appraised first to get the most from your assets.

It's important to find an appraiser who's trained and certified by the Gemological Institute of America and the American Gem Society. An appraiser needs to understand how a piece of jewelry is made — this determines the value.

I had a client bring me a platinum ring with a large sapphire stone that had been appraised for \$90,000 and the family paid estate taxes on that amount. I took the sapphire to the American Gemological Laboratories in New York where they determined the stone was synthetic. The value of the ring was, at best, \$2,000.

I recommend making an appointment with a qualified appraiser to first determine your objective. Do you want an appraisal done for insurance purposes, for estate purposes or to find out your piece's fair market value?



Photo by Brandon Smith Jeweler Gary Thrapp says an accurate appraisal is invaluable.

- **Fair market value** is an opinion of what an item might sell for given the current economic environment, style and desirability. The value is given as a range, like \$500 to \$700.
- An **estate appraisal value**, like the fair market value, reflects the item's value by taking into account the style and how easily it can be sold based on how desirable it is. This is received in the event that an heir chooses a piece of jewelry instead of an equivalent cash amount.
- **Insurance replacement value** is the most common type of appraisal because it establishes the base value of an item so it can be insured. By insuring a newly purchased or custom made piece, you protect yourself against loss or theft. It's based upon what it would cost to have a new, identical item made.

Most appraisals cost \$25 to \$35 for something simple. However, more complex pieces, like a bracelet with 100 diamonds, are estimated on a case-by-case basis. It's unethical to charge a percentage of an item's value. A good appraiser should review all items and establish a rate with the customer before beginning the process.

The appraiser should evaluate every aspect — starting with the quality and condition of the gemstones, condition of the mounting, and how it's made. The appraiser should check for trademarks, hallmarks and **provenance** since these can increase value. To ensure you're getting an appropriate price, obtain an insurance and fair market value appraisal.

Jewelry appraisals can be a very personal experience because it's part of your family's legacy. To make sure you're getting an accurate appraisal, always get two to three different opinions. ☺

Provenance is the pedigree of a piece of jewelry — just like an artist's signature. It also gives a time frame of when the work was accomplished.

➔ **Thrapp is the owner of A-rated G. Thrapp Jewelers, located in Butler-Tarkington. Ratings are subject to change, so always check the List before hiring.**