

Items of Value, Inc.

A Full-Service Appraisal and Estate Sale Firm

Phone: 703-660-9380 Fax: 703-660-9384 Email: itemsofvalue@yahoo.com Web: iovinc.com

How to Write an Inventory for Fair Market (Estate) Value

1. First, look at your monthly calendar and decide how much time you can dedicate to compiling the inventory, either as a number of hours per week (such as five two every day), or a number of hours every specific day (such as 3 hours every Tuesday evening), or specific hours on specific dates (such as five hours on June 6 followed by four hours on June 10 followed by three hours on June 12), in order to complete your inventory. The biggest reason that people do not do inventories is that they see the work as an overwhelming endless task, so they never begin it. You need to commit time to getting it done.

2. Second, take a pad of lined paper and a pen or pencil and sit down or stand in one room. Write the name of the room on page one and underline it. Then choose a corner of the room and begin writing down the names of what you see, numbering each item along the lefthand side of the page, beginning with the number "1." As you continue to each next room, continue the same numbering series until you are done. For example:

Living Room

1. Picture, outdoor scene with cows, framed
2. Lamp, white/goldtone cylinder on square base
3. Statue, ballerina, German
4. Bookcase, 2 glass doors, dark wood

Dining Room

5. China cabinet, 4 glass doors over 4 cupboard doors, pecan wood
6. Goblets, clear crystal, Waterford, "Lismore" pattern: 8 water, 8 red wine, 8 white wine, 8 liqueur
7. Basket, oval, silverplate, hinged handle

3. For each item, write the generic name first (such as "picture", "lamp") as you see above. Then write some brief description to identify the item more specifically, such as colors, shape, origin. You may also wish to add personal notes such as "purchased 1988 in Germany", or "gift from Grandmother Elizabeth to Sarah", or "one of a pair - second one in master bedroom".

4. In recording the items, you may find it beneficial to group items under one number as you see in item no. 6 for the Waterford crystal. Some items may not be important for inheritance or gift purposes, but remember that it is important to list everything in order to be comprehensive in a list of personal property for estate filing purposes later. For example, clothes could be listed as follows: "Clothing: 22 blouses, 9 sweaters, 16 skirts, 9 belts, 24 pairs shoes". Similarly books could be listed as "Books: approximately 650 hardback nonfiction, 920 paperback fiction".

5. Items that do not need to be listed are comestibles such as food and liquor, unless you have a sizable collection of wines/liquor.

6. A complete inventory of personal property should include not only items you see around the house, but also motor vehicles and trailers. Write down the motor vehicle type, special features, color of exterior and interior, vehicle registration number, and condition.

How to Write an Inventory (page 2 of 2)

7. When you have completed your list, make a photocopy and send original or photocopy to another person for safekeeping or store original or photocopy somewhere other than on the premises.
8. GET STARTED NOW.
9. If you wish to designate beneficiaries of specific items on your list, you might choose one of the following methods for doing this. Write a list of names and to the left of each name assign a letter of the alphabet beginning with "A". Or beside each name write an abbreviation for each. Then go down your list with pen in hand and write to the left of each item the alphabetical letter or the abbreviation you chose for each name. Decide what you wish to do with items without designated beneficiaries and perhaps write a note at the end of the list or in your will as to what should be done with them.
10. Once you have completed your inventory list, it is time to call a qualified appraiser to use your list in examining the items and assign Fair Market Value (FMV) to them. Call your insurance agent/company and ask local antiques dealers or accountants or friends for recommendations, or look up "appraisers" in the yellow pages of your telephone book and interview them over the phone to determine whether they are qualified to assess your items for FMV.

Author: Dr. Jerome C. Ford
Date: February 1992
Copyright 1992