

Valuing Assets on the Inventory

Insurance Policies

Insurance Policies can be listed at cash-out or liquidatable values.

- Cash-out value: the value of the policy if it were cashed-out today, usually called cash-surrender value.
- Liquidatable value: market value of the policy.

It's important to note that you can have an asset without value!

Personal Property

Personal property includes the contents of a home, automobiles, boats, and other things. Valuation should be stated as the estimate of what the item(s) could sell for *now*. If you could sell the item(s) at a yard sale, list the item(s) at the price it would likely sell for.

If the asset is artwork or a collection such as stamps, coins, or cars, it is a good idea to have those assets appraised. Internet links for appraisal have been provided on the back of this brochure.

For automobile valuation, use a resource like Kelley Blue Book. The link is [kbb.com](http://www.kbb.com).

Additional Information

Real Estate Appraisal Links:

<http://bgappraise.com/>

<http://www.markdeasonappraisal.com/>

Personal Property Appraisal Links:

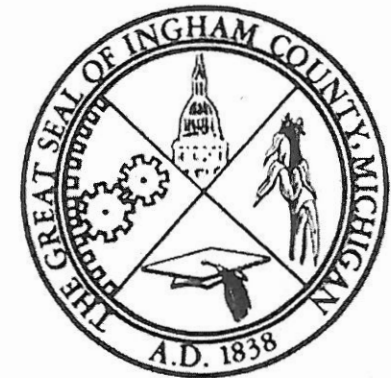
<http://www.appraisers.org/Disciplines/Personal-Property>

<http://www.isa-appraisers.org/about>

<http://www.mkplc.com/asset-valuation>

Kelley Blue Book: www.kbb.com

Ingham County Probate Court
Veteran's Memorial Courthouse
313 W. Kalamazoo St.
Lansing, MI 48933
Phone (517) 483-6300
Fax (517) 483-6150



INGHAM COUNTY PROBATE COURT



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Time is Important

The most important aspect in valuing assets is the ***time of the valuation***.

There are three types of inventories:

1. Decedent Estates
2. Trusts
3. Conservatorships

For Decedent Estates, assets must be valued as of the date of death.

For Trusts and Conservatorships, assets must be valued at the date of qualification.

The date of qualification for a conservator is the date of Letters, and for a trustee the date of becoming trustee.

Inventories must list **all** assets (real property, personal property, etc.) owned by the estate at time of death or time of qualification.

Things Not to List:

- Jointly-owned assets of decedent with rights of survivorship (these go to the survivor)
- Assets of decedent with a transfer-on-death beneficiary
- Items in the name of a trust

Real Property

Homes and other land can be valued in one of several ways. Most often, values are listed at double State Equalized Value (SEV.) SEV is the assessed value that has been adjusted following county and state equalization. The SEV value for a home can be found on a property assessment (done once a year) or on a property tax document (done twice per year.)

Another way to value a home is a Real Estate Comparable, which contrasts criteria from recently-sold properties in a neighborhood, such as sale price, age of house, size, and square footage. Real estate appraisers must be licensed in the State of Michigan. Online resources are provided on the back of this brochure.

Bank Accounts

Both checking and savings accounts are listed at the value on the date of death, or date of qualification if for a conservatorship or trust.

Land Contracts

Land contracts, also called installment purchases, have two parties: seller and buyer. As a land contract is paid-off, the value of the seller's personal property interest in the contract drops. The buyer takes on a real property interest in the land, and it can be valued based on how much has been paid. A contract has not reached completion until all payments are made, ***and*** title is transferred from seller to purchaser.

If a decedent or a person in a conservatorship was a seller, and title has not been transferred, a personal property interest in the land contract will be listed in the inventory. The personal property value is the total of all remaining payments.

If a decedent or a person in a conservatorship is a buyer, a real property interest will be listed on the inventory and the valuation is the total of all payments made to the seller.

Stocks

Stocks should be listed at the value they had on the date of death or date of qualification. For historical stock prices, visit **finance.yahoo.com**, enter the stock ticker, click on the chart, and customize the time period for a specific date.