DAMAGE APPRAISALS

- Identify object before damage/loss
  (effective valuation date is when the object was last in good condition)
  - Include previous condition issues
  - Include frame, upholstery, monograms
RESEARCH METHODS

DAMAGE APPRAISALS

• Identify object before damage/loss

Gilbert Stuart
Portrait of a Woman
Oil on canvas
1800
Signed and dated on verso
Canvas size: 24 x 16
Framed size: 30 x 22
19th century giltwood foliate frame
Catalogue Raisonné information: ....
Provenance: ....
Exhibition: ....
Past Condition: Canvas had been lined; areas of cracklure inpainted.
DAMAGE APPRAISALS

• Value in previous state
  (effective valuation date is when the object was last in good condition)
  - Research value of a painting in comparable pre loss condition (data bases and galleries depending on appropriate market)
  - Include frame, upholstery, monograms
• **Discuss damage**
  - Remember that you are not a conservator
  - Describe what you see
  - Be specific
    - Measure tears
    - Discuss location of damage
  - Include any peripheral damage to frame, upholstery, etc.
DAMAGE APPRAISALS

Discuss damage

Painting has an L-shaped tear at the upper right quadrant (4 x 7.25 inches)

Tear is through the background tree

Abrasions at lower left edge and resulting in stretcher wear on recto

Frame with losses to gilding at upper right and right side
RESEARCH METHODS

DAMAGE APPRAISALS

Auxiliary step

- **Value in current state**
  - This is used only when the insurance company knows if the painting should be totaled
  - Value as a damaged work
  - Assess the damage and marketability of the damaged item
  - Not always used in an assignment
DAMAGE APPRAISALS

- Find 3 possible restoration procedures / restorers (ideally)
  - Describe their treatment proposals
  - Discuss their costs
  - Discuss the appropriateness of proposal
(There may be times only one restorer is appropriate)
• Ascertain probable value after proper restoration
  - Consider the location of your damage in your assessment
  - Consider any past damage to the work
  - Examine the market for other damaged works
  - Talk to dealers about the values of damaged works
  - Review the market’s acceptability of damaged works
DAMAGE APPRAISALS

- Ascertain probable value after proper restoration
  - Narrative discussion ending in a percentage of the original value before damage
  - Ex: $100,000 less 20% LOSS OF VALUE
DAMAGE APPRAISALS

- Loss of value (diminution of value)
  - 20% = $20,000 ($100,000 - 20% = $80,000)
DAMAGE APPRAISALS

- Loss of value (diminution of value)
  - 20% = $20,000 ($100,000 - 20% = $80,000)
SUMMARY*: 
- Value of individual work before damage: $100,000
- Value of work in current state: $15,000
- Estimated cost of proper restoration: $16,000-25,000
- Probable value after proper restoration: $65,000
- Probable total loss of value: $100,000 - 65,000 = $35,000
- Probable Diminution of value = $35,000

*appraiser reserves the right to examine after restoration and adjust values if required
ANOTHER EXAMPLE (damaged work was part of a set)

SUMMARY:

Value of individual work before damage: $6,500<sup>1</sup>
  - 1The retail replacement value of this group would be closer to $50,000 before damage. However, establishing the retail replacement value was not in the appraiser’s Scope of Work.

Value of work in current state: $500<sup>2</sup>
  - 2Decorative value only.

Diminution of value to individual work after damage: $6,000

Diminution of value to the group: 10% loss of purchase price ($2,659.76)<sup>3</sup>
  - 3Since the appraiser did not examine the other items in the set, it is difficult to assess the value of the set. As such, the purchase price was used to assess total value of the group. Note that the value of the group is probably much higher.

Total loss of value: $6,000 + 2,659.76 = $8,659.76

*appraiser reserves the right to examine after restoration and adjust values if required