

Financially Speaking

With Trisha Arndt, CFP®

Cash in the Attic

I recently saw an informational posting about the annual village wide garage sale weekend (of which I am a big fan) that is coming up this spring. As hard as it is to imagine as we face yet another significant snow storm, that time of year is approaching and soon Verona will be crawling with would be bargain shoppers looking for that great buy.

We've all heard the legend of the garage sale shopper that stumbles across an antique picture worth thousands of dollars labeled "\$5 or best offer". These stories are always told from the buyer's perspective and as such are offered as an example of great good fortune.

But what about the seller that obviously had no idea of the value of their possession?

If you think about it, it could easily happen to any of us. In fact, I recently saw a client narrowly avoid just such a tragedy.

In the process of putting together an estate plan the question came up about whether she owned any valuable personal property – art, antiques, etc. She knew that she had several items that may have some value but had no idea how much or, in many cases, even exactly what she owned. We decided that it was worth hiring a professional appraiser to come in and take a look at things.

It turns out that the appraisal fee was money well spent.

After evaluating the pieces the appraiser confirmed most of what my client had felt. She had several items that had some artistic or antique value ranging from several hundred to a couple of thousand dollars. Good information for us to have and certainly justifying the expense of the appraisal. But there was more to come.

You see, the appraiser happened to take a look at a small painting that was hanging in the bedroom and suggested that it be included in his research. My client had no real feeling that it was worth anything of significance but agreed to include it. About a week after meeting with us to take the inventory the appraiser frantically called my office to make sure that I had my client insure the small picture right away. You see, it was painted by a now very famous and popular artist and has a value of over \$35,000.

Wow.

Now let me just disclose up front that I have no knowledge of art and probably don't appreciate the characteristics of the painting. But to be honest, I find it quite unattractive

and don't know that I would have even asked \$5 for it at a garage sale. It could just as easily have found its way into the Goodwill pile if I were cleaning out the house.

So what can we learn from this story? Don't ever ask me to evaluate an art collection? Yes, I hope that we all (myself included) have learned that lesson. But, more importantly, if you don't know what something is but know that it is either old or from an unknown source, ask someone with some knowledge before slapping a blue sticker on it and setting it out at your next yard sale.

I can tell you from experience that finding a credentialed appraiser willing to come to this area can be difficult but there are other sources that you could use as a starting point. Certain experienced antique dealers in the area would be able to give you at least an initial opinion on an item and it can never hurt to run something by someone knowledgeable in art – like a professor perhaps. In today's electronic age you may even be able to take a digital picture of the item and email it to someone for an initial review.

Whatever you do, make sure you know what you own before you get rid of it. You'd hate to hear a story about someone finding a treasure someday and realize that you were the one that lost it.

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