



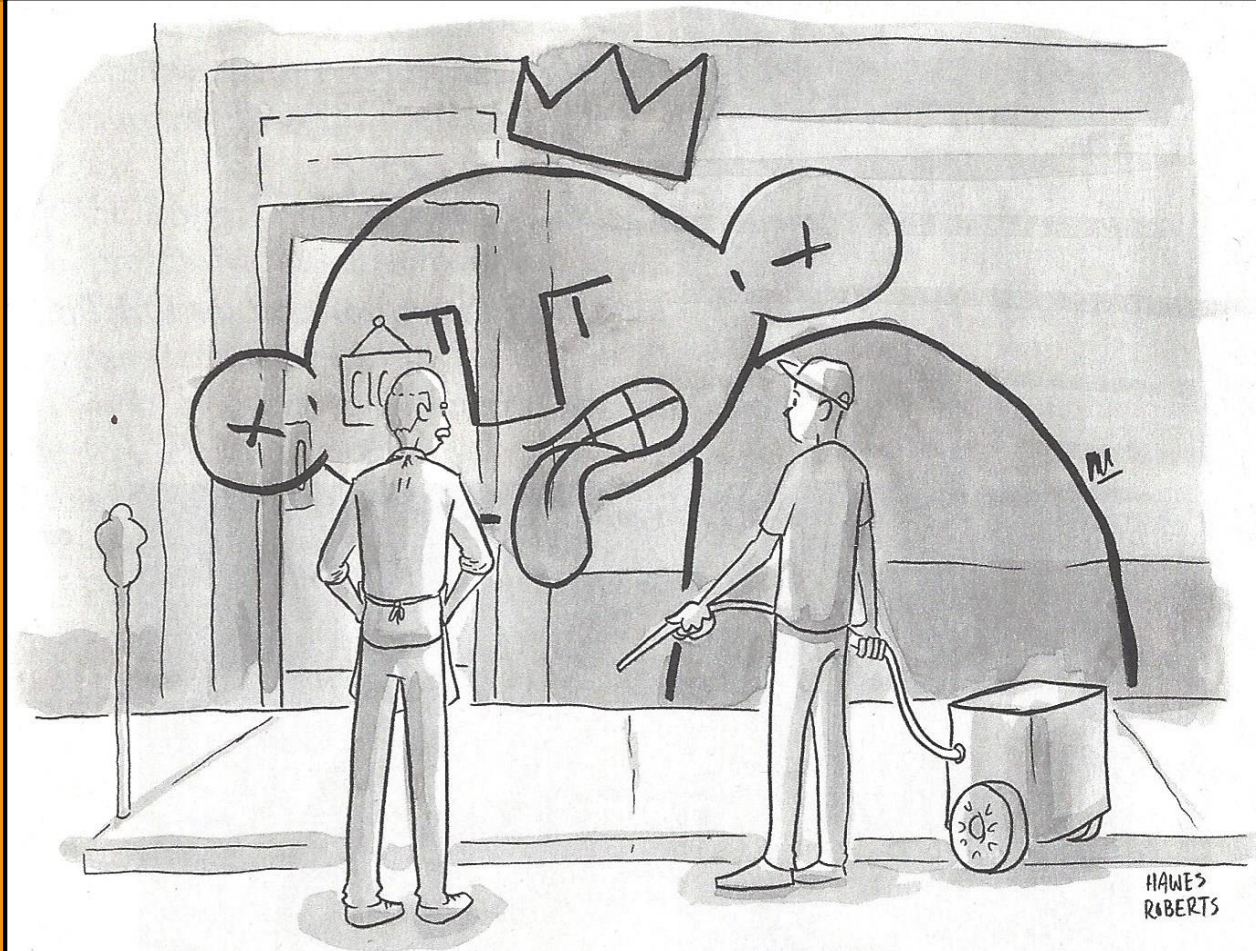
"What's it worth???"

ART APPRAISAL 101 - THE BASICS

Ken Forsyth, Ken Forsyth Fine Arts

ART APPRAISAL 101 - THE BASICS

- The appraiser needs:
 - Understanding of proper methodology which will lead to a valuation that is objective, accurate and credible;
 - Ongoing education;
 - To follow standards and methodology by appraisal organizations;
 - To follow USPAP (Uniform Standards of Professional Appraisal Practice).



"Actually, let's get it appraised first."

ART APPRAISAL 101 - THE BASICS

- An appraisal is:
 - An opinion of monetary value, NOT an authentication.
- May be required for :
 - Insurance;
 - Charitable gift and donation valuation;
 - Estate planning;
 - Asset valuation;
 - Purchase or sale of an item;

ART APPRAISAL 101 - THE BASICS

- Objectives and Types of Values
 - Estimating replacement cost
 - Determining fair market value
 - Determining market value
 - Determining a liquidation value
 - Determining loss (diminution) of value
 - Calculating the present worth of a stream of future income

ART APPRAISAL 101 - THE BASICS

- **Fair Market Value**

- The highest price, expressed in terms of money, that a property would bring in an open and unrestricted market between a willing buyer and a willing seller., both of whom are knowledgeable, informed, and prudent, and who are acting independently of each other.

- **Market Value**

- the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale.

ART APPRAISAL 101 - THE BASICS

- Research in relevant markets:
 - Retail (high-end galleries to flea markets);
 - Wholesale (brokerage, auction);
 - Orderly liquidation (estate dissolution, auction);
 - Distress liquidation (court ordered liquidation, bankruptcy, fire sale);
- Dependant on type of value needed, the most appropriate market will be researched.

ART APPRAISAL 101 - THE BASICS

- Resources to use when gathering information:
 - Art dealers and Gallery owners;
 - Online platforms and brokerages selling art
 - i.e. Artsy, Saatchi Art, Vango, ArtNet;
 - Online sources with auction results
 - Sold lot archives of fine art auction houses , regional auctioneers and auction databases;
- Thousands of websites devoted to every possible type of personal property.

ART APPRAISAL 101 - THE BASICS

- Sales Comparables:
 - First properly identify the item being appraised and compare to other items used as a basis of comparison (apples to apples);
- Identify Value Characteristics:
 - Authorship, authenticity, date or period, medium size, condition, subject, complexity, quality;
 - Provenance, rarity, exhibition history, references in literature;
- All these items allow the appraiser to reach an accurate value conclusions.

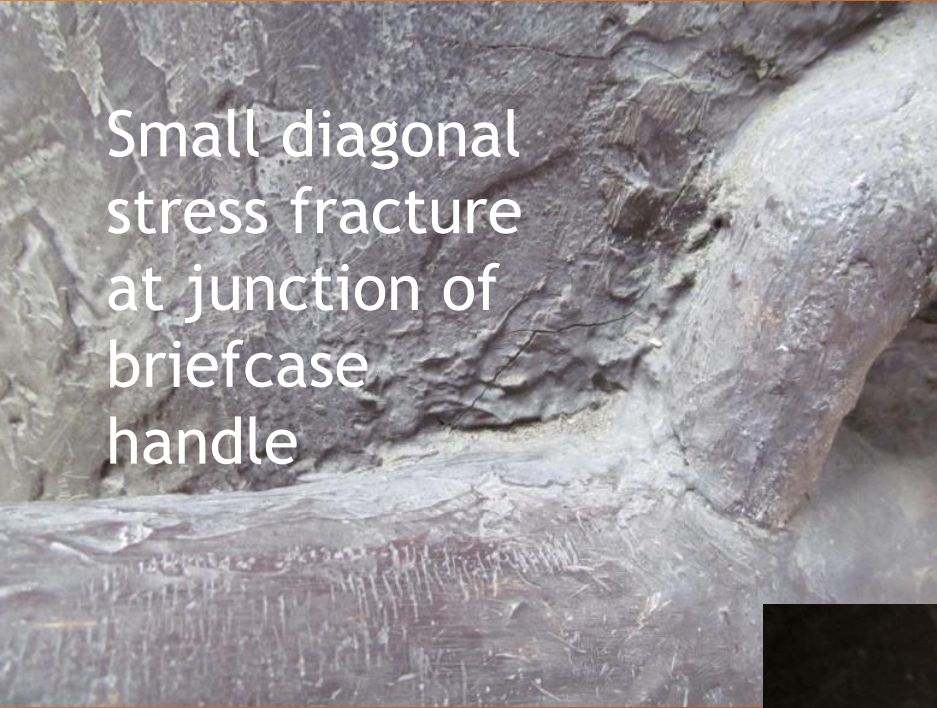


“I’ve had you appraised.”

WILLIAM McELCHERAN SCULPTURE 'PASSERS BY'

Step 1 - Inspection





Small diagonal
stress fracture
at junction of
briefcase
handle



Splitting at underside seam of
female's skirt and overcoat.



Hairline crack across
female's left wrist.

Step 2: Provenance

Purchased directly from the artist by the aunt of the present owners. By descent to the present owners.

Exhibitions: The sculpture was installed outdoors at Harbourfront in 1978, judging from a photograph taken May 1, 1978, where it is identified as "*Encounter*":



Step 3 - Market Research and Comparable Sales (at auction)



Checking the Time, Fibreglass, unique, 26 inches high Sold at Joyner/Waddington May 28, 2008 for \$8,050.CAD



Passers By 1969 wooden version, 21.2 inches tall, unique Sold at Sotheby's Canada, May 14, 2002 Subsequently re-sold by Kinsman Robinson Gallery in 2007 for \$25,000.CAD



Passers By c. 1967 more likely 1970-72 Bronze, 21 x 13 x 7 inches Sold Heffel Nov 2009 \$17,550 CAD

Step 4: Retail Sales and Pricing



Che Fa? 1994, 78 ins. tall bronze sculpture, List Price: \$275,000.CAD
Sold September 9, 2019 for \$220,000. CAD



Hunting Party, 2018, Bronze sculpture, posthumous cast, 28 x 24 x 36 inches
Retail Price: \$150,000. CAD



Getting Ahead, 1997, Bronze sculpture, posthumous cast, 28 1/2 x 28 x 14 in. Retail Price: \$75,000. CAD