# Know Your Stuff! Get a Home Inventory

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Today’s gadget-filled Wi-Fi world can be fun and make our lives more convenient, but it can also mean you have more high-ticket items in your home than you once did, from your brand new cell phone to your computer and peripherals.

If your items were lost or damaged due to a natural disaster, or stolen, would you be able to prove their condition and value? Would you even be able to prove you owned them?

By getting a complete inventory of your home and property, you can document what you own and its condition, making insurance claims easier and possibly aiding in the recovery of stolen property.

Events like Hurricane Katrina showed us just how bad weather can hurt us in our own back yards. And even if you don’t live in the storm zone, Tornado Alley or along a major fault line, having a comprehensive home inventory (and one for your small business) is a smart idea. You never know when you could be the victim of fire or theft.

Inventories can also be useful for estate planning or divorce settlements. And if you’re planning on moving, an inventory can not only help you organize your move, but prove the condition of your property before the movers get a hold of it.

You can either do the inventory yourself or hire an inventory service to do it for you. I’ll cover performing an inventory for yourself in a future article (although this one should give you a good idea of what’s involved). But for now, I’ll cover how to locate and hire a service and what the service will typically do.

**Hiring a Home Inventory Service**

Performing a home inventory is fairly easy, it’s just time-consuming, tedious, and requires that you have a camcorder and still camera, preferably a digital model (you can use film, but digital is much easier since you can view your photos immediately and not pay for those you don’t want). It’s one of those things you might have been planning on doing forever, but it never makes it anywhere near the top of your to-do list. And this is very understandable.

Never fear, there is help. There are companies out there which offer to do the inventory for you. While you have to pay them for the service, the convenience factor can be priceless. The cost can range from $150 - $600 depending on the size of your property and how many items you want included. Inventory services usually offer different packages, from complete inventories to an inventory of a single collection. Most will also update your inventory for a reduced fee if you move or add items that you’d like to include in the original inventory.

Some companies offer related services, such as home security items (safes, first-aid kits, etc.), inventories of off-site properties like storage spaces, and home security consulting. As for appraisals, many companies are not licensed appraisers. If you wish to have items appraised, you can have that done separately and keep that with your inventory.

**How to Choose a Company**

Obviously having someone come into your home to videotape and photograph your belongings, particularly your expensive items (which are the most important to inventory), might make you a little nervous. Here are some tips to find one that’s you feel comfortable with:

*Are they are bonded and insured?* This means they have taken the extra step to protect themselves and you from any damage they might cause. In turn, of course, this means they will be very careful not to do so.

*Are they a member of the local Chamber of Commerce?* This means they literally have an investment in the community. Chamber members are also more active in the community and its business network.

*Is the service licensed?* Different states offer different licenses for different services. If your state requires a license for inventory services, make sure they have one.

*Is the service organized as a professional organization, such as a Limited Liability Company (LLC) or a corporation?* This doesn’t mean they are legitimate, but it does mean they have gone to the trouble and expensive of filing organization or corporate paperwork. In this case, they have requirements set forth by the state in which they operate and the IRS and are less likely to be fly-by-night companies. This is not to say that a single person as a Sole Proprietor can’t run a perfectly good and honest service. It’s just something to look for.

*Check with the Better Business Bureau*. You can find out if there have been any complaints registered about the service. Also, a service which is a member in good standing with the BBB is also a good sign.

*Check with the company about how they handle your privacy*. Obviously you don’t want records of all your belongings just floating around in the hands of strangers. Some services request that the client keeps all the completed inventory materials. Others offer to store the materials in their own company safe or safety deposit box for an additional charge. Do whatever feels comfortable with you. The service should also sign a confidentiality agreement stating that they will not show the details of your inventory to anyone outside their company – or even talk about your inventory with others.

*Get testimonials from other customers*. This may be difficult for a couple of reasons. For one, many inventory services are just starting up. After the last few years of severe weather and the damage it has caused, there has become an increased need for such services and so the industry is really just getting going. Also, since a decent service should provide complete confidentiality for its clients, those clients may be hesitant to come forward. However, giving a testimonial doesn’t give away details of their inventory, so you may be able to get some referrals. If you have a good experience with an inventory service, offer to give them a testimonial (it can be anonymous). Also, refer them to friends. Referrals is a great way to find this kind of business.

**Before Your Inventory**

Make sure your home is reasonably clean. An inventory service can’t photograph what they can’t see. And if they are honest, they can’t just take your word for items you have. The whole idea is to get a video/photographic record, as well as written records, to prove what you own and its condition. Plus, you don’t want to keep stopping the inventory to clean up what you think is a messy bathroom or throw some dishes in the washer. And asking the service to skip a room because it’s messy will limit the effectiveness of the inventory. Also, some services charge by the hour, or by the hour after a specified time. The longer it takes for them to get around your house, the more it will cost you.

Your service will want to write down serial numbers of high-end items (if you don’t already have them recorded), so make sure they are easily accessible. Your written inventory will include areas to list the price of your items. Most of the time this is guesswork on your part, and you may even fill that out on your own after the inventory specialist leaves. But if you have any receipts, get them together so they can be used in writing up your inventory. It’s also a good idea to have them kept with the inventory (or you/your service can make photocopies). Of course, every item depreciates as soon as you walk out of the store with it, but the more information you have the better. A picture of your flat screen TV with a receipt or a good guess at the cost will go a lot farther in your insurance claim than your memory when there is nothing left that identifies your TV from your toaster.

Schedule a time when you don’t have a lot going on in the house. You don’t want an inventory going on in the middle of your family reunion or when the kids are running around with friends. The property, inside and out, should be relatively quiet to allow a fast, efficient and thorough inventory.

Decide what you want inventoried. This is something you will discuss with the service before you begin. Knowing exactly what you want and giving the service an idea of what to expect will help the process go smoothly and take less time. For an idea of what a full inventory involves, see the section on How it Works.

**How to Find a Service**

Yellow pages. Look under “Inventory” or “Home Inventory.” If they don’t describe their specific services in the ad, call them first. Many inventory companies are merchandise inventory services (the guys who go into grocery stores and count every item). You may find there are none listed.

Classified ads. Pay attention particularly to local papers and direct mail flyers. These are inexpensive for the service to advertise with and have a high possibility of being seen by potential clients.

Surf the web. Just make sure you put the name of your city in the search. There are plenty of inventory services out there, but they aren’t prolific enough to be in every region. Check out the paid advertisements that come up with your search because services can buy web advertising targeted not only at those keywords but at your locale.

Contact other home inventory services, even if they are out of town. They may keep a list of similar services around the country or have their own affiliate network.

Check the directory of local businesses through your Chamber of Commerce (and that of nearby cities). You can not only find local businesses here, but they have made the investment in joining the Chamber, so they care about being involved in your community.

Check with a real estate agent, mortgage broker, or insurance company. These folks may already recommend or work with an inventory service.

Your local police or fire department may also know of any local services.

Stores who sell high-end electronics or expensive furniture might also be familiar with an inventory service. If you have a local service and they have a good marketing plan, they have at least made such businesses aware of their existence.

Ask your neighbors. It may be that someone you know has used an inventory service, particularly if you live in an area prone to flooding or storm surge, as these residents like to take extra steps to protect their rather dangerously located property.

**How It Works**

Every home inventory service will probably have a slightly different way of doing things, but the general idea remains the same. Here I will describe a typical comprehensive home inventory.

An inventory specialist will first assess your needs and give you an estimated cost. Sometimes they will consult with you over the phone or come to your home or business. Other times, particularly for smaller jobs, your consultation may take place at the same time as the inventory is performed.

They will video tape your entire home and property, inside and out.

The exterior video gives an idea of the current condition of the exterior of your home. This is helpful to prove when and how damage was done when you file an insurance claim. It can also be useful to you in other ways, such as noting how quickly something is showing signs of deterioration or helping to plan for a renovation.

The interior video not only shows the condition of the inside of your home, but it will show each piece of furniture and property in each room. For certain items, such as antiques, collectibles and high-end electronics, you may also wish to have still photographs. There is no need to have a still picture of every single item you own since the video should cover most of them. Although if you wish to have an extensive still photographic inventory done, most companies should be happy to supply this service (it may add a little to the cost).

Finally, there is a complete written inventory. This is where the inventory specialist will make note of all your property (at least, anything of some value, such as furniture, draperies, appliances, electronics, clothing, tools, lawn equipment, etc.). When possible, the serial number and description of the item will be noted, along with an estimated value. If you have a receipt, you can use that value and keep the receipt with the inventory. Other items you’ll probably have to guess on (and you may be able to do that on your own later. It’s a long process). Even if you have no idea what the current value of an item is, you will have the video or photograph as proof of its condition.

Unless your inventory specialist is a licensed appraiser, they should not be responsible for estimating the value of your items. Again, you can either do that yourself, or bring in an appraiser before or after the inventory to add their appraisals to the inventory.

And that’s it. Depending upon the size of your home or business and the amount of property inventoried, the process could take anywhere from an hour to an entire day. The inventory service can try to give you an estimate, but the bottom line is you really don’t know how long it will take until you get going. Plus, some clients are chattier than others, which may be very friendly and interesting, but it can add onto the cost.

The service will then take your materials back to their office to edit the video onto a DVD for you and develop your pictures (which you may want on a CD, hard copies, or both). Or they may offer the tape right out of the camcorder. It all depends on the service and your wishes. They will also type up the written inventory and perhaps put it on a CD as well.

Depending on the service you hire, some offer to keep a duplicate set of your materials in their own safe or safe deposit box. Others prefer that you keep the only copy. This way you feel safer and the service is not responsible for all their clients’ inventories. If you keep your own materials, I suggest you either purchase a safe for your home (if you don’t already have one) to keep them in or get a safe deposit box. Your inventory will do you no good if it is lost along with your property.

You may want to have your inventory updated if you purchase new items or make changes to your property. Plus, having a complete inventory each year will be more up-to-date in terms of not only your property but its changing condition. You might also choose to have a smaller update done as you add property or make changes. Most services offer to do updates at a reduced rate.

Finally, you might want to tell your insurance company before your inventory. They might be interested to know you have taken that extra step and may have suggestions for you that you can pass on to your inventory service.

Having a home inventory done, even if you don’t think you have a lot of “valuables” can be more of a help than you know. Having your TV stolen is one thing, but having your entire home flooded and trying to file an insurance claim after may prove how valuable an inventory could have been. Your property is always valuable – to you – and you should do whatever it takes to protect it.