VII. APPRAISING

Any Trustee's decision about the value of real estate held by the Trust must be based on an appraisal. An appraisal is an opinion of value and its accuracy depends upon the basic competence and integrity of the appraiser.

The fundamental purpose of an appraisal of Trust property is to estimate value. The value most commonly sought is market-value, or, the amount of dollars a parcel will bring in the open-market. However, there are other types of value depending on the use for which the client requires the appraisal. An appraisal also provides an authoritative basis for taking an action or establishing a policy. The need for an appraisal of trust property may arise for any of many reasons, including the following:

1. In connection with a transfer of ownership.
2. As a requirement related to financing or credit.
3. To establish just compensation in condemnation proceedings.
4. To arrive at an insurable value.
5. Liquidation value for forced-sale or auction proceedings.
6. To assess value for taxation.
7. To merge with other trusts or other business entity.

The above list does not include all the functions of appraisals but does indicate the broad scope of professional appraisers' activities in which the trust may have occasion to play a part.

VIII. RECORDATION

When real estate is bought, the deed should be recorded in the County Recorder's office to protect the new owners. This recording of real estate transactions is usually handled, in some states such as Illinois, by the lawyer representing the buyer. In other states, this may be part of the Real Estate Broker's service or if there is a mortgage involved, the financing institution who makes the mortgage for the buyer takes care of these details. Clear title to property is very important. Before a real estate sale is closed, title to the property is brought down by the title company in that county and that service is charged to the seller. The lawyer for the seller or the financing company may order this to be done.