

# NMRA British Region

## Guide for Members Disposing of Model Railroad Estates

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### **Introduction**

One of the saddest things to occur is to be asked to dispose of a friend's much loved layout and collection of rolling stock, books, videos, DVDs, etc. This Guide gives some guidance and advice on doing this plus some tips on what the owner can do beforehand to make the task easier.

Whilst many members who have performed this role for deceased friends and members might suggest "never again", it is appreciated that when asked we all like to do whatever we can to help. What follows is based on the personal experiences of a number of NMRA British Region members who wanted to share these experiences with you.

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## **1. Caveats**

There are the usual caveats and limitations.

This Guide has been prepared by Region members who themselves have helped to dispose of the model railroad element of deceased friends' estates. The Region itself neither takes on such disposals, nor does it suggest who may do disposals; this is better done by the deceased's friends or someone known to the family.

Other organisations are able to provide a valuation service but the Region does not intend to. Some of the Guide's contributors may be prepared to give additional advice but cannot be expected to handle such disposals themselves.

The Region and the contributors to this Guide cannot take responsibility for any inaccuracies in this Guide, or for the use of this Guide for probate valuations.

## **2. Acknowledgements**

This Guide was commissioned by Mike Arnold when VP, and is based on a draft by Tony Dunbar who has done several disposals over the years. This in turn has been expanded by Rai Fenton, with other contributions from John Baggaley, John Hey, Mike Arnold, Michael Ingham, Tom Winlow, John Spratley, Terry Wynne and Keith Webb.

## **3. Forward Planning by Owners**

Circumstances may not always permit this, but it would help if owners can give guidance beforehand on the disposal of their model railroad equipment to their families (or others who are to be executors of the will). (It maybe that the owner is more concerned about the models going to a good home than how much they can be disposed of for.) This guidance will, if nothing else, avoid collections just being thrown away or given to charity shops! It can also include who is to be approached when the time arrives for the equipment to be disposed of.

A list of the equipment and its manufacturers can also be prepared and periodically updated, as this will be a great help. The list's existence and location should be made known. Adding the prices paid to the list is optional, as these can become out-dated or be misleading – there may also be other unwanted consequences!

Some owners have been able to start thinning out their collections beforehand, but not everyone will have this opportunity.

## **4. Taking on a Disposal**

The contributors to this Guide are all too well aware of the sensitivities of the task as they have also been deeply involved in the disposal of the collections of close friends. It is not a task for everyone.

Before taking on a disposal thought should be given to the time and effort it may take; it can take up to a year or more, especially for large collections. This can also happen if the items are largely from less popular railroads, or many items have been badly painted or modified; luckily they are not all like that. One thing is certain; you will always sell the popular items quickly, the rest far more slowly, and end up giving or throwing the last few away.

After an owner has passed away, you will have to judge whether to offer your services or wait until approached, usually the latter. Such a request may come within a few weeks or sometimes some years later. In one case it was five years before one member received a telephone call asking if he knew when and where 'swap meets' were to be held as the widow wanted to sell her husband's extensive brass locomotive collection. At that point he offered to take on the task and obtain the best price he could for her.

Most people handling disposals become involved because the deceased have been fellow Club and/or NMRA members whose partners and families are friends. This Guide can also apply where the disposal is carried out by a stranger but any added safeguards, etc. are not within its scope.

[If you feel you can not act in the collection's disposal, then the contents of this Guide may be offered to the family to assist them. You may wish to suggest that a dealer be used for the disposal (and perhaps help them find one). Experience has shown that a model railroad dealer buying the entire stock/layout, can be the best way of handling some estates; the cash is there straight away, and the dealer is responsible for packing/removing, and that usually happens quickly. The surviving spouse often wants it out of the way, not wishing to be reminded by seeing the layout/stock standing there, plus any damage done in removal is down to the purchaser. True, the family does not get so much money (typically between a third and a half of what the dealer will sell it for), but they receive it more quickly.]

It should be remembered that a lot of partners and relatives have little idea of the value of the equipment and one should ensure that their financial expectations are not too high. Such factors to be mentioned are:

- Older equipment mostly attracts low prices
- Most layouts are not saleable
- There is a comparatively limited market for American models in this country. Although eBay has opened the door to world-wide sales there is still the financial disadvantage for overseas buyers of higher postal rates and potential import duties.

Once you have decided to go ahead, it is important that there is only one point of contact, both for agreeing what is to be done and for passing over the proceeds to.

As part of the process, what is to be disposed of must be agreed and noted. It is your point-of-contact's responsibility to ensure that all will and codicil bequests and any other promises have been complied with but the individual handling the disposal should still ask if this has been done. If any such promised items have not been removed then put them aside for safe keeping by your point-of-contact.

Also decide where the items are to be stored while awaiting sale, easy access is important for quick turnover.

You will need to agree on how and when any money from sales is to be passed over – keep the process as simple as possible. It is good practice for buyers' cheques to be made out to the ultimate recipient, rather than yourself. It is better that the money from sales is passed over occasionally rather than being held over until all items are sold – it gives the ultimate recipient more confidence in you, and you can report on how the sales are progressing.

Also to be agreed are that any expenses directly and wholly incurred in the selling will be deducted from the sale proceeds. These expenses should be limited to such things as printing lists, bring-and-buy table fees, postage in sending items to buyers, selling fees on eBay, etc.

Where appropriate advise the recipients on how you intend to do the selling as you want to avoid well-meaning relatives questioning whether you have received enough for items - you must have room to bargain or the items will not sell.

## **5. Assess and List Items for Selling**

### ***5.1. On Site***

Usually the equipment has to be collected from the late owner's home.

If a large amount of equipment is expected then ask friends or club/division members to help - more than one visit may be required. Bring boxes and packing materials with you if items are to be removed from site for listing, selling or storing elsewhere. Pack up the motive power and rolling stock, including any that are on the layout (if such exists), first putting them in their original boxes if they have been retained. Ensure that any instruction sheets or booklets are kept with the items, especially if locos. If the late owner prepared a list then check off items as you go. You may well find items missing ("I'm sure he had one of these!") - these could have already been sold off or gifted to relatives/friends who have taken items to remember the owner by - this should be checked with your point-of-contact.

### ***5.2. Layout Disposal***

Is there a permanent layout involved? We come to what is often the saddest part of the exercise. Remember that to (probably) one person it is a treasure, a work of art and worth a fortune. Sadly it is not to others and this must be brought home to the family at an early stage. Point out the problems of actually moving it, e.g. its size, its construction (size of baseboards), present location (e.g. loft) and all the things that can go wrong with trying to re-assemble it in a new home, that is assuming someone actually wants it.

Most permanent layouts are not designed to be transported, i.e. no appropriate track gapping, electrical disconnection points and removable legs. Only one permanent layout is known to have been sold and that required the new owner to remodel his garage to accommodate it. If the family does not want to keep the layout then an offer of help to dismantle it and move it may be appropriate.

Prior to layout dismantling, unplug it! Any buildings, figures, vehicles and other scenic items should be recovered together with any re-usable electrical equipment, e.g. point motors, commercially-produced power supplies, controllers, lighting, etc. (but beware of home-built mains electrical gear!). Manuals for any DCC control equipment should be included. It is often not worth bothering to recover track, as removal will so easily damage it, particularly if it has been ballasted. All these recovered items should then be grouped as appropriate for selling, listed and packed up.

Once cleared, the layout can be cut into manageable sections; jig saws are appropriate together with hand saws for thicker timbers, but use rail nippers to first gap any track if you want the blades to last. The sections can either be removed to a convenient site for complete dismantling to take place at leisure or simply take them

straight to the tip. Please don't take for ever to carry out this part of the exercise, for obvious reasons.

Portable layouts and layout modules are more easily sold on, preferably with the buyers collecting, but you may wish to take pictures to tempt potential buyers.

### **5.3. Listing**

It may be possible to adapt the owner's list (if one exists), but usually new lists need to be prepared, with separate groups for each gauge/scale. The purpose of a list is to adequately identify each item and record its condition (if necessary), estimated value and what it is eventually sold for. (There is no need to record who has purchased any particular item.) A sample listing form that caters for rolling stock is shown at the end of this Guide – not all rolling stock categories will use every column.

Items can be grouped in various categories to make it easier to locate them. Each item should be allocated a number with this appearing on its list and on the item itself in a non-damaging manner - this makes it easier to locate items on the list when marking off, especially during the initial bring-and-buy frenzy when you are trying to read your own writing! Ensure that yourself (and other parties) are careful with stick-on labels on more expensive boxed items, as their removal can easily cause damage, thus reducing item value. Also avoid using them on books; instead, just **lightly** use a pencil inside the front cover.

It is perfectly practical to carry out the listing and selling process without a computer (or perhaps just computer-printing listing-sheet blanks for filling in by hand). For the more computer-literate with typing skills Excel spreadsheets can be used for listing items. This in turn can make it easier for passing information onto would-be buyers. However there can be a significant time penalty in collating information, especially if you have to transfer this information from initially hand-completed sheets. So, it's whatever you or your helpers are most comfortable with and have time for.

Suggested categories, subdividing further as necessary (e.g. era), are:

- Brass items (if too numerous to be included in the categories below)
- Motive power (steam, diesel and other)
- Cabooses
- Passenger (standard and streamline)
- Freight (various types)
- Maintenance of Way cars (i.e. rail cranes, spreaders, ploughs, dump cars, etc.)
- Buildings and scenic items
- Track related items
- Control equipment
- Miscellaneous

Items such as books, magazines, DVDs, etc. are best shown on separate lists (see Section 8).

To identify each item you will need to record:

- the type,
- railroad/reporting number,
- and make (if known).

For condition, note relevant good or bad features that will affect the selling price, typically:

- Whether boxed.
- Being weathered (note that some items come factory-weathered).
- Damage or missing parts.
- Paint job (exceptional or poor).
- Not fitted with a currently popular type of coupler.
- Poor quality trucks or non-RP25 wheels.

Noting such visual features will help both you with your valuation and potential buyers who are not on hand to see for themselves. Some of these features, such as the last two listed above, may not be needed for newer equipment as build-standard has improved in recent years.

Would-be buyers will need more detail for the more expensive items such as motive power, especially brass or sound equipped items. Thus for motive power, the basic details are:

- Railroad/reporting number. Note if lettered for a fictitious RR.
- Loco class or type (and wheel arrangement for steam).
- Make.
- Painted or not, and if weathered.

In addition you will also need to do a brief test run to establish:

- How well does it run (or is it a dummy).
- Is it DCC equipped and does this include sound.

What type of decoder and, for older stock, has it been re-motored are nice-to-know features but not essential - one is not expected to take the locos apart! Where a decoder has been retrofitted, adding an explanatory note to the box (on it or inside as appropriate) is helpful to would-be buyers.

All this fact-finding will take some time, so the level of detail gone into should be adjusted accordingly to adequately make valuations and provide sufficient information for would-be buyers.

## 6. Estimating Sale Prices

To recap, we have produced lists of all the items for sale and the time has now come to attempt to value the collection.

By its nature, a disposal often consists of a lot of older items which, unless they have a rarity value or are of exceptional quality, are to a lower standard and less appealing to would-be buyers.

Remember you want to sell the equipment, not just shuttle it to and from selling sites! Therefore, when pricing, there has to be a balance between getting as much as possible and the amount of your time being taken up in the actual selling.

In determining the current selling price, you may want to draw on the collective expertise of your helpers. Get together and see how much each of you might pay for the model, take the average and use that as a starting point.

A Walthers catalogue is a source of prices for some recent items but don't expect to achieve anything more than half of the original price.

For more expensive items, eBay may also give a rough idea of what such items may sell at, but you can be misled if you are inexperienced. You need to use actually-sold-at prices, not sellers' prices or bid-so-far prices. Also most eBay sales of USA/Canadian equipment are in North America; buyers over there will offer less due to higher postage costs and potential import duties.

You may find you have to cast further afield for guidance on valuing (and selling) more specialised items – the Region is a good source of knowledge.

First, non-brass items - brass items are dealt with later. The guidance below is primarily for HO items; for other scales, tweak appropriately.

### 6.1. *Freight Cars*

A typical pricing system is as follows. With a starting price of say £3 for each car:

- Condition      Slightly damaged or paintwork old/dirty - deduct 50p.
- Couplers      Not currently favoured couplers - deduct 50p.
- Trucks      Poor trucks or non-RP25 wheels - deduct 50p.
- For anything unusual, e.g. it has a load, add 50p or so.

Sadly most cars will not be worth more than this sort of figure; price them at a figure you are content with to ensure that they sell. Any cars with unacceptable damage can just be given away, or just scrapped - recover reasonable couplers and trucks first to be sold as a job lot later.

A premium can be added for cars that are recent, new and boxed, or are quality cars.

### 6.2. *Passenger Cars*

The same goes for plastic passenger cars, start at about £7, say, and apply the above rules. Where possible form them into complete trains as appropriate and try to sell as a single lot at a discount.

### **6.3. Buildings**

For buildings, be realistic as you do actually want to sell them. Because of the variety, there is no easy way of fixing a price; you just have to think about how much you would be willing to pay if you wanted to buy it.

### **6.4. Electrical and DCC Equipment**

For electrical equipment, be very careful as there are regulations on selling used, mains voltage equipment, e.g. drills, etc. You may end up taking it to the dump or friends may want it.

It's difficult to judge the selling price of used DCC equipment, as there's not much sold second-hand. The more expensive items should be checked for being serviceable.

### **6.5. Motive Power**

We are now entering the realm of more expensive rolling stock. (See the next section for brass motive power.) Again, the Walthers catalogue can be used to good effect to fix a price (it is comprehensive and lists most current items). Be realistic, less than half-price is usual, although new unused locos have been known to fetch up two-thirds. Round it up or down if you think it could make more or less depending on its condition and its rarity. A premium can be added where it is known that a decoder has been retrofitted, non-sound £5, sound £20, say, but less for older models.

Generally plastic = mass production = little rarity value. As a guide, experience shows that a Kato diesel loco that retails at £80 to £100, for example, might sell for no more than £40 in good condition. This emphasises that no more than 50% of the current retail price can be expected.

There are exceptions, of course; for instance, good condition Proto 2000 SD7s and SD9s in SP Black Widow colours can fetch as much as their original new price! (These are short-in-supply out-of-production models and these prices will only hold until they are made again.) This is the sort of information you can only glean from those that are interested in that sort of thing, hence the reason for seeking advice from others.

### **6.6. Brass**

Having gleaned as much information for the list from the model and its box, it should be possible (in most cases) to pin down brass items to a particular manufacturing batch. This can be determined by using reference material such as the recent 'The Brass Model Trains' and the earlier 'The Brown Book'. In these books you will find the production year, the quantity made, the original selling price and the value in the USA at the time of printing. Note the last figure should only be used as a rough guide as one cannot be sure how truly representative or actually up-to-date it is.

This is not necessarily the sort of price you will be able to sell it for in the UK, the market is smaller and alternatively shipping it to a buyer in the USA is expensive. The prices in this Guide are just to give you some idea of where the model lies price-wise in the brass market. Round it up or down if you think it could make more or less depending on its condition and whether or not it is 'chipped' and its rarity. Again, a premium can be added where it is known that a decoder has been retrofitted, non-sound £10, sound £40, say.

For brass passenger cars you will need to decide whether to market them separately or as complete trains. They are often difficult to sell due to their high initial cost.

Brass cabooses are usually good selling items, some sell for as much as some locos!

If you are having any difficulty with this area, contact the Member Aid Officer - he may be able to put you in touch with someone who can help.

## 7. Selling

You will now have reached the point where you are ready to begin selling. As you sell, don't forget to add to your list the sale price actual achieved for each item. Any expenses (see Section 4) should also be noted.

It is most important that the deceased's close modelling friends are not omitted from the selling process. So first check with the family regarding what local or area groups and clubs the deceased may have belonged to. You will find that most people from these would like to buy at least one item to remember the deceased by – even if it does not fit their layout! They are also normally most willing to pay maximum price without question.

It may be that the whole collection will be disposed of this way, including books, buildings and layout, thus saving you a lot of time and work.

Then ask your own helpers, friends and fellow Club and local NMRA members if anybody is interested in any particular item. After that, use bring-and-buy tables at local NMRA Region and Division meetings and the Region Convention. For such sales only deal in cash or cheques. There is a risk in accepting cheques from anyone unknown to you or un-vouched for; you will have to use your judgement as we want to avoid both causing offence and losing money – you can ask if they are NMRA members. Although you have your target selling prices, you must be flexible and be prepared to negotiate a sale price as you want to minimise the number of items you take back home.

There are meets held by other organisations (members up north have sold estate items at the Northern Counties American Modellers Group's usually well-attended meetings); ask around.

Roundhouse is another sales point. Because of space restraints, the number of items you can list is limited, but you can summarise and offer to send lists to anyone interested.

After the initial rush of sales has passed, consider selling direct, or via a commission sale, to dealers or local model shops.

Alternatively, sell via eBay and see what you can get. This will need a lot more work so it is better to use this method just for items commanding a higher price. Photograph(s) will need to be taken and accurate descriptions must be given, including the manufacturer's reference if known. Advising of the condition is especially important (thus for brass motive power, mention any damage, missing parts, non-working lights "test run only", "lubrication may be required", etc. as appropriate). You need to ensure, as far as reasonably possible, that a buyer will not receive any unpleasant surprises (you are not expected to take an item apart). State if it is the wrong box or there is no box. For brass items mention the condition of the box and include a photograph of its label end.

If you are new to eBay then take advice before plunging in, or get an experienced friend to do it! If doing it yourself, you will need an eBay account, and a PayPal account is also recommended for receiving payments. Make sure that your description and photos accurately portray the condition of the item. Don't hand over or send a sold item until the payment has been received and, where applicable, cleared. It was found that as well as UK and US sales, those to continental Europe could be a significant proportion.

Selling fees for eBay & PayPal fees combined can come out at about 15%. For significant estates separate eBay and PayPal accounts can be set up to handle the sales. Note that if you already have an eBay account and you want to avoid mixing your own money with that from the sales then a second eBay account does require a second bank account and E-mail address to link to. A no-returns policy could be declared but have a clear policy for dealing with any parcels that sustain damage in transit. In such cases ask the buyer to return the item and on receiving it refund the sale price and the postage both ways. Beware offers of buying eBay-listed items outside of eBay – if an item doesn't sell then relist it at a lower price.

As a last resort specialist dealers or auction houses can be used but their charges/margins will be high. Dealers might offer between third and a half of what they estimate they can sell it for. Keep clear of those who may not appreciate the true value of North American model railroad equipment.

## **8. Books, Magazines and Videos/DVDs**

Books - everybody has a few. They should be listed and disposed of with the main items. Fellow Club Members and other friends should be offered the chance to acquire them early. If there are a lot, one of the professional railway book dealers should be approached. Remember that books are heavy and deteriorate quickly in damp locations and you will not want to cart them around very often.

Magazines, do you really want to bother with these; they are heavy in bulk and don't sell for much, recycling may be the best option (sad but true!). There may be a better chance of selling magazines bound in sets (or perhaps the Region Librarian may want to add them to his collection – but ask him first!).

Video tapes - sadly, even today, they have little value, often not being sold at £1 a go. Anyway offer them and see what happens, and make a final disposal decision at a later stage.

DVDs - again you will never sell them at anything like what was paid for them. There does not seem to be much of a market, even on eBay; bring-and-buy tables are probably the best option.

Possible selling sites for these items are as in the previous section.

## **9. Finally**

Give or throw away the things you cannot sell and settle up the sales proceeds.

You may be rewarded with the first choice of buying an item, or even an item as a gift (but don't expect it). Selling part of an Estate is never pleasant but there is a degree of satisfaction in seeing much loved equipment going to a new home, and acquiring items to help remember a friend by.

