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## Complaints prompt Oregon Department of Justice to look into estate sales

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**The Oregonian**

By

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When 97-year-old Lee Miller prepared for the difficult move from her spacious Portland condo to an adult foster home last September, she hired a woman who'd held estate sales for decades.

Carol Jameson walked through her home, evaluated Miller's many paintings, cherished needlepoints and her collection of Limoges porcelain and exclaimed, "Oh, these things are beautiful." Miller, a hard-nosed businesswoman who ran a Johns Landing boutique until she was 82, was charmed. She stepped aside, trusting Jameson to sell off her treasures.

In November, Miller received a check for \$289.

"Less than \$300 for a house full of furniture and everything that goes with it?" Miller asks. "It absolutely infuriated me."

What Miller didn't know is that nine days after she signed the contract with Jameson, the estate seller filed for bankruptcy. Or, that as Jameson conducted Miller's sale, the Oregon Department of Justice **had begun to shut Jameson's business down** amid complaints it took advantage of elderly customers and paid proceeds late -- or not at all.

The majority of estate sellers manage their businesses without complaint, and their events are held without



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Lee Miller, 97, remains frustrated that an accounting from the estate sale Carol Jameson held for her doesn't clearly identify items that were sold. Miller said the estate seller, whose business was shut down by the Oregon Department of Justice late last year, also didn't provide a list of Miller's items that were donated to charity so she could claim them on her taxes.

a hitch. But the pressure of recession has no doubt trickled down to estate sales, which are largely unregulated and a potential minefield for consumers.

Estate sales are a cash-based business and kick off in earnest each spring.

They typically mark a death or a major life change. Customers, often senior citizens, must part with the goods that made up the fabric of their lives, while estate sellers, most paid on commission, must carefully price items to sell. It's a tricky business when times are good. In recent years, times couldn't have been worse.

Once dominated by a handful of experts, the local industry has seen an influx of operators in recent years, including some antiques store owners forced to close their shops during the recession.

The antiques market is flooded as baby boomers deal with their parents' estates while also themselves downsizing. Yet shoppers today aren't as excited about ornate Victorian furniture or bone china that can't go in the dishwasher. Complicating the picture, hard-to-find collectibles are much easier to track down online.

Complaints to the **DOJ** concerning estate sellers, secondhand stores and auction houses have doubled since 2008. Among those lodging complaints are an elderly widower, a woman with breast cancer trying to fund her care and adult children selling the family home. All told the state they were never paid for heirlooms, which were either sold at garage sale prices or simply vanished.

But when things go wrong, many people don't know where to turn -- and don't want to shell out as much for legal fees as they're looking to recoup.

Today, nine months since Jim Sherwood's West Linn home was liquidated in an estate sale, the \$4,126 check he received from a Portland estate seller hasn't cleared. Sherwood, 82, talked to lawyers, who said a lawsuit would be costly. He filed a complaint with the DOJ in August 2010 but still hasn't been paid.

"It shouldn't matter if it's \$20,000 or \$2,000. When someone violates that trust, regardless of the monetary value, you'd think the authorities would say, "Wait a minute.""

### "Emotional caldron"

Only two months after his wife died last spring, Sherwood and his family prepared to move him out of their

#### **Problems with an estate sale?**

Consumers have the right to file complaints with their state's attorney general if they're having trouble resolving issues with a business owner.

Oregon: 1-877-877-9392 or [doj.state.or.us](http://doj.state.or.us).

Washington: 1-800-692-5082 or [www.atg.wa.gov](http://www.atg.wa.gov)

home of 56 years.



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Jim Sherwood says in the days since an estate sale was held at his West Linn home, he'll look around and remember a special item and wonder where it's gone. He checks the sale's inventory and because it's vague, he's not sure whether the item was sold or went missing. "That sale was held during one of the worst times of my life," he says. "I wish now I could have been more clear and more in control."

Sherwood called William Mann of Oregon Estate Services and the two soon toured Sherwood's collection of antiques and period furniture in the 4,000-square-foot home. Sherwood felt Mann was professional and knowledgeable. Mann told him the sale would be staffed with security guards, which was important to Sherwood, who struggled with the idea of people parading through the home.

Settling an estate is an "emotional caldron," says professor Valerie J. Vollmar, who teaches estate law at Willamette University College of Law.

Most folks don't plan for the event that may require an estate sale. Even those who do are often ill-prepared to part with -

- let alone put price tags on -- the material possessions that defined their lives.

"It's amazing how much more contentious it seems to be with tangible personal property than when you're talking about stocks and bonds or money in a bank account," Vollmar says. "People attach a lot of importance to things that were in their parents' lives or their own life. All of these emotions bubble up."

As the June 19 estate sale progressed, Sherwood grew angry. There weren't security guards in every room, he says. He recalls watching a woman walk by with a lamp that he says he told Mann wouldn't be for sale.

"It just seemed out of control," says Sherwood.

On the Tuesday after the Saturday sale, Sherwood called to ask how the sale had gone. "Good," he says Mann told him, adding that he had 32 pages of sold inventory. In late July after numerous calls to Mann, Sherwood received a four-page inventory. Minus Mann's 20 percent commission, the check for Sherwood inside totaled \$4,126. Mann told The Oregonian that the inventory was around 20 pages. DOJ officials said the only inventory in their files from Mann and Sherwood are four pages.

Mann defends the sale, saying he had a few of his own family members provide security. One in every room would be much too costly, Mann says. Though he added he didn't see anything taken from Sherwood's sale, Mann added, "I'm not going to deny that people steal things."

Sherwood remains baffled. Not only did Mann's check bounce, he said, but the **inventory list was vague**, with many items labeled "misc" or "furn," and didn't appear to include dozens of items no longer in his home.

Soon after, Sherwood heard from an antiques store owner who'd bought three items at his sale, including a wooden letter box with a gold encrusted quill. She paid \$165 for the box and resold it for \$225. That struck Sherwood as odd because, he says, neither the letter box nor the two other items -- or prices the dealer said she paid -- were listed on Mann's inventory.

A few months before the sale a professional appraiser left him a thick notebook with values and photographs of his goods. Based on it, Sherwood figures he's missing hundreds of items worth around \$18,000. That doesn't include the check for \$4,126, which he says still hasn't cleared the bank.

In early March, Sherwood says a DOJ official called and offered a deal from Mann: Create a document promising to relieve Mann of any liability. Then, Mann had promised DOJ, he'd send Sherwood a cashier's check for the \$4,126.

Mann blames Sherwood for **three negative comments about his business online**. He said he wants Sherwood to retract the comments and promise in the document the case is closed.

Sherwood, who doesn't own a computer, says his original contract with Mann requires the estate seller to pay up, without any additional promises. Choking up as he talks of certain missing items, Sherwood continues to feel he was underpaid.

Still, in the DOJ's complaint database, Sherwood's case is listed as "closed." However, the DOJ said Friday that it was reopened.

"I just feel like the state wants to get rid of me," says Sherwood. "It is heartbreaking to lose so many family treasures by whatever means and get so little in return."

### Changing tastes

Mann denies each of Sherwood's claims. It's not that items disappeared, he says, they just didn't sell, or didn't sell for as much Sherwood thought they should.

Four of Mann's other customers also complained to the DOJ over the past two years, saying payments were missing or late and that some items weren't accounted for. Mann says Sherwood and the others are perfect examples of how disconnected people are with the real value of their belongings in today's market.

The recession cut deep into the budgets of nearly all shoppers, from those looking for items for their homes

to the professionals seeking goods to sell. One of Portland's veteran estate sellers recalls customers filling their cars in years past. Today, they typically walk out with one or two things, usually on Sunday when the discounts are deepest.

Almost as significant are changing tastes. Buyers don't want grandma's Persian rugs and fancy dining room sets are routinely ignored by a generation that's less formal about entertaining. Midcentury modern furnishings, light wood and Scandinavian lines are hot.

At the same time, the Internet has become the ultimate collector, putting hundreds of pieces in one place and in turn, chipping away at their value. One longtime local estate seller remembers showing pages of eBay listings to the grandchildren of a 90-year-old client who expected a windfall from her **Royal Doulton** and **Hummel** figurines.

"They could not believe their eyes, there were so many of the pieces out there that nobody wanted," says Patsy Walsh, **has run successful estate sales locally with her mother, Muriel Walsh**, since the early 1980s.

Circumstances can make families desperate to sell quickly. And sentimental attachments can make them overestimate the value of what they own.

People worry they'll underprice an heirloom. That fear has been heightened by TV programs such as "**Antiques Roadshow**," on which shocked families learn they're holding a rare piece worth thousands.

"One of the hardest things is to go into an interview with someone who had an appraisal four or five years ago and thought something would be worth a lot of money," Walsh says. "You have to tell them the market has changed. It's heartbreaking."

### **Consumers protected?**

By the time the Department of Justice caught up with estate seller Carol Jameson, she owed more than \$20,000 to 13 clients spread from Camas to Wilsonville.

Many of those unpaid clients hadn't known where to turn. When the DOJ opened a case on Jameson based on five consumer complaints, its investigators found eight additional unpaid customers listed in her September bankruptcy filing -- her second in six years.

In Jameson's 2004 bankruptcy, she owed nearly \$194,000 in personal and business debts. In her bankruptcy last year, she sought to reorganize her business and stated she had \$40,993 in personal debts and claims against Carol Jameson Estate & Moving sales.

Among former customers listed in the bankruptcy was Phil Edmunds, whom she stated she owed \$3,000.

Edmunds, who lives in Wilsonville, says it's closer to \$4,300. The salesman had hired Jameson to handle his late mother's estate. Her contract promised proceeds would arrive within 20 days. On the 12th day, a check arrived for half the proceeds. It bounced, Edmunds says. After months of further attempts to cash the check, Edmunds says, he received a promissory note.

Jameson says she issued the notes to her unpaid clients to show her good intentions. She says she'd always managed to get by with a business plan that became more precarious in the recession. With the proceeds from one sale, she paid workers and other expenses. The next sale paid off her previous clients.

It worked until the cash from a sale was stolen, Jameson says, sending her into a financial tailspin. The recession cut potential estate sale revenues, she says, from as much as \$30,000 to \$5,000, if she was lucky.

"I started being upside down on all these sales, but I didn't want to turn anyone down," Jameson says, explaining how she racked up debts and more angry customers. "I was hoping to get a decent sale so I could get caught up.

"I just got in this panic."

Along with her failure to pay, Jameson faced DOJ allegations that she gave employees unsold goods that her clients asked her to donate to charities. The DOJ made an uncommon move last December forbidding Jameson from ever again advertising or operating an estate or consignment sale in Oregon. She could work at estate sales, but solely as an employee and only if the business owner wasn't a relative or spouse.

"I understand the anger people feel and rightly so," Jameson says. "Now it's even more difficult to pay back my clients. I'm being evicted. I have no work. I have no money, no car.

"I'm trying to say I didn't do it on purpose."

Jameson signed the DOJ agreement Dec. 6, 2010, agreeing to shut down her business and pay off past clients.

That was two days after she helped with an estate sale for Richard McGuirk. After McGuirk's stepfather and mother died within 10 days of each other, he called Jameson and she agreed to tour the home in Keizer. Jameson and her longtime business partner met with McGuirk last November, set up a date and Jameson initialed a change to his contract.

### **Consumer tips for estate sales**

Need more information on how to choose an estate sale business? Want to find out if an estate seller is licensed or carries an appraiser certification?

Read **The Oregonian's Complaint Desk** for tips and further resources from the Better Business Bureau and the American Society of Appraisers.

McGuirk, who has cerebral palsy, says he never received the \$3,000 he figured the estate was worth. He filed a DOJ complaint against Carol Jameson and her business partner's new venture, Valley View Estate Sales, the name on the contract McGuirk signed. His complaint, filed in February, is pending.

But McGuirk's contract looks to be with Valley View, the DOJ said, so he cannot be included within the payment agreement with Jameson.

"It's hard enough to deal with the loss of your mother and your stepfather," he says. "And then this."

-- **Laura Gunderson** and **Julie Sullivan**

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