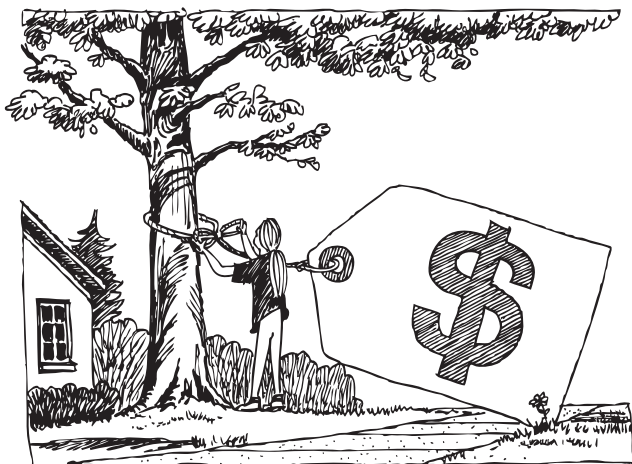


Placing a Value on Trees



from the **TREE CITY USA®
BULLETIN**



It is easy to think of reasons why trees in the community are important, but it is more difficult trying to assign a dollar value. This is because trees appeal to our emotional side as well as our practical side. Through a better understanding of the many ways trees are valued, urban and community forests can be managed more effectively and with greater sensitivity.

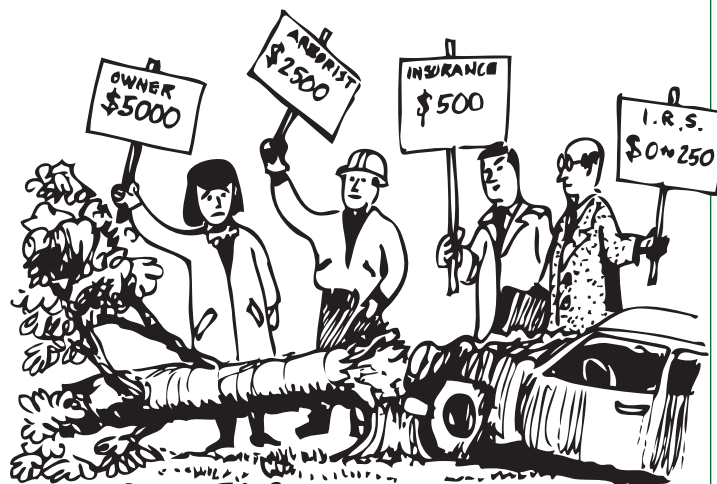
How Much Is a Tree Worth?

The Formula Method

It sometimes is necessary to place a specific dollar value on a landscape tree. Typically, this helps settle legal claims for the damage or death of a tree, assists with insurance payments, contributes to real estate assessments, and proves loss for income tax purposes. Placing a dollar value on public trees can also be used to help justify city expenditures for tree care.

There are several ways to establish value, and a key point is to have it done by a professional. Only appraisals that reflect experience and good judgment will be able to stand up in court or before a claims examiner. To obtain the services of an appraiser, contact the American Society of Consulting Arborists.

The most widely accepted formula method is one developed by the Council of Tree and Landscape Appraisers and published by the International Society of Arboriculture. The following is not intended as a do-it-yourself guide, but it should serve to illustrate the components of landscape tree appraisal.



Appraisal Method #1: Replacement Cost

Trees up to 8 inches in diameter (4 in some localities and higher in others) are usually considered transplantable. Value can then be determined by obtaining price quotes from three local nurseries for the same or comparable species of the same size. Transportation and planting costs at the same site should be added.

This formula is then used:

$$\text{Value} = \frac{\text{Installed Cost} \times \text{Species Rating} \times \text{Condition} \times \text{Site + Contribution + Placement}}{3}$$

Note: Removal and cleanup cost may be added if appropriate.

ALSO IN THIS ISSUE:

- Appraisal Method #2 for trees beyond replacement size and explanation of the formulas
- How trees affect the value of your home
- Trees and the psyche
- And more

