

#### ... OR HOW NOT TO PLAN FOR THE FUTURE

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“What you don’t know won’t hurt you” is an idea we have all heard many times over. It is a piece of bad advice, especially today, with the acknowledged fact that fine art and fine quality antiques are portfolio-worthy assets. In fact, despite the long-overdue corrections in some of the recent high profile auction art /art related sales both in the US and abroad, considering the present condition of the economy, well thought-out purchases have proved significantly higher return rates than many stocks. Most people do not purchase art and antiques for investment reasons, rather, they do so for aesthetics and lifestyle purposes. In the ideal situation, one has the pleasure of looking at and using things of beauty, and these things increase in value with the passing of time.

Time is the operative word here! Protecting your assets for today, and in the future has to start with a plan. None of us likes to think of what will happen with time, and to our things. However, in the words of Hippocrates (as translated by Horace) *ars longa, vita brevis* (life is short, art is long.) Think of yourself as a custodian for property you own, and plan effectively. In the short or long scheme of things, not dealing with your art assets (let’s just take it off the hook and pretend it doesn’t exist) only delays the inevitable and increases the likelihood of paying high gift and or estate taxes.

Strategize now to maximize the rewards associated with planning and to minimize the risks that may be associated with that empty hook. Check the next page for some basic and important points to consider.

#### SIX BASIC POINTS FOR A LIFESTYLE APPROPRIATE PLAN

1. Think about your achievements in terms of **all** the assets you think you have accumulated. Often, living with things makes them almost invisible.
2. Understand that “risk management” applies to you.
3. Consult with professional advisors who understand that the term “assets” can be more comprehensive than securities and traditional business interests.
4. One of the starting points is a professionally prepared inventory and appraisal of your personalty. **You can’t plan effectively if you don’t know what you own and what it is worth.**
5. Once you know what you own and what it is worth, placing appropriate insurance coverage is part of your strategy. An experienced insurance specialist who recognizes that insurance must be placed to meet special needs, will be able to obtain the correct type and amount of insurance for you. In the event of a loss, you will be fully protected and the policy will include special coverage for fine arts and other valuable property. *This is the best, and only way to protect the compensatory rights of what you own in your lifetime.*
6. Based on the inventory and appraisal, wealth management, estate, and tax planning professionals can tailor life-time gifting, de-accession and inheritance programs to meet your needs and wishes as well as those of your family.

Getting back to the idea that “what you don’t know won’t hurt you”: it may hurt you more than you can imagine. Protect and safeguard your achievements. Acting now means benefiting now, and then, whenever that may be.

**Frances Zeman** is a frequent guest speaker, and has published articles about the appraisal profession, antiques and decorative arts, and fine art, and taught at the university level. She is currently an instructor in the Appraisal Studies program at Pratt Institute.

Ms. Zeman brings to her appraisal business a working knowledge of the multiple market layers necessary to know how to value property for any intended use, and is experienced and proficient with a wide range of antiques, decorative arts and fine art. She is an **Accredited Senior Appraiser** of the American Society of Appraisers, having earned the advance designation of Fellow (**FASA**). **Appraisal Resource Associates (ARA, Inc.)** includes staff members and associates qualified to appraise every type of personal property, including antiques and decorative arts, fine art, furniture, porcelain, silver, contemporary crafts/functional arts, Oriental rugs, Asian arts, books and manuscripts, gems and jewelry and many other categories of property. All appraisal reports are USPAP compliant.

To be re-directed to ARA’s very informative website:  
<http://www.appraisalresources.com/index.shtml>

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