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# The Art of Preservation

## Using art as a secured asset

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### **Transcript**

Art can be used as a secured asset. Like many other assets, it has a value. It can be traded, it can be sold, and ultimately liquidated.

Not everybody wants to liquidate their art, so they might want to keep it for the longer term, but release some liquidity. And that's where borrowing against art can help.

Art finance is ultimately the same as any other loan. You use the art as a piece of collateral, you place it with the bank, you ask the borrower some money, or you inquire about what we can lend. And then the lending process takes over.

It's important to think about where the art is. People that have large collections, quite often the art's in storage, sometimes that provides the best opportunity to release liquidity.

Many of our clients are using the loan proceeds for a lot of different reasons. Obviously buying more art. That's quite important to many of our clients as they build their collections.

But separately from that, it's a good financial structuring tool. You can use an asset that is illiquid. It doesn't generate an income to release some liquidity.

Building up a collection, passing it through the generations is a, is a big objective for many of our families that we look after. And seeing some of the collections, I understand why they're pretty impressive.