

'Invest in art' with Solo Arte

What you appreciate interiorwise appreciates.

By Claire Keegan (of Solo Arte).

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Solo Arte is an art gallery run by Claire and Pat Keegan in part of a converted motor garage half way between Waterford and Tramore. But this is no ordinary gallery, because the Keegans have introduced arrangements whereby people can purchase pieces of art and appreciate them while still benefiting from their appreciation in value.

Art Bond

All investors want to acquire assets that will appreciate. Property has become very expensive and the stock exchange carries its fair share of risks but the art market has become an interesting affordable investment option, which can provide good returns. Indeed, the art market has demonstrated its ability to survive economic downturns, and the risks for the investor are far lower than on the stock market.

Organic growth in demand, coupled with limited supply, inevitably increases prices and returns on high-end investment art have been excellent. Accordingly, the art market is attracting not just the astute collector but also the shrewd investor. Such purchases provide collectors with all the advantages of sound investments while giving them the aesthetic pleasure of owning a fine work of art.

Claire Keegan explains: 'A collector who approaches art with the mentality of an investor needs to identify works by artists that already have a solid market value and this is where we in Solo Arte come in. We are experts in the Irish art market and we will advise clients on how to make profitable art investments. Through our Art Bond scheme, clients who purchase selected works of art from us will be given a guarantee that, if they come back in three years with their art works still in their original condition, they will receive their money back plus a mark up, the amount of which will have been agreed up front but could be up to 20% of the original purchase cost. An example will help to illustrate how things work: lets assume that X purchases a painting in March 2006 for €4,000 and gets a guarantee from Solo Arte that this will appreciate by 15% after three years. Therefore, in March 2009, X can give back the picture in exchange for €4,600. Alternatively, X can of course use the money to purchase another painting at Solo Arte for €4,600 with a similar guarantee or, if X has it valued at more than €4,600, X is free to sell it independently'.

Pat Keegan explains: 'We work in association with other art galleries in Cork, Galway and the Continent and we buy from good artists at favourable prices. Those who are, in turn, buying paintings from us under the Art Bond scheme know that they are getting a good deal and that their paintings will appreciate and, in fact, their first three year's appreciation are guaranteed by us. People who are wondering where to invest their maturing SSAs should consider this.'

Capital allowances

Legislation has provided that capital plant and machinery can be written off over eight years (i.e. at 12.5% yearly) and, to encourage business to support artists, this allowance was extended to works of art displayed at a place of business for purposes of promoting the business. This legislation was brought in when C.J. Haughey was Minister for Finance but is not being broadcast by the Revenue Commissioners for fear its wider use would reduce their tax take. And it is not confined to companies for their offices and boardrooms, individuals can avail of this too and works of art are being used in the offices of accountants and solicitors, in doctor's and dentist's waiting rooms, in the public areas of hotels, and so on.

Pat Keegan comments: 'A company or individual business person who invests, for instance, €40,000 in works or art which are displayed at the business premises can write off this investment over eight years, despite the fact that the investment is actually appreciating in value if the person bought wisely.'

This means that in the first year a businessperson paying tax at 40% will save €2,000 in tax (one eighth of €40,000 is €5,000 x 40%).

Keegan, who is a former bank manager, adds: 'This is another good reason for investing in art.'

Pauline Bewick collections

Because of the foresight of her mother, Pauline Bewick, one of Ireland's leading contemporary artists who has now turned 70, has her lifetime's collection of works and has selected approximately 600 of these to form the Seven Ages Exhibition, corresponding to the seven decades of her life - from childhood, to school, to adolescence, through work, motherhood, travelling and mature years. This collection is said to be worth well over €1 million. 400 of these works have been given as a gift from her to the State and will consist of two collections. As she has lived for the past 35 years in Glenbeigh which is just five miles from Killorglin at the start of the Ring of Kerry, it is highly appropriate that one of her collections should be put on display in Kerry and discussions are ongoing with Kerry County Council with a view to locating the collection in the new local authority offices there which will also house the library and local tourist office.

This will be known as the Kerry collection. The second collection will be permanently housed in the Walton Building at Waterford Institute of Technology. This latter arrangement is due to the artist's friendship with Dr. Abdul Bulbulia from Waterford who is a board member of the Royal Hibernian Academy and Claire and Pat Keegan. The remaining 200 pieces will make up a travelling show, which will be accompanied by an exhibition of Pauline Bewick's modern works that will be for sale. Arrangements are being made by Dr. Bulbulia to have this show visit South Africa, Pakistan, the US, Germany and The Netherlands, as well as locations in Ireland. Solo Arte are the sole agents for the Pauline Bewick Seven Ages.

For further details, check out www.soloarte.ie, or visit the gallery, which is open Tuesdays to Saturdays from 12pm to 4pm.

About Pat and Claire Keegan

Pat and Claire Keegan and their three daughters, Rosin-Claire (6), Caoimh (3) and Kaydi (2) live in Tramore in the former house of famous Tramore businessman Jack Lodge on a quite tree lined road known as Lodge's Lane.

Pat spent 18 years at TSB, of which 12 as branch manager. He left following a merger when a good exit package was on offer and went into developing Irish pubs abroad in partnership with locals in various cities in Iceland, Austria, Norway and Switzerland. Pat won county medals for hurling and football and likes to keep healthy by walking 5 miles on Tramore beach every morning.

Claire is English and they met in Germany at a performance of Rigoletto. For family reasons, they decided to dispose of their interests in the pubs and return to Ireland. As Claire had always been interested in art, they went into the art business and developed close ties with galleries on the continent and in Ireland.

Some photos taken at Solo Arte's art gallery in Waterford



★ Pat Keegan (of Solo Arte).
Photography courtesy of Solo Arte.



★ The painting 'Ballinaboy Garden' by Kenneth Webb.
Photography courtesy of Solo Arte.



★ The work 'Another Door Opens' by Martin Finnin.
Photography courtesy of Solo Arte.



★ Pauline Bewick with her painting 'Woman Gold Frog'.
Photography courtesy of Solo Arte.



★ 'Judgement Day' by Declan O'Connor.
Photography courtesy of Solo Arte.