

Morgan Stanley

Art Resources Team (ART)

Helping Create Holistic Strategies for Owning Art

Art may play a significant role in the context of a collector's overall wealth. It is estimated that 10-15% of an ultra high net worth individual's balance sheet is art and collectibles,¹ which approximates \$2 trillion of art privately held.² It is prudent for a collector to carefully consider the role of art on a balance sheet, and ART at Morgan Stanley may assist with the following salient implications of owning art:

GOVERNANCE The ultimate challenge facing a collector may be what to do with the collection after the collector's death.

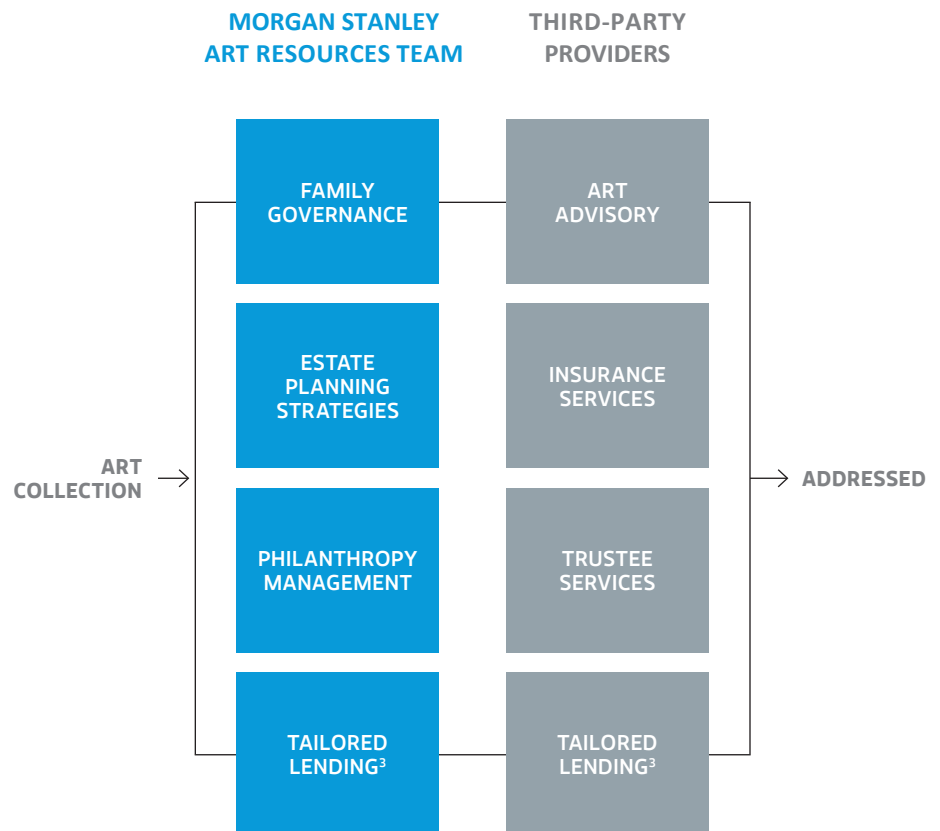
ESTATE PLANNING STRATEGIES It is prudent to create a strategy so as to not put undue financial or emotional pressure on the surviving family.

PHILANTHROPY MANAGEMENT Having a well-thought-out and confirmed philanthropic plan can help alleviate surprises.

TRUSTEE AND INSURANCE SERVICES Trustees may provide desired oversight and continuity in decision-making over time. Insurance may help mitigate risk of loss and damage as well as provide financial flexibility for estate settlement.

TAILORED LENDING Borrowing may provide increased flexibility for the relatively illiquid art market.

ART ADVISORY The art market is confusing, fragmented and inefficient, thus conferring considerable advantages to those who have information and experience.



¹ Shirley, A. (2022, May 17). "Art as an investment, the balance sheet view." Knight Frank.

² Frank, R. (2021, February 25). "The wealthy are borrowing billions against their art collections and lenders are reselling the debt". CNBC.

³ Tailored Lending is available to Morgan Stanley Wealth Management clients only — both internally through Morgan Stanley Private Bank, National Association or through our third-party purveyors

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