

tives and studios may also make works available on loan to garner exposure for new artists. However, most art consultants and gallery owners say purchasing art does offer benefits beyond the work's intrinsic value. "I advocate purchasing art because leasing or renting usually offers limited access to a gallery's inventory," says Grunwald. "There are also tax benefits associated with purchasing Canadian art, whereby the owner can write off 20 per cent of the purchase per year over five years. After that, if the piece is a museum-quality work, they can donate it to a museum or charitable organization and receive a 100-per-cent tax writeoff certificate from the Cultural Property Export Review Board." She notes, however, that this type of arrangement is uncommon since most Canadian museums will not accept donations if they already own an example of that artist's period of work.

While purchasing artwork by a well-known artist will increase the probability that the work will grow in value, Sylvester believes that cashing in on artwork can be difficult. "From a financial perspective, the only way art collecting makes sense is if you have a pre-determined strategy to resell it, and that's very tricky to manage," he says. "Our gallery has sold lots of major works to hotels, many of which have changed ownership. You'd think we might get some of them back for resale, but that hasn't been the case. Fine art tends to become part of the fabric of a place, and it's often difficult to replace."

So is fine art a good investment for an operator? Accord-



Suites at the Listel Vancouver showcase works by local artists. Featured here is Carmelo Sortino

ing to the experts, that isn't really the point. "Although you should try and choose art that will appreciate in value, one should never buy art as an investment, but rather because it is right for your concept," says Noble. "Fine art remains one of the most effective ways that you can demonstrate to guests your concern for quality and attention to detail." ♦