



Art Law Foundation

ART FINANCE AND LAW CONFERENCE SERIES

Risks, Rules, and Opportunities in Art Investment



Philip Hoffman

CEO & Founder The Fine Art Fund Group, London

The Institute of Contemporary Art

26 November 2014

**22 Upper Brook Street
Mayfair, London, W1K 7PZ, UK
Telephone +44 (0)20 7478 2070
Fax +44 (0)20 7478 2077**

TEFAF Report 2014



The Global Art Market, with a focus on the US and China

Prepared by Dr. Clare Mc Andrew

- “ The international art market reached €47.4 billion in total sales of art and antiques in 2013, close to its highest ever recorded total, and advancing 8% year-on-year.
- “ Post War and Contemporary art was the largest sector of the market in 2013 and included the highest priced works sold during the year. It accounted for 46% of the fine art auction market by value and 44% by volume.
- “ In 2013 public auction sales in China reached €7.5 billion, with 29% by value taking place in Hong Kong and 71% in Mainland China.

The Fine Art Fund Group...

Key Statistics

- Leading art advisory group with a **12-year track record**
- Assets under contract **> \$300 million**
- Investors in **23 countries**
- Team of **> 40 art and finance specialists**
- **Audited track record** (KPMG)
- Raised the largest art fund globally

Gross IRR per annum on Realised Assets:

16.46%

Gross IRR per annum on Realised and Unrealised Assets:

9.82%

The Fine Art Fund Group's Products and Services

Personalised art advisory strategies covering individual sales, curatorial advice, decorative services and personal fund management

—ART—
ADVISORY
SERVICES

- Extensive pre and post sales **due diligence**;
- Access to exclusive private and public deals;
- Reduced or no transaction fees;
- Access to an unrivalled, international team combining art and finance expertise;
- Complete anonymity; and
- Club-like mentality with access to VIP events

—ART—
INVESTMENT
SERVICES

- The Group have operated private and mutual funds, both longer-term and short-term vehicles

The Fine Art Fund Group – Example Deals

Modern Painting



Purchased 2006	\$1.1mn
Sold 2007	\$2.3mn
Profit	\$1.2mn
Cash on Cash return	125%

Old Master Painting



Purchased 2010	\$9.1mn
Sold 2012	\$11.5mn
Profit	\$2.4mn
Cash on Cash return	26%

Modern Painting



Purchased 2004	\$1.5mn
Sold 2011	\$2.9mn
Profit	\$1.4mn
Cash on Cash return	91%

Impressionist Painting



Purchased 2010	\$360,500
Sold 2010	\$620,000
Profit	\$259,500
Cash on Cash return	70%

Impressionist Sculpture



Purchased 2007	\$1.9mn
Sold 2008	\$2.4mn
Profit	\$500,000
Cash on Cash return	26.32%



Philip Hoffman

The Fine Art Fund Group, London
CEO & Founder

22 Upper Brook Street
Mayfair, London, W1K 7PZ, UK
Telephone +44 (0)20 7478 2070
Fax +44 (0)20 7478 2077