



Brisbane house prices fell 1.5 per cent in August and are up just 0.4 per cent over the past 12 months, the latest RP Data-Rismark Hedonic Home Value Index says



Fleur Hanson with her Kendall Perkins piece. Picture: Mark Cranitch

## Buying into paint is an art



INVESTMENT MATTERS  
ALEX TILBURY

BUYING artwork as an investment requires good taste, good timing and some research.

Artworks are by definition unique – unlike stocks, where each share in a company is the same but people just buy them at different prices.

If you decide to buy art, first you must wait.

Train your eye by visiting public and commercial galleries and also art fairs.

Do some research, speak with gallery owners and learn about art, read a range of books and art magazines.

Set yourself a budget, buy

what you like, buy a good name and, importantly, buy from a reputable source.

But be careful how you pay for the art because tax laws are constructed in a way where if you buy art through your superannuation fund as an investment, you cannot “derive pleasure” from it.

In other words, it can't hang in your home. Just lock it away.

Brisbane real estate sales associate Fleur Hanson is a budding art investor, who caught the bug when she bought her first painting in 2002 called *Fireworks at Dusk* by Kendall Perkins.

She paid \$1500 and believes it has appreciated in price.

“This painting was my first purchase and, looking back, I did not do my homework as much as I would now. I bought it at a charity auction for the Leukaemia Foundation,” Hanson says.

“I fell in love with it as soon

as I saw it. At the time, I was a little caught up in the emotion of the event and paid slightly more than the valuation.

“The rich colours jump out at you as if the painting is alive. I feel uplifted every time I walk past it.

“Kendall Perkins believes that if you can help others in need, then ‘you really should do so unconditionally’. Kendall has used her art over the years to generate hundreds of thousands of dollars in funds for numerous charities.”

Hanson recommends other potential buyers at auction to first consider how much you are prepared to pay and stick to your strategy.

“This can be difficult with art, much like a house, as everyone has different taste and you may see value where others do not. Other considerations are the size and whether you have somewhere to display the piece to do it justice.”

### IF YOU CAN HELP OTHERS IN NEED, THEN YOU REALLY SHOULD DO SO UNCONDITIONALLY

At this stage, Hanson says she's only buying art for pleasure, but she does wonder what it will be worth in the next 20-30 years.

“Having said that, I'm a very particular buyer and will buy again, but it has to be exactly what I am after,” she says.

If there are any women in Brisbane interested in buying art, attend the next Girls Learning About Money seminar with gallery owner Edwina Corlette.

GLAM events are held on the first Thursday of each month in Paddington. Visit [www.girlslearningaboutmoney.com.au](http://www.girlslearningaboutmoney.com.au).

# How to avoid will-full damage

Nhada Larkin

### DIY WILL TRAPS

DO-IT-YOURSELF wills are cheap, but the disputes they may raise after your demise can be costly.

“Inevitably, people who tick the boxes in a home will kit will overlook key financial and legal considerations that will have a big effect on their estate and beneficiaries,” says Prescott Securities financial adviser Mark Williams.

“Many people go down the homemade will path to try to avoid paying lawyers, accountants and financial advisers – but doing so is just postponing their engagement.

“The cost of fixing up mistakes and settling disputes arising from a homemade will is most likely to be passed on to surviving family members and be much higher than the cost of getting it done right the first time.”

Consumer group Choice says DIY will kits can be “an excellent research tool when drafting your own will” but it recommends getting legal advice as well – particularly if you have small children, complex financial affairs or a complicated family situation.

According to Choice, about 40 per cent of Australians do not have a valid will, meaning their assets are divided according to state legislation.

Commercial law firm Kelly & Co says cut-price DIY wills are proving to be a nightmare for many grieving relatives, who are left to battle it out in court in order to honour the wishes of their loved ones.

“These do-it-yourself will kits create problems down the track because there is simply no way they can cover all the bases in terms of fulfilling the

- Arrangements such as debts or binding financial agreement don't die with you – they must be honoured by your estate.
- Superannuation is a minefield. Selecting the beneficiaries may be up to the discretion of the trustee of your fund – someone you've never met.
- Even if you disinherit immediate family members or dependants, they may still be able to contest your will.
- If one of your beneficiaries dies, part of your will may no longer be valid.

Source: Choice

wishes of the person making the will,” says Marc Romaldi, tax partner and estate planning specialist with Kelly & Co.

“Some kits claim you can make your will in 15 or 20 minutes on a couple of sheets of A4 paper. In fact, it is virtually impossible for anyone to adequately sum up all their estate requirements in such a brief fashion.”

Problems that can arise with DIY wills include documents incorrectly signed or witnessed, property or belongings left out of the will, ambiguity in the wording, beneficiaries left out of the will, or wills that incorrectly deal with superannuation.

“Superannuation and life insurance held via superannuation are often forgotten assets in do-it-yourself wills,” Romaldi says.

## Planning your portfolio



BETTINA Westaway is the managing director of mortgage lending and loan broking firm Club Financial Services, Brisbane. She lives on the Gold Coast and her portfolio in-

cludes a holiday cottage in the Great Lakes area of New South Wales and a townhouse on the Gold Coast. Her rules are:

### 1. PLENTY OF RESEARCH

Don't invest in anything you do not fully understand. Take the time to get to know the market you are buying into and seek advice from local investors and experts who know the area. Attending seminars and networking groups can also be worthwhile, as they will give you an insight into current property values in other re-

gions and provide an update on real estate performance trends across Australia.

### 2. THINK DIFFERENTLY

There is a large amount of hype around house prices and market fluctuations. However, with the right research you can often find that the time to buy is when the media is talking property down. My first investment was 20ha of land on the lower far south coast of NSW. I bought it in 1980 – just before the big property boom – for the grand sum of \$10,000.

By 1984, the acreage was worth about \$180,000.

### 3. GET IN EARLY

When investing in residential real estate, try to focus on pre-growth areas with strong infrastructure links. It's useful to remember that properties close to public transport, schools, shopping and business facilities will always be attractive to renters and when you decide to sell the property, the region will have developed significantly enough to see a strong return on your investment.



Bettina Westaway advises taking time to get to know the market. Picture: Liam Kidston