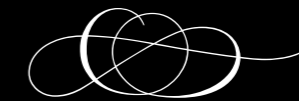




In with the old

Economic uncertainty always brings a search for alternative financial investments. People could do worse than consider very old furniture, writes Mike Moon



A LARGE ANTIQUE MAHOGANY CUPBOARD AGAINST THE WALL OF A HOME LENDS AN aura of stability and solidity.

There's a sense that this imposing piece of furniture is both a safe storage space for valuable items and, in itself, a store of enduring value. It is not easily shifted – by human hand or jittery stockmarkets.

So, can these resilient qualities of old furniture translate into realistic investment opportunities in a modern world fixated on change and chucking away?

Yes, say experts – but it all depends on what, when and how you buy and sell.

Anyone watching *Antiques Roadshow* on television, with its wide-eyed participants getting told that their cheap flea market buys are in fact old masterpieces worth thousands, might get the idea that antiques are a rapid route to riches.

And they can be. But the chances of finding hidden treasure in piles of dusty old tables and chairs in a used furniture store in South Africa are akin to landing the Lotto. And even buying a recognised antique item and expecting a quick profit turnaround carries long odds.

Sandra Goldberg, an antique furniture expert based in Johannesburg, says she would never advise anyone to buy an antique with moneymaking in mind.

'You cannot expect that you will make a profit by next year. This is a trap many people fall into,' explains Goldberg. 'If you come into the market as an outsider looking for a good investment, you won't find it. However, having said that, everything I have ever sold has increased in value over time.'

She says a rough rule-of-thumb minimum period for turning a profit on an item of antique furniture is about five years – 'but, even then, don't bank on it'.

These words are echoed by leading Johannesburg antique dealer Simon Leighton-Morris: 'I've never sold goods as an investment.' Then he adds: 'Yet I would categorically state that antiques are a most sound investment. No one who's had a good piece for 10 to 15 years has lost value. All good pieces will eventually make money.'

One key investment advantage of antiques is value preservation. 'I don't guarantee that if you buy a piece from me for R10 000 you will get your R10 000 back soon,' says Leighton-Morris. 'But you will get by far the greater part of that purchase price back – which certainly isn't the case with buying any other furniture.'

He explains that retailers like him must cover overheads, make a profit and charge VAT, and that these costs take a while to overcome.

'What is a good investment today? A Rolex watch loses half its value in a year; a car loses 25% as it leaves a showroom,' says Leighton-Morris.

Patina is what most fundamentally distinguishes an antique from a so-called 'reproduction antique', or modern copy

'So, by comparison with most things, antiques are very solid value-wise.'

The watchwords then are patience and incremental growth.

But the great thing about antiques is that you can thoroughly enjoy using and admiring them for years as you sit around waiting for the investment potential to be realised. By contrast, share and bond certificates have no household use and no aesthetic value.

'Your first motivation in buying an antique should be that you really do like it,' states Goldberg.

Leighton-Morris gestures towards an array of time-buffed tables, chairs and wardrobes in his landmark Parkhurst shop. 'These objects are desirable in themselves; they're beautifully made out of wonderful materials.'

And while antique furniture by its nature can seem hopelessly old fashioned, the fact is that the very modern and fashionable decor trend has seen it find a new niche.

While an explosion of interest in home decorating has dramatically expanded choice in the furniture market, with everything from Mongolian to Indonesian styles vying for attention, many designers still opt for antique items within an eclectic mix, to provide a touch of class.

'The English country house cluttered with antiques look of the '70s and '80s, is over,' comments Leighton-Morris. 'People now buy two or three startling pieces of antique furniture and mix them with other interesting items, like African masks or ultramodern-looking pieces, such as Le Corbusier chairs.'

The official definition of an antique is something finely crafted that is at least 100 years old, though diehard traditionalists exclude anything post-1830.

Many antique furniture shops sell more modern items at antique prices,

often under the appellation 20th Century Design. And while some of these might be unique and handmade, many are not and will not hold value in the way a genuine antique will.

Goldberg says the first thing any aspiring investor or antique collector should do is learn as much as possible about the subject. Read about it in books and on the internet, scrutinise antique shops and peruse auction catalogues to get an idea of what's valuable and why, and most importantly, what you like.

'Good, knowledgeable dealers and experts should always be prepared to discuss things and give advice.' She adds that it's worth asking the South African Antique Dealers' Association (SAADA) for a list of the reputable dealers in each area.

Goldberg's next bit of advice is to buy small items to test the waters and gain experience and knowledge. These might be silver spoons, for example, or chairs.

This tip is tempered with another: don't buy cheaply. 'Buy the very best piece you can afford, as this will give you a much greater chance of profiting in the long run. Rather buy one item for R2 000 than two lesser examples of the same thing for R1 000 each,' she says.

This leads directly to the next guideline: carefully check the condition of anything you're thinking of buying. Repairs that have been 'sympathetically' done by an expert may be acceptable. 'But if a fault is structural, steer clear,' says Goldberg.

Also be aware of current fashion fads in the antique market.

As with stocks and shares, the trick is to buy at the very start of a trend and sell at the peak. An example, says Goldberg, is writing bureaus, which were much sought-after a decade or so ago. But demand and prices plummeted with the realisation that they didn't accommodate computer set-ups.

Provenance and patina are next on the antique-buying checklist.

'If something has been owned or used by someone famous, its value obviously increases. With documentary evidence of an interesting connection, an item can fetch 20-50% higher than normal,' says Goldberg.

Fine French furniture is often signed or marked, in the way that antique English silver carries a system of marks, but English furniture is not usually signed or marked. Very occasionally antique English furniture has a label pasted inside a drawer or on the back stating the provenance. And sometimes one can get documentary evidence that the piece was made for a particular family or important person by one of the great Georgian cabinetmaking firms such as Thomas Chippendale. These pieces today would most likely be found belonging to aristocratic families.

Patina is what most fundamentally distinguishes an antique from a so-called 'reproduction antique', or modern copy. Essentially it is the small scars of a life well lived, marks that furniture acquires from years of use and exposure to the elements. Even dirt, polished into the fabric of wood in an interesting way, can be a good thing.

'It's a sort of bloom on the piece. For me, it's the whole point of an antique,' says Goldberg.

Interestingly, reproductions can be more expensive than unique antique items, the materials and skilled labour required for a good modern copy being very expensive.

However, antique materials can never be reproduced. Wood for furniture crafted pre-1900 was derived from logs that had been placed in rivers or bogs for up to two years to cure, before planking and drying for five years ahead of use.

Today, furniture timber goes from tree to factory in a matter of weeks. And the likes of South American mahogany from 500-year-old trees is simply not available.

Armed with all the requisite knowledge, where should one go to buy an antique? The two main options are reputable dealers like Goldberg and Leighton-Morris, and auction sales.

Auctions can provide very good value for money, if you know what to look for. But they do carry a 'buyer beware' as there are no comebacks on an item knocked down during an exciting bidding session. The auction room can as easily be the venue for a 'worst buy' as a 'best buy'.

Brett Martin, director of Westgate Wadding Auctioneers, says that while he would never recommend auctions for a quick profit, an astute auction purchase is likely to bring a return on investment faster than if the same item was bought from a retail dealer, because of significantly lower added costs.

He emphasises that buyers should know exactly what they are doing before venturing a bid. 'As with any type of investment, you need to take advice.' And while auction houses themselves are happy to dispense such advice, Martin says an independent expert unconnected to the sale is advisable.

As with all markets, Martin says antiques, fine art and collectibles have felt the effects of recession. And while the South African economy in general has shown signs of recovery, auction results have remained 'patchy', up one month and flat the next.

Martin says exceptions within this environment have been high-quality items of furniture, which are recession-proof and have registered good price rises throughout the downturn.


Another recession-buster has been Cape colonial furniture, which over the past decade has been the most buoyant antique market segment in this country. Cape pieces have risen in value by about 30% in five years.

The experts put this boom down to South Africans becoming more attuned to their roots and a desire to preserve their heritage. Another factor is that the market is conducted almost exclusively in South African rands and is relatively stable and not subject to currency fluctuations.

At a recent Stephan Welz-Sotheby sale in Johannesburg, a well-crafted Cape Regency period 'rusbank' in stinkwood was sold for R24 000. A smaller, cruder version went for R8 000.

Just a decade ago, these items could have been bought for a tenth of that price.

The current Cape colonial trend might be peaking, some believe, but it is far from being a bubble of overvaluation. All the experts insist that informed buys in the area can be very good investments. This is because the principle is the same as it is with all antique furniture – the pieces are rare and the supply is finite.

With fewer and fewer examples of finely crafted, 100-year-old furniture coming on to the market as the years roll by – due to the proliferation of mass-produced factory products in modern times – it will inevitably grow in value. 



Situated in the Sabie River Valley in beautiful Mpumalanga, this luxury estate hotel is a little Eden of tranquil pools, shaded glades and quiet flower gardens, and is conveniently located close to the Kruger National Park, Blyde River Canyon and Gods Window. All of the 54 bedrooms have en-suite bathrooms. Choose between casas (standard rooms), villas (luxury rooms), suites and the Casa Grande. The Cozinha Velha restaurant is open daily for breakfast, lunch and dinner. The Wellness & Beauty centre offers a wide variety of soothing treatments. The Conference and Function Centres are ideal settings for meetings and weddings. Ilanga Conference Centre seats up to 120 delegates and the all-new conference facility Nhlango the Meeting Place seats up to 260 delegates. Fully equipped with advanced multimedia technology, this convention centre is the most sophisticated facility available on the Hazyview conference circuit.

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