In her studio in the Red Hook neighbourhood of Brooklyn, Jean Shin puts keyboard keys on a large mat the size of a kitchen table.

The piece will be for an art installation to be sent out to California. But Ms Shin is planning more than just the future of this piece, she's thinking about her own future too - her retirement.

Ms Shin is part of a group called Artist Pension Trust (APT), an organisation that uses work from professional artists as the basis for raising funds they can use to retire.

"I'm interested in alternative systems for artists," Ms Shin says of the group's approach.

Artists traditionally rely on grants to fund their works, and sell their pieces to galleries or collectors for large one-off sums. Fluctuations in the art market can mean the prices swing massively, leaving artists without a stable income or the ability to put savings away for their retirement.

With this in mind, APT decided to bring artists together to invest not money, but their work in a new type of pension account.

"The idea was to share the risk of financial insecurity," said Al Brenner, chief executive of Mutual Art, the organisation that owns APT.
Jean Shin says the offer to join APT was a vote of confidence in her work.

Like traditional pensions or trusts, APT works by pooling resources and sharing the value that is gained over time with its member. But rather than putting in money APT members must hand in 20 pieces of their art over 20 years.

APT keeps the art typically for ten years, often displaying it at exhibitions and museums before selling and distributing the proceeds.

Ten years ago Ms Shin was approached by a friend and curator, who worked for APT, about joining. She says the invitation felt like a vote of confidence in her work and an opportunity to add financial security to her future.

"At some point when you decide that [you are] going to make art your life and your profession then you are told that the odds of that kind of sustainable living are nearly impossible," says Ms Shin.

Ms Shin’s recently completed a work for the New York City subway system.

Like the other artists in the trust Ms Shin was early in her career when she joined - most artists are between 30 and 45 when they join - but like most she had already had success showing her work at several established galleries and museums.
APT has set up trusts across the world in cities including New York, London, Los Angeles, Mexico City, and Beijing. The number of members in each trust is limited to 250.

Artists are hoping to benefit not just from the increase in the value of their work but in the value of others work.

**Going once**

APT sold some of its collection for the first time at auction at Sotheby’s New York

On 2 March APT participated in its first public auction, selling 13 pieces it has held for close to a decade. The group will participate in a second auction in London on 12 April.

From APT’s perspective, this first sale at Sotheby’s New York was a success. Collectively the work sold for $231,000 (£188,266). APT’s low estimate of how much the work would sell for was $167,000.

"If you put works at auction you want to make sure they will sell well," says Mr Brenner, adding that he felt the auction would help get the word out about APT’s collection and help future sales efforts.

But there are uncertainties about selling at auctions. Pieces can sell for lower than expected to buyers looking for a deal or skyrocket in a bidding war.

One bidder at Sotheby’s, who would not give his name, noted that the piece he had bid for was an artist’s early work which was less valuable. "I would have taken it if I could have gotten it at a discount,” he said. He did not win that piece.

Many artists prefer private sales where the price is kept secret. This protects the artist’s work from being stuck in a certain price bracket and allows buyers to go into future negotiations without a preconceived idea of what they are willing to spend.

APT does not give their artists a choice of how their work is sold, although they do take artists’ input into consideration.
After a sale, the artist whose work was sold receives 40% of the revenue. The remaining artists in the trust split a further 32% of the money and the rest is used for APT overheads.

The artists don't have to be 65 to receive a payout. The money is distributed annually, but most do think of it as an investment for their future.

"Like many people in America I will invest in the future if I have extra funds," says Ms Shin, "I'm not banking on this to work out but I think it's an interesting alternative."

For artists - a class of individuals used to thinking outside the box - this creative approach to financial planning might be just the ticket to a stable retirement.

But like the art itself, the real value will take years to grow.