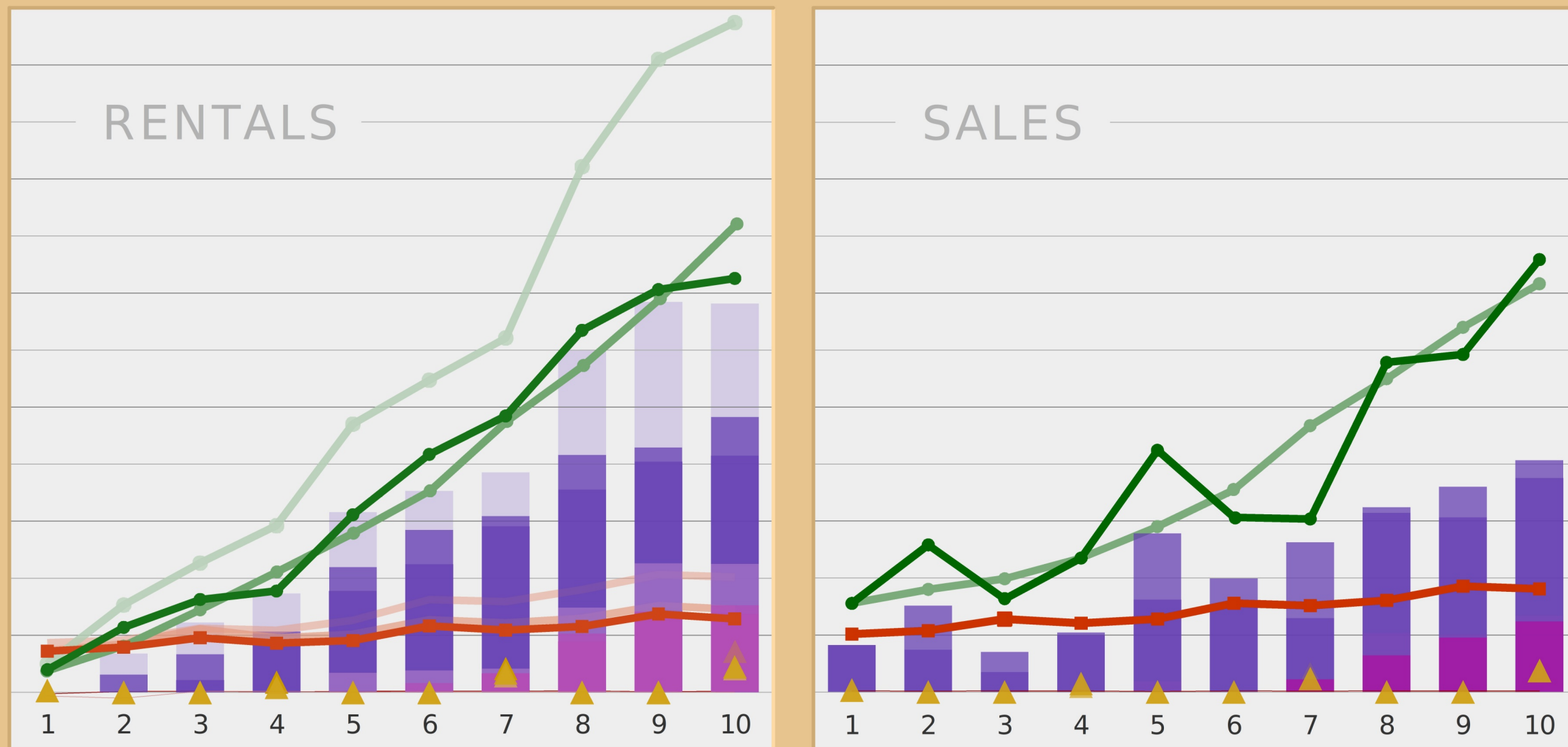


on renting *versus* selling visual artworks



a comparison of economic interfaces

Robert G Mears

In a nutshell, RENTERS can earn more than SELLERS with less artwork and a lot more with the same amount of artwork.

In fact, comparing renting *versus* selling visual artworks indicates that most people benefit when renting visual artworks is the economic interface:

- Net incomes of renters are higher and more stable than sellers.
- For the same money, clients can rent almost four times as many artworks as they can buy.
- Renting involves more client contact, hence, has more marketing opportunities.
- Governments receive more tax revenue.

And, by inference, the renting interface suggests:

- Renting would lead to sound business practices among most visual artists.
- Clients may be more adventurous with their choices.
- Rentals would be best handled by artist-run centres/cooperatives or third-party services.



If what you read here sits well with you,
feel free to share this document
with friends or colleagues.

Note: This comparison was funded by the author.



Thanks.

preface

Financial projections are common practice in business. They are done to determine the viability of ventures before investing in them. Prudence dictates letting the numbers speak for themselves. It would be unwise to make the numbers say what you think they should (or want them to) say and then invest however much money in an endeavour.

The same even-handed approach—as though this were part of a business plan—was maintained throughout the process:

Let the numbers show what they show.

I learned about financial projections in 1991 when **I attended a four week live-in business training seminar sponsored by the City of Winnipeg's Core Area Initiative.** The course was designed by the renowned Hawaii Entrepreneurship Training and Development Institute. At the end of the program participants were invited to submit business plans—complete with financial projections—in the hope of receiving funding.

My request was turned down. “Art-making is not a business,” they advised. As this was after the fact, I enquired as to why they invited me to participate? They said, **“We thought it might do some good to put this material in the hands of an artist.”**

Perhaps it has.

In 1998, after completing a class on the philosophy of art, and along with [some essays](#) I was writing, I took my first shot at working with spreadsheets

which I set up to do projections of income and expenses. At the time some of my paintings were being rented through Art Rental & Sales at the Winnipeg Art Gallery. Comparing the numbers from renting *versus* selling visual artworks seemed an interesting topic.

Soon after, I shared my findings with someone who worked for one of Canada's top ranked financial firms. In reference to the income projections, he said, “You must have a formula.” In fact, I didn't. I simply gave the RENTER a small increase in units every year and a slight increase in price every couple of years. And, with a bit of arithmetic, I calculated the SELLER's income based on the RENTER's income with the assumption that the SELLER's income would be erratic. Simple though my “formula” was the resultant numbers baffled him. Or perhaps it was the concept:

Renting *versus* selling visual artworks?

In the intervening years I fiddled with the spreadsheets now and again. In 2015, I started working on the numbers once more. In the fall of 2017, I turned my full attention to this project. First, I corrected a wrong approach (allowing a cash surplus) and then I reworked the “formula”. (I explain this later.) And what started as one collection of spreadsheets multiplied into many collections.

I played with a lot of variables. But, no matter how they were crunched the numbers showed RENTERS faring better economically than SELLERS of original visual artworks.

While I first shared this in 2018, in late 2019 I reread

the document. Even I couldn't make sense of the earlier presentation let alone the numbers. So, I revisited the text and reorganized the layout to improve comprehension of a complicated subject.

Where I learned how to do this they said,

“The numbers are our friends.”

While the charts, summaries and tables of numbers in this document may be perplexing, they are included so you (or your accountant) can scrutinize what our “friends” show us about being remunerated for our work as visual artists.

Regards,

Robert G Mears



acknowledgements

I would like to thank Coleen Zebeluk and [Hans Abbing](#) for their support, input and encouragement during the development of this comparison.

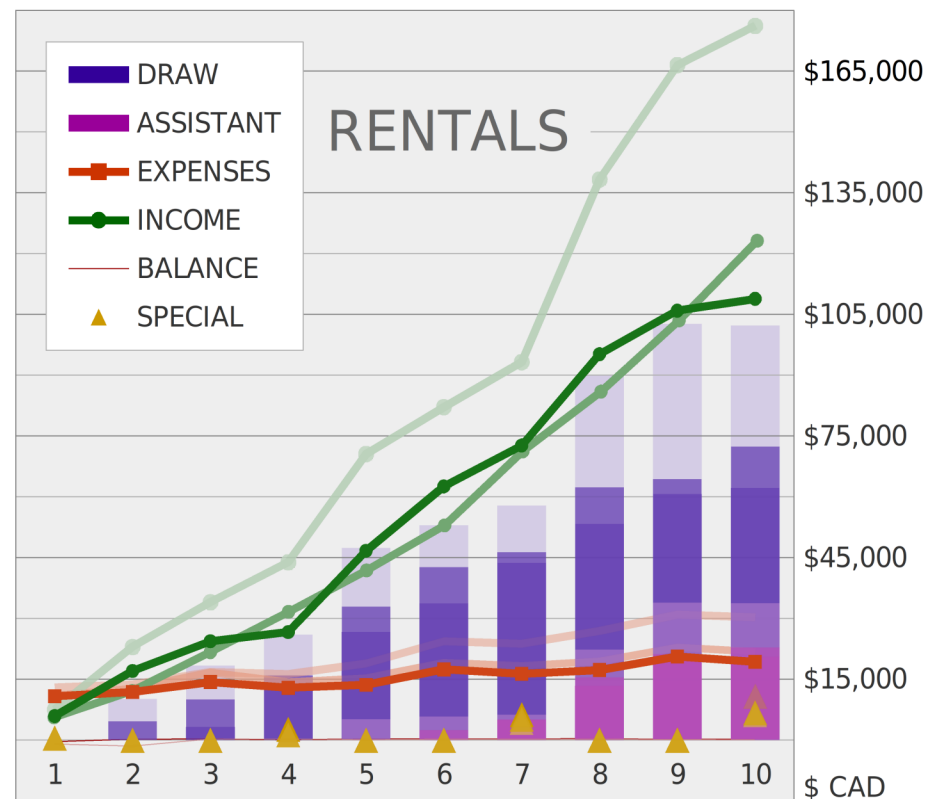
Thank you as well to [Thorie Hinds](#), [Helma Rogge Rehders](#), [Wendy Kroeker](#), David Young, Joan Masters, Robert MacLellan and some others for feedback contributed prior to publishing this document.

DRAW?

In accounting terminology—owner's **DRAW**—**is the amount you pay yourself.**

It's money you withdraw from your business account for your personal use.

contents

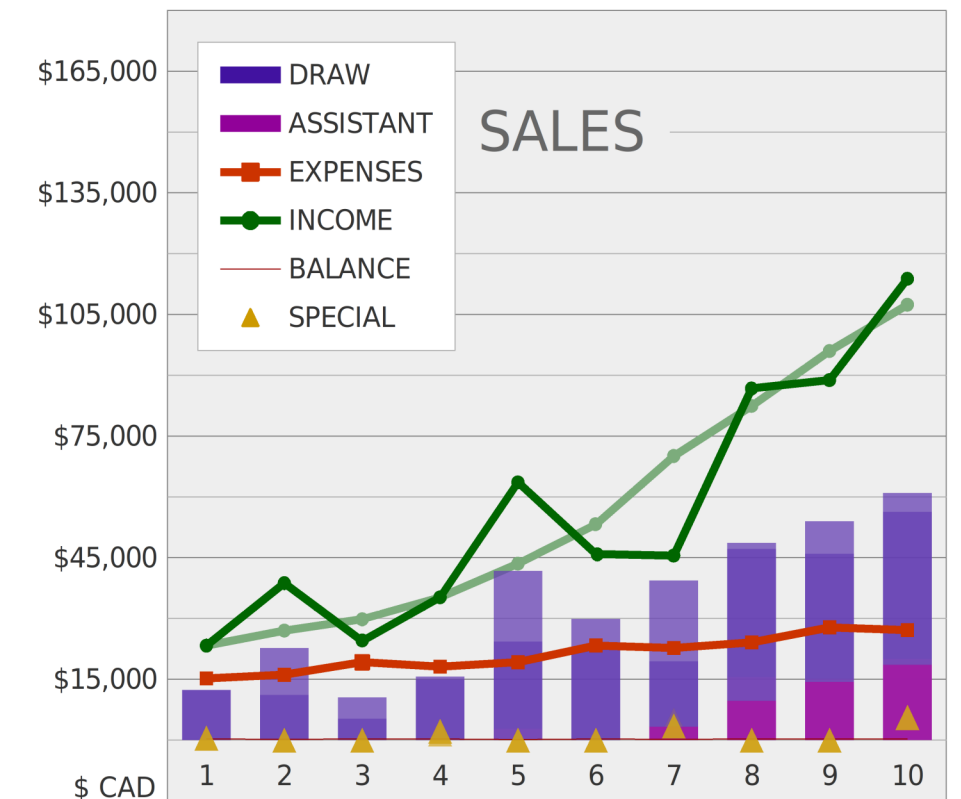


10 years ~ same gross: **162 UNITS**
10 years ~ same units: **254 UNITS**
@ median prices **NET INCOME RENTALS**
\$45,100 ↑ same gross: **\$403,300**
\$277,500 ↑ same units: **\$635,600**

over 10 years
a RENTER has
113% to 177%
more NET income
than a SELLER

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254 UNITS same gross ~ 10 years
254 UNITS same units ~ 10 years
SALES NET INCOME @ median prices
\$358,200 same gross
\$358,200 same units

DRAW = money artist pays her/himself
ASSISTANT = helper, errands, accountant, etc
SPECIAL = travel, training, equipment, etc
DRAW + ASSISTANT + SPECIAL = NET income

UNITS = artworks
purple = colour for artist's **DRAW**
same gross = same gross income

on economic interfaces

Anyone who draws, paints, etches, sculpts, carves, etc, knows that the medium used influences the outcome. A charcoal drawing on rough paper is quite different from a pen and ink drawing on smooth paper. The same can be said about economic interfaces. **The financial outcome for an artist from renting visual artworks is different than the outcome from selling.**

In answering the question in the title of his book *Why Are Artists Poor?*¹, Hans Abbing says the main reason is **there are too many artists**. It's hard to argue with that assessment. Today, everyone's an artist, especially in the visual arts, where anyone can pick up a marking device or blade/chisel and make images (whether 2 or 3D). This work can then be taken "to market" and sold, or an art market professional (dealer) may handle sales. While many credentialed artists—with Technical Certificates or Bachelors or Masters degrees—flock to the latter, there is no shortage of self-trained art makers at art fairs and the like. Some artists do both.

Perhaps, though, there is another reason why low incomes are the norm for most visual artists. For more than 200 years western society has been using an economic interface that diverts money away from artists. **The buying and selling of visual artworks began in Europe, in the 1600s.** According to historian Jean Gimpel:

"Dutch burghers had no inhibitions about treating pictures like any other merchandise."²

After the aristocracy in France was deposed—by the time of the Impressionists—selling artworks had become the norm in the visual arts. **It seems**

no one gave much thought to this way of doing business. The art market started among the privileged class; **owning "art" was a good way to flaunt or hoard wealth.** Art critics of the day—back when art dealers positioned themselves between artist and public—conjectured that visual artists produce better work when they go hungry.

It makes no sense that the people who make something considered so valuable are deemed the least deserving of monetary reward from the activity. **Without artists there is no ART.** We are not talking about mass produced widgets made in factories wherein the capitalist approach is to maximize profits for those with capital. Having said that, though, there are some who don't see the difference. It was a discussion, in the fall of 2015, which prompted me to resume this comparison which I started many years before. I was discussing the "Bill of Sale" with a man who described himself as a "sworn" capitalist. He said:

"If I will have to pay you part of the profit then you should pay me part of the loss if I resell one of your paintings for less than I paid you."

In his view there is no difference between an art-work and any other object, property or commodity. I was flabbergasted by his response. And, when I heard it, it seemed to me that the Bill of Sale was not going to fly.

The Bill of Sale agreement is now labelled [Artist's Resale Right](#). I learned about it when it was proffered by Canadian Artists' Representation/Le Front des artistes canadiens ([CARFAC](#)) in the 1990s.* It provides for a residual (royalty) payment to the artist should a work be resold at a profit. In

fact, the [Artist's Resale Right](#) has been passed into law in the European Union where it pertains to work resold through an "art market professional".

On the face of it this contract is a good idea. But, the royalty payments are presently minuscule:

Royalty	Resale price
4%	up to €50,000
3%	between €50,000.01 and €200,000
1%	between €200,000.01 and €350,000

And, it is easily subverted in the private side of the art market where it is not easily monitored.³ Plus, when royalties are collected they are paid to artists by third-party services (which charge for the service). As well, this contract is problematic because many—especially entry level—artists don't or won't use it. Some even see it as an impediment to sales.

The point here is that deriving an income from sales may not be the best choice for visual artists.

... continued on next page

1 - [Why Are Artists Poor?: The Exceptional Economy of the Arts](#); Hans Abbing; 2004. Or download PDF from [HERE](#).

2 - *The Cult of Art ~ Against Art and Artists*, Jean Gimpel; 1969, P. 72

3 - Back in the late 1990s, I had pressed Art Rental & Sales at the Winnipeg Art Gallery to use a Bill of Sale if they sold any of my work to the point where they showed me the door and returned my paintings to me. **Their main reason for resisting was that, in their view, the contract was impossible to monitor.**

* - Yes, artists have been working on the residual contract for a long time.

on economic interfaces continued ...

The question is whether another economic interface would yield a better result?

To ascertain the differences, numbers were generated in spreadsheets set up to do financial projections of income and expenses.

As can be seen, in what follows, the numbers show that renting original visual artworks instead of selling them is worth serious consideration. In fact, the numbers show a lot

The major difference between renting and selling is with renting more money goes to artists. While the RENTER’s income starts out lower and picks up more slowly, regardless of price range and/or financing model, **when gross incomes are the same the RENTER finishes with an average of 11% more net income than the SELLER** over the 10 year period used in the projections. This difference comes from increased EXPENSES for the SELLER because **the RENTER requires less work**—an average of 65% of the amount of work a SELLER must produce—to generate the **same gross** income. Studio expenses, equipment, etc, are the same for both, but materials and promotion costs are lower for the RENTER. (Frames, etc, are part of promotion.) As well, due to overlapping rental payments as opposed to individual units leaving the studio periodically **the RENTER has a more stable income than the SELLER who will likely have an erratic income.** A combination of requiring less work and a more stable income indicates that a RENTER will have a better economic time of things than a SELLER.

Plus, a **RENTER** with the same number of units being rented as a **SELLER** has sold by Year 10 **can earn almost double what a SELLER can.**

but the numbers don’t show everything

What the numbers don’t show is that renting may induce more art use than selling. When a piece is returned, at the end of a contract, the client now has a blank space which presumably wants something on/in it. Whether the client renews a contract or rents a new piece would depend on a number of factors, not the least of which is whether the piece being returned “did/does something” for her/him. As well, because the client is not “buying” a piece (which involves a commitment of sorts) he/she may be more likely to be adventurous. Challenging or difficult work has a better chance of being selected simply because the piece will only be around for a short time, not (potentially) a lifetime. And, after 10 years, **the RENTER has the potential of an on-going income while the SELLER probably doesn’t.**

More on [client contact](#) after the next seven pages ...

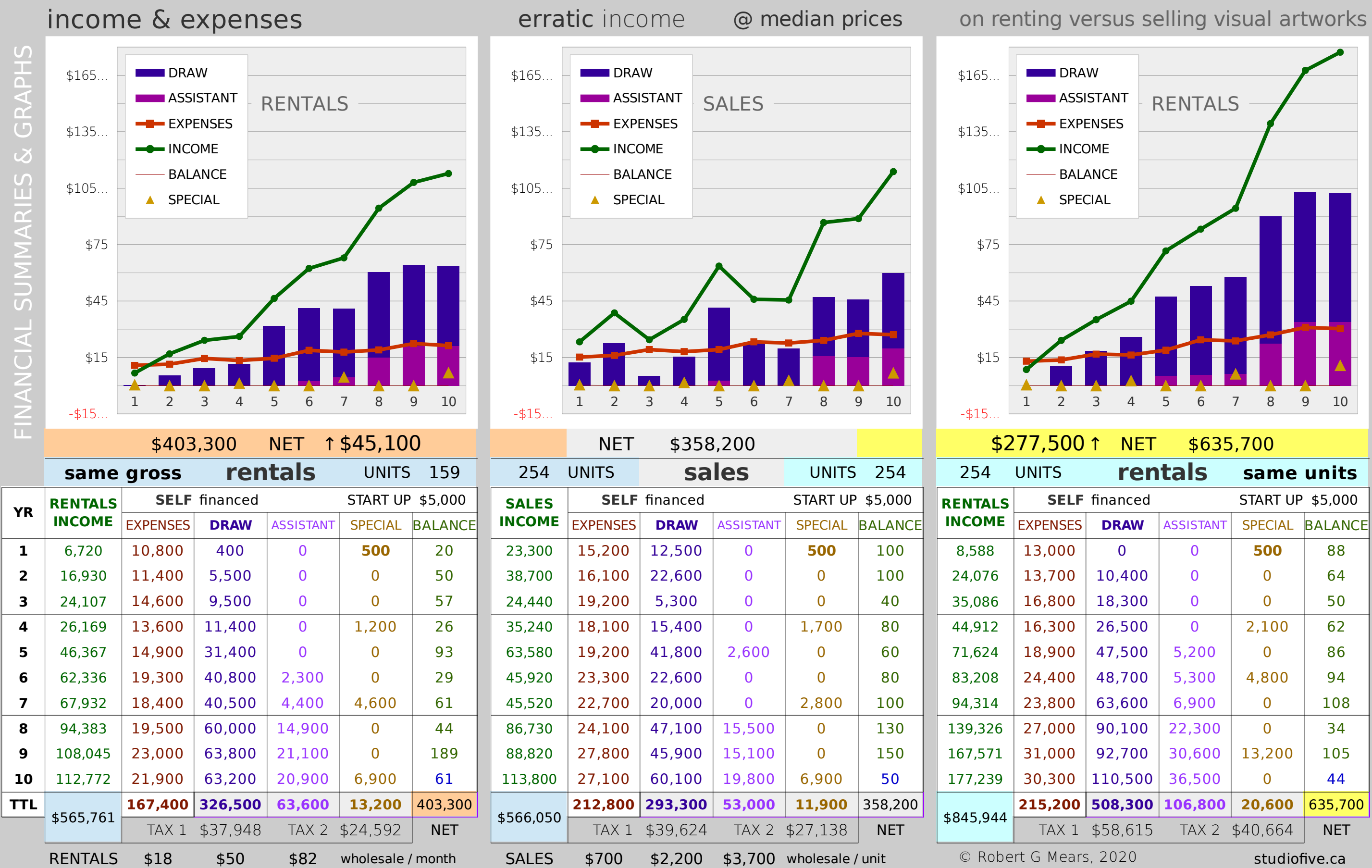
and then there’s dealing with clients

Two objections were stated by some with whom I discussed the idea. One was that work (especially frames) may come back damaged. This negative aspect of renting is not factored into the costs, however, it is noted in the [summation](#). The main objection, though, was that of more client interaction (which is time consuming). There is no doubt that RENTERS will spend more time dealing with clients than SELLERS. As the table below shows it works out to **just over 2 ½ times more administrative time for the RENTER**. How much actual time depends on how quickly transactions are handled. And, as the number of UNITS increases, so too the amount of time spent in a **given year**. At this point, time per client may drop if, say, roughly half of the rental contracts are renewals. And, @ median and high price ranges the artist has an ASSISTANT by Year 6, 7 or 5. Still, **this aspect of the renting interface implies that rentals are best handled by third-party services.** As well, more client contact provides more **marketing opportunities**. When contracts end work must be returned or replaced. Which means visits to where more work can be seen.

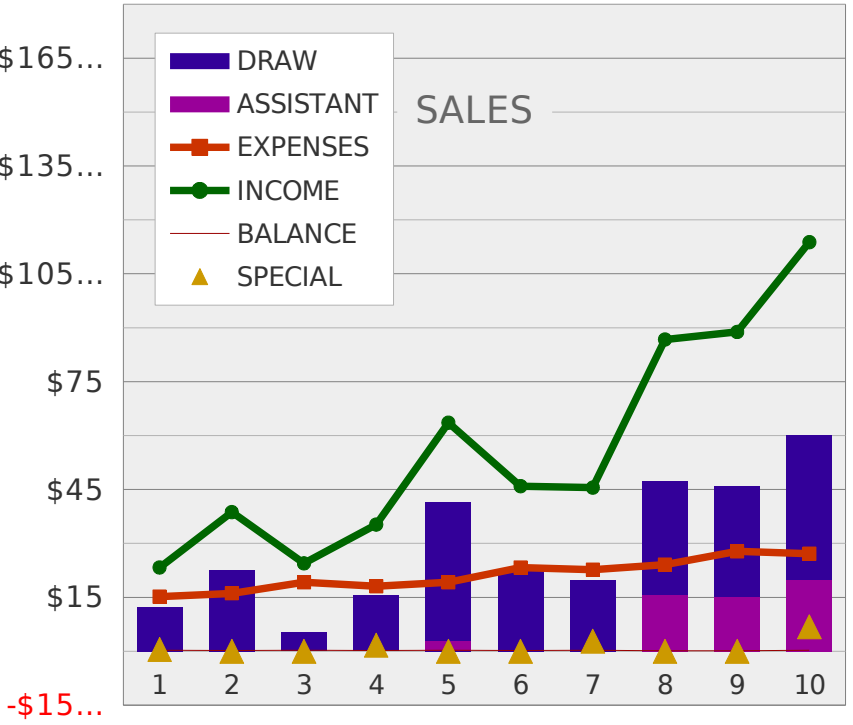
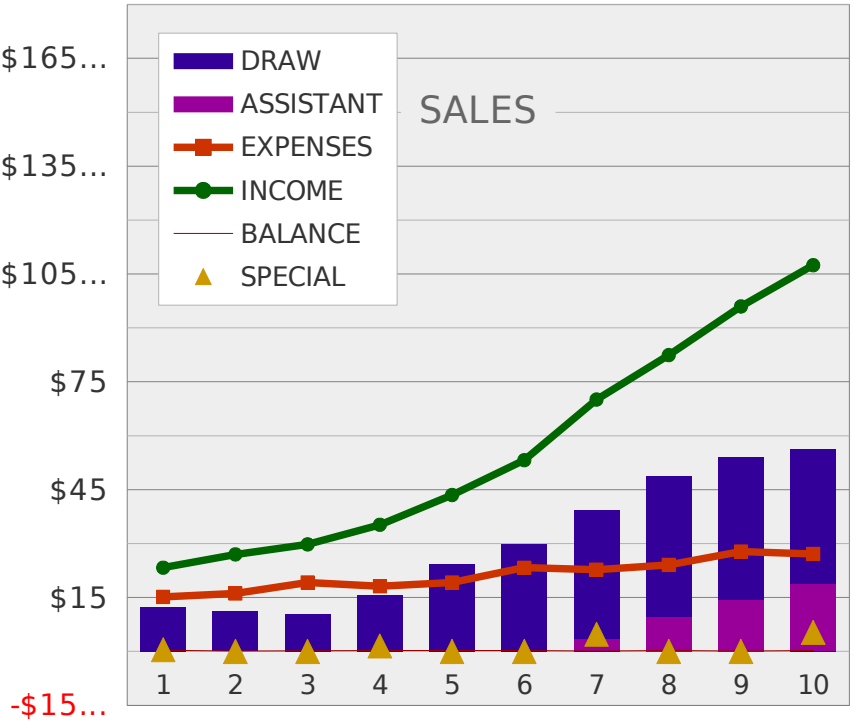
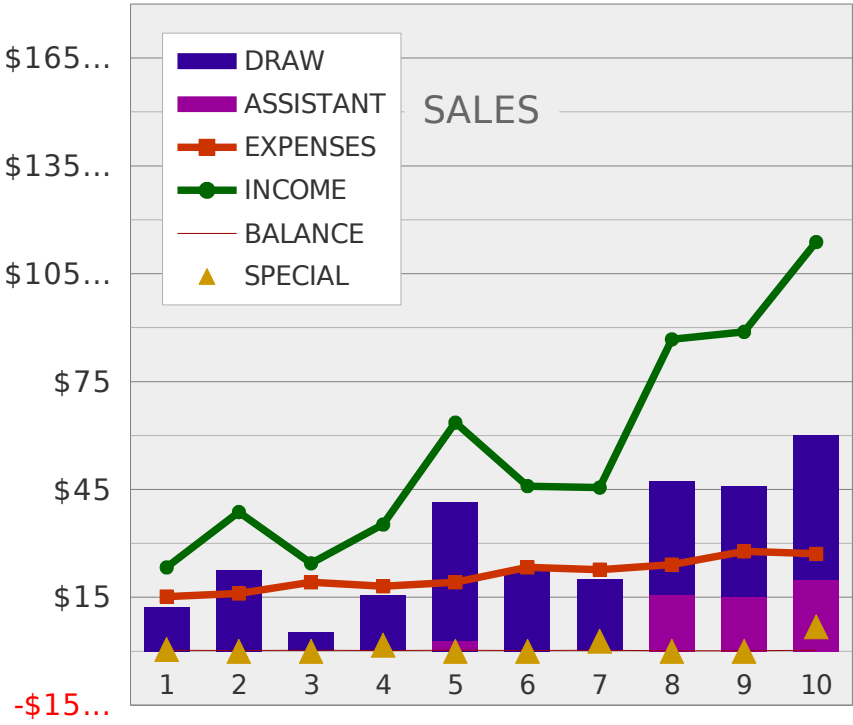
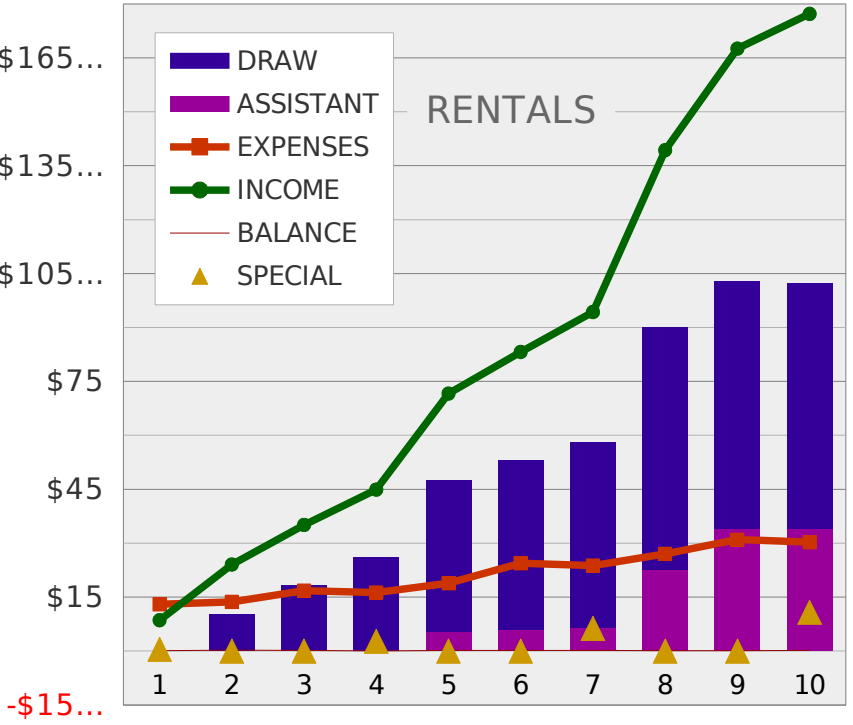
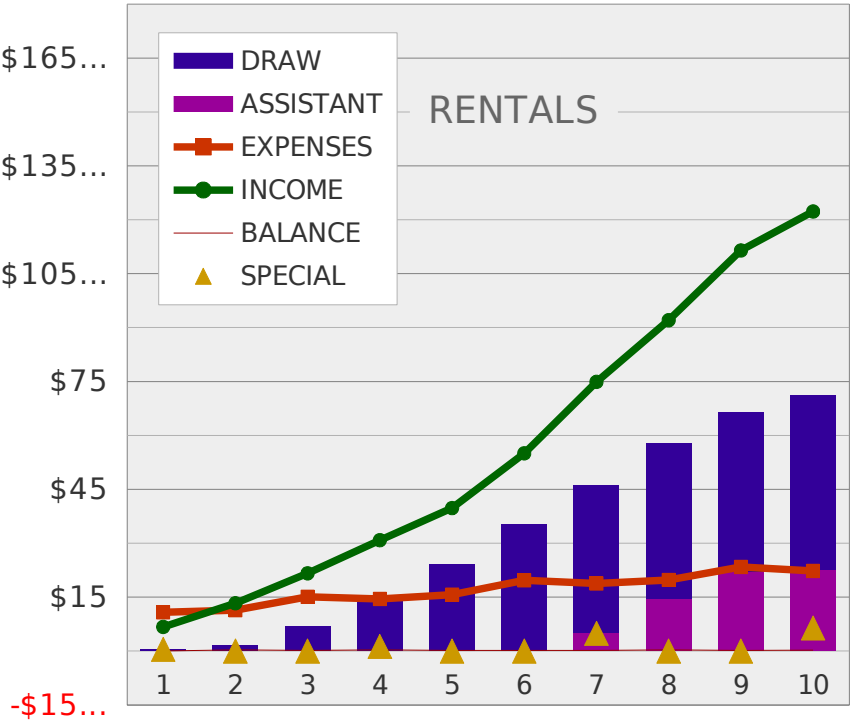
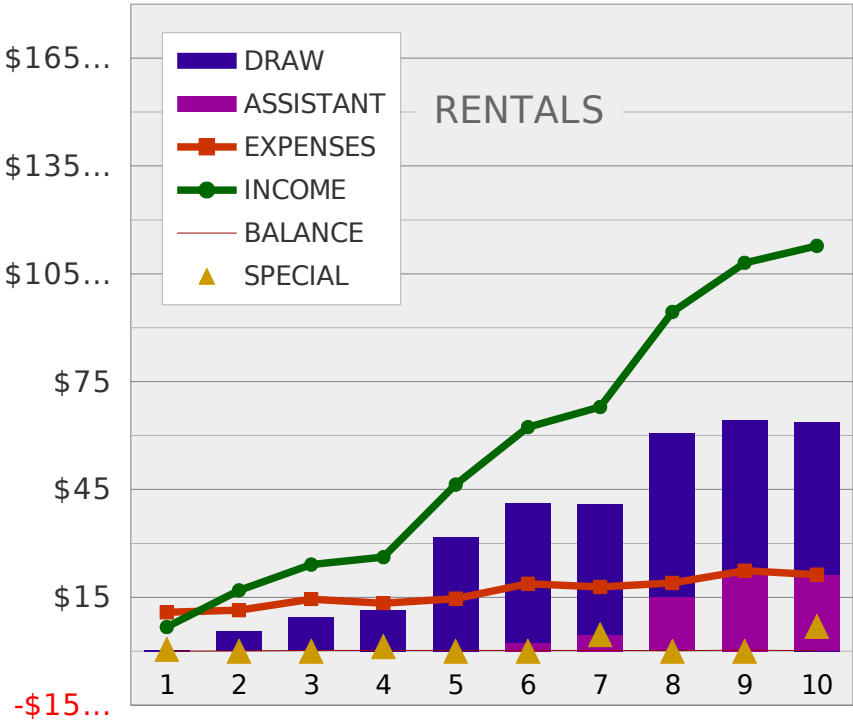
client contact comparison											interactions calculated for 1, 1.5 and 2 hour(s) ↘			RENEWAL HOURS X 1/3			total time over 10 years		
	same gross income average transactions										TTL	x	HOURS	x	HOURS	x	HOURS		
NEW RENEWAL	24 0	21 20	33 21	35 26	49 45	52 50	65 71	86 79	76 83	71 83	512 478	1 0.33	512 158	1.5 0.5	768 239	2 0.67	1024 320	NEW RENEWAL	
RENT	24	41	54	61	94	102	136	165	159	154	990	HRS	670	HRS	1,007	HRS	1,344	RENT	
SELL	14	18	15.5	18	22.5	20.5	22.5	36.5	38	48.5	254	1	254	1.5	381	2	508	SELL	
YR	1	2	3	4	5	6	7	8	9	10	TTL		264%		264%		265%	↑ RENT	

✓ charts—on the next 7 pages—illustrate income differences between renting and selling ▾

Simply put, RENTERS earn more than SELLERS with less artwork and much more with the same amount of artwork.



three income variants: same gross (x 2) | same units ~ self financed @ median prices ~ (\$ amounts are x 1,000)

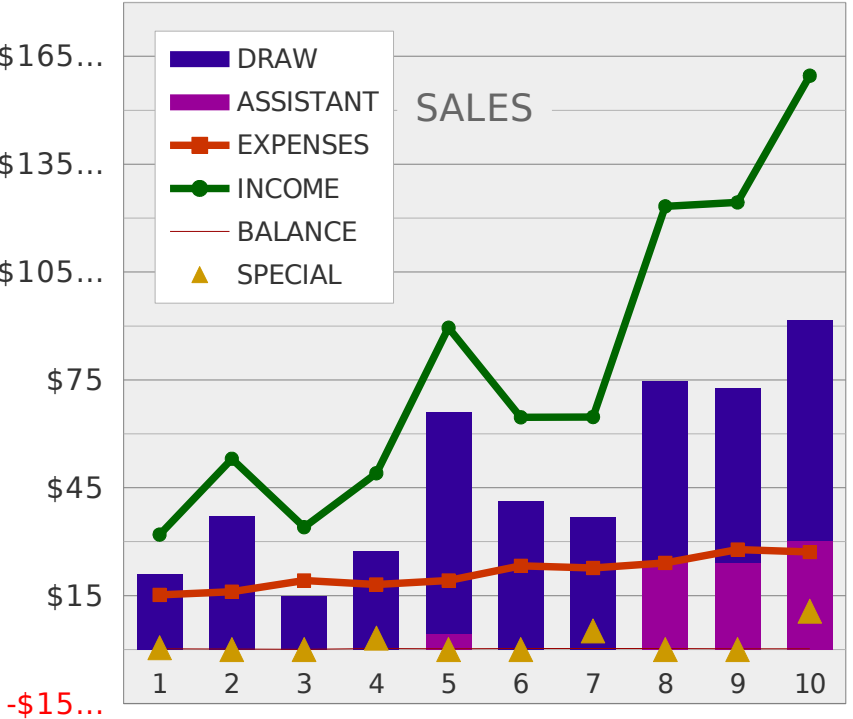
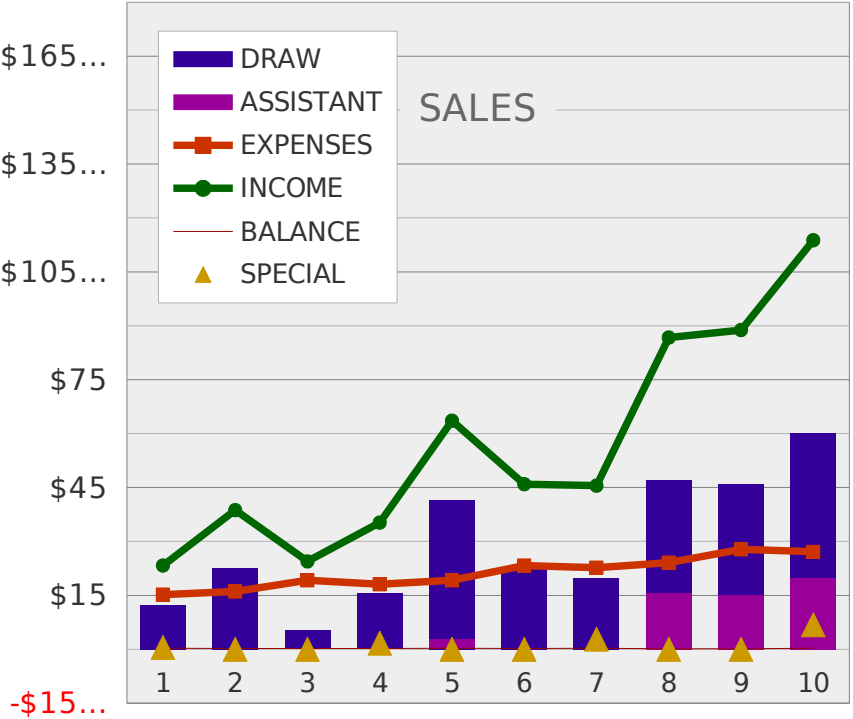
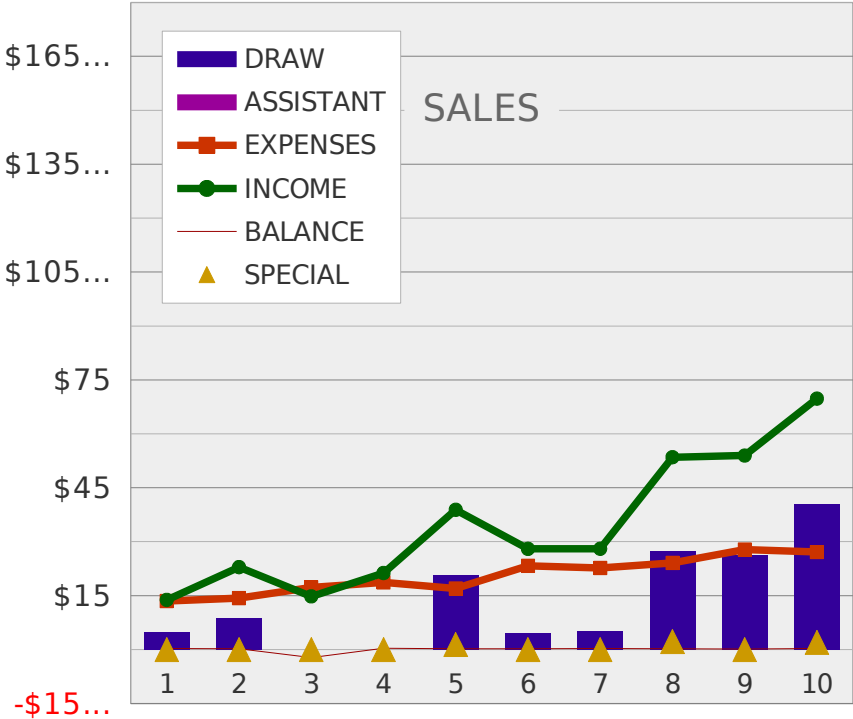
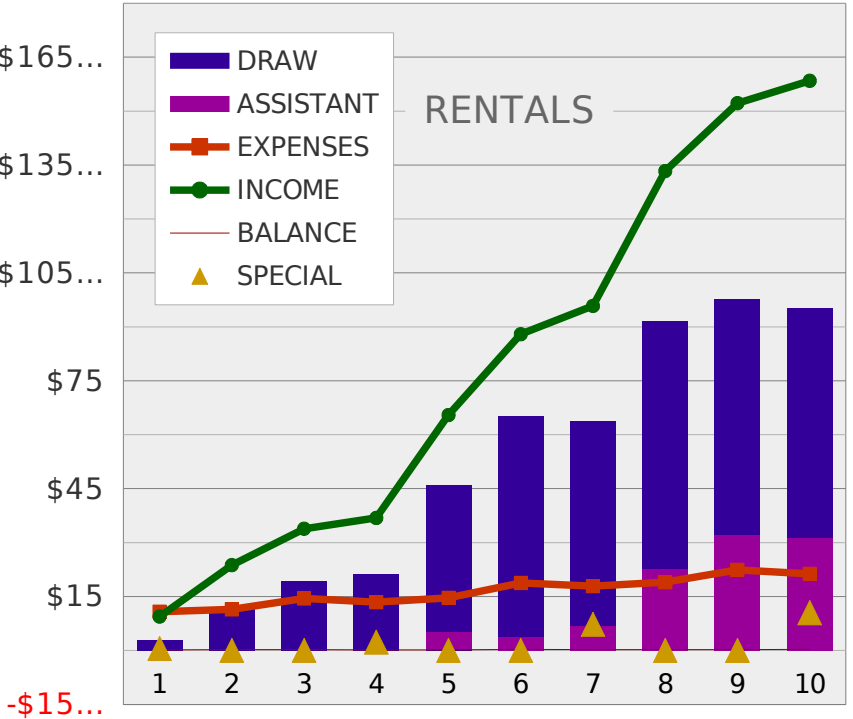
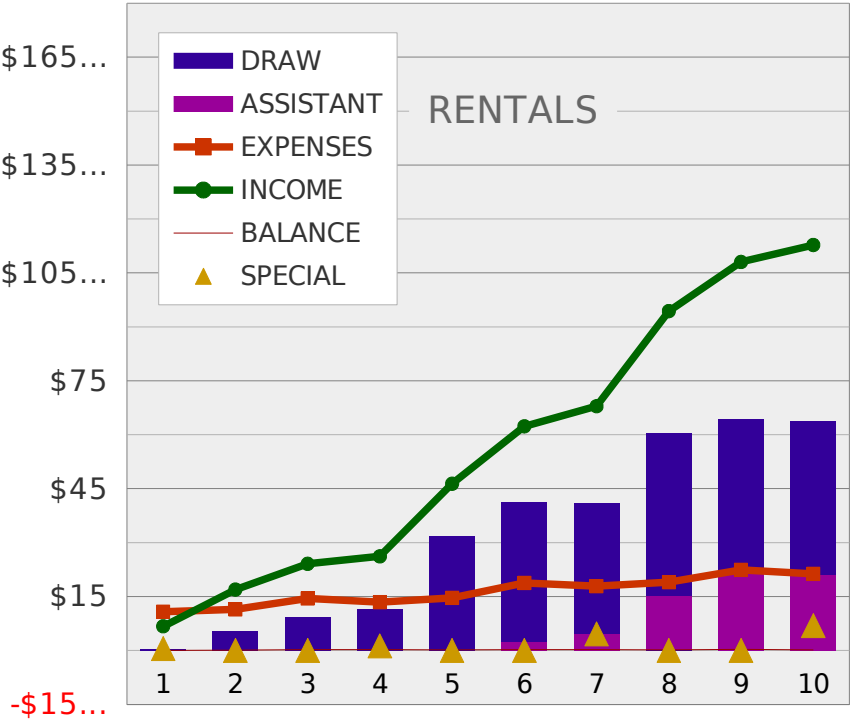
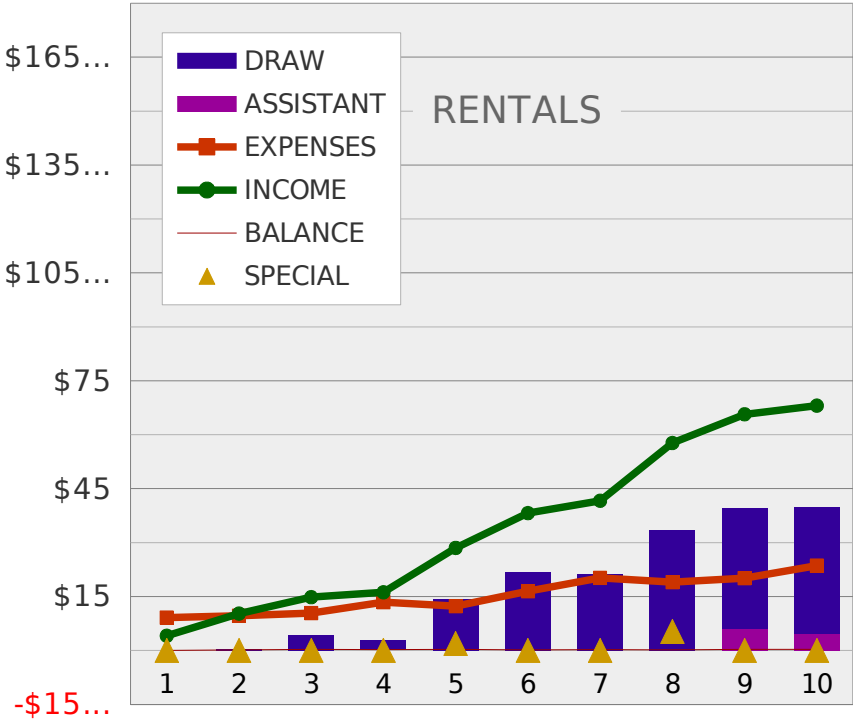


same gross ~ erratic
RENTER: 159 UNITS (63%)
SELLER: 254 UNITS
NET INCOME \$45,100 ↑ RENTER

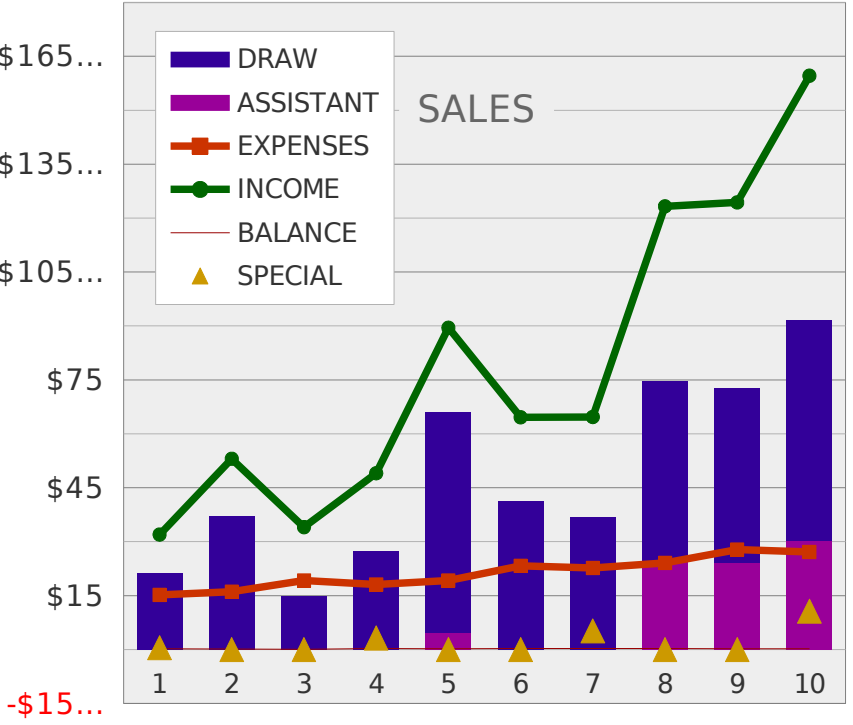
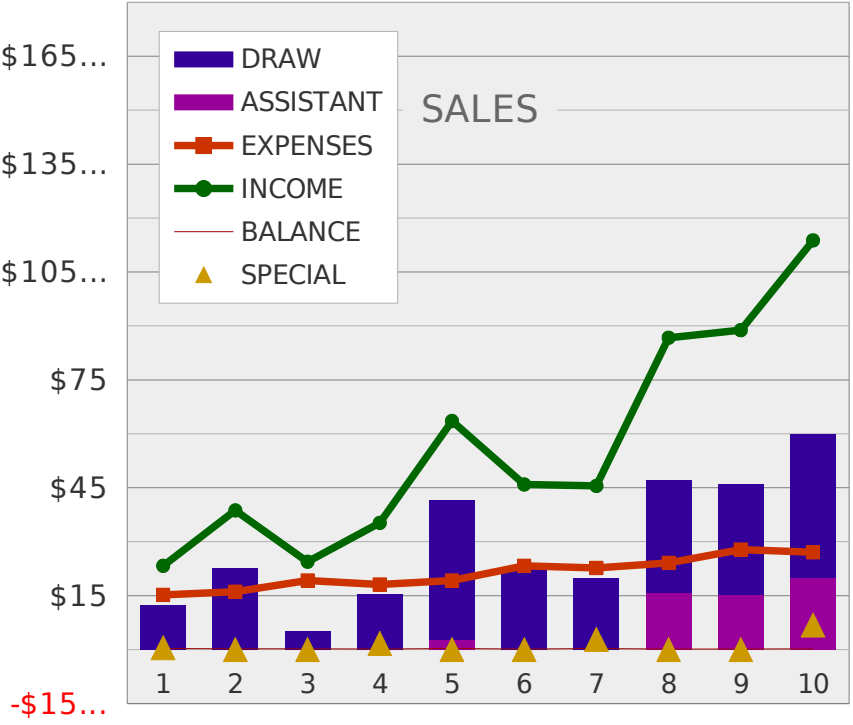
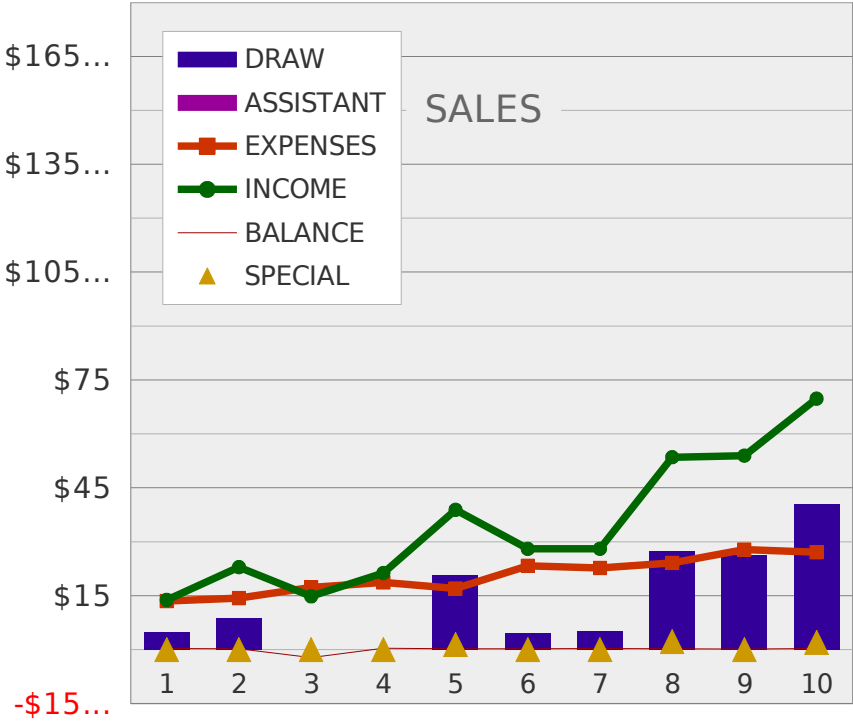
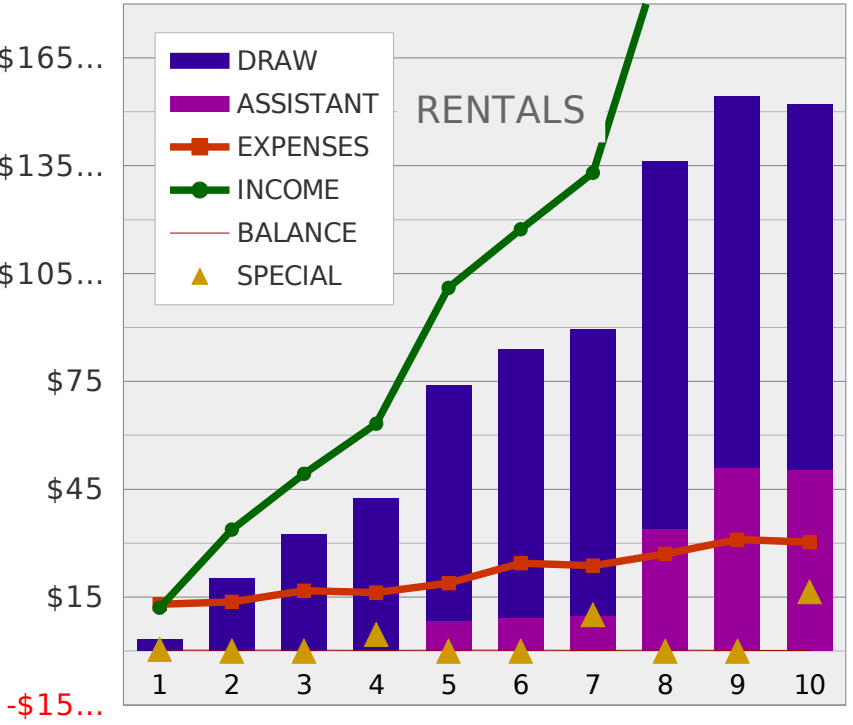
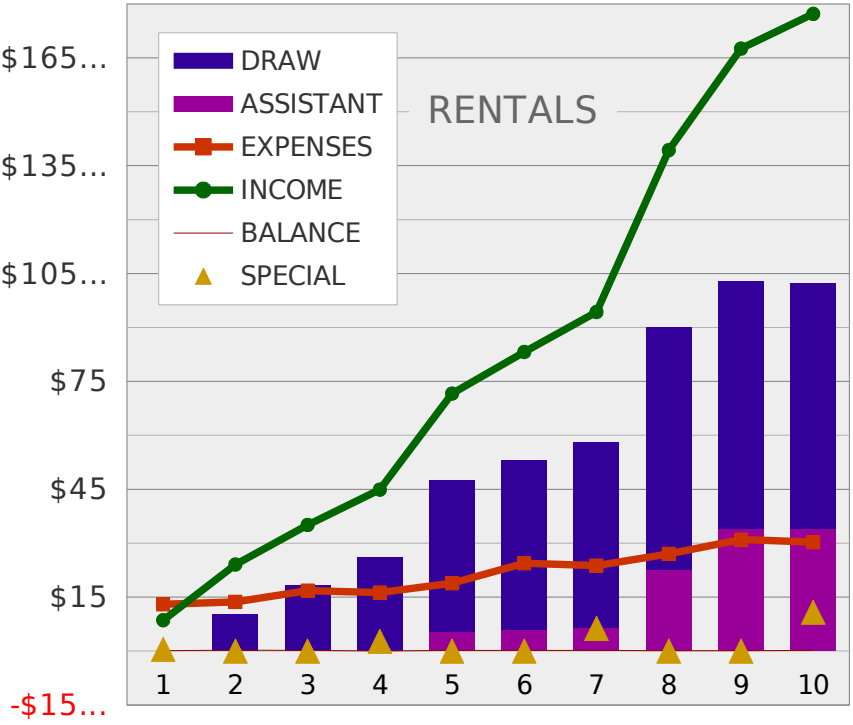
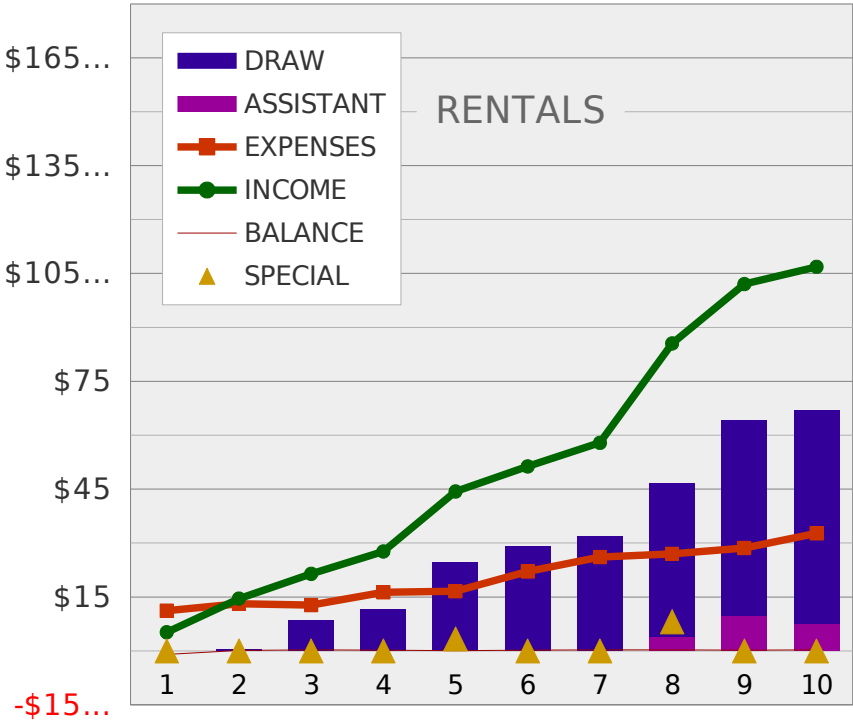
same gross ~ stable
RENTER: 170 UNITS (67%)
SELLER: 254 UNITS
NET INCOME \$41,600 ↑ RENTER

same units ~ erratic
RENTER: 254 UNITS (100%)
SELLER: 254 UNITS
NET INCOME \$277,500 ↑ RENTER

three price ranges: same gross ~ erratic ~ self financed @ low, median, high prices ~ (\$ amounts are x 1,000)



three price ranges: same units ~ erratic ~ self financed @ low, median, high prices ~ (\$ amounts are x 1,000)



low prices
rent: \$12 | \$30 | \$48 / month
sell: \$420 | \$1,300 | \$2,200 / unit
NET INCOME \$171,300 ↑ RENTER

median prices
rent: \$18 | \$50 | \$82 / month
sell: \$700 | \$2,200 | \$3,700 / unit
NET INCOME \$277,500 ↑ RENTER

high prices
rent: \$25 | \$70 | \$116 / month
sell: \$980 | \$3,000 | \$5,100 / unit
NET INCOME \$395,500 ↑ RENTER

four financing types: **same gross ~ erratic @ median prices ~** (\$ amounts are x 1,000)

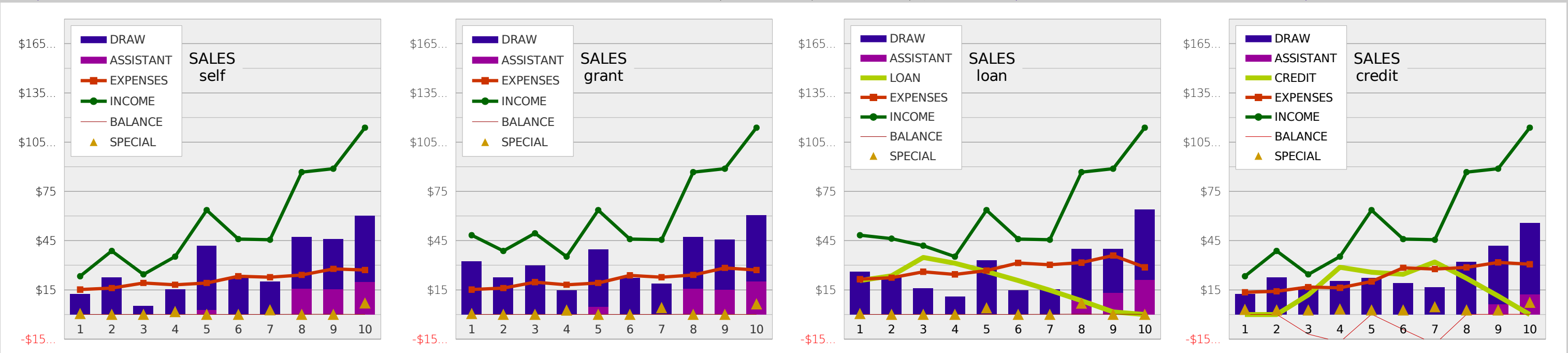
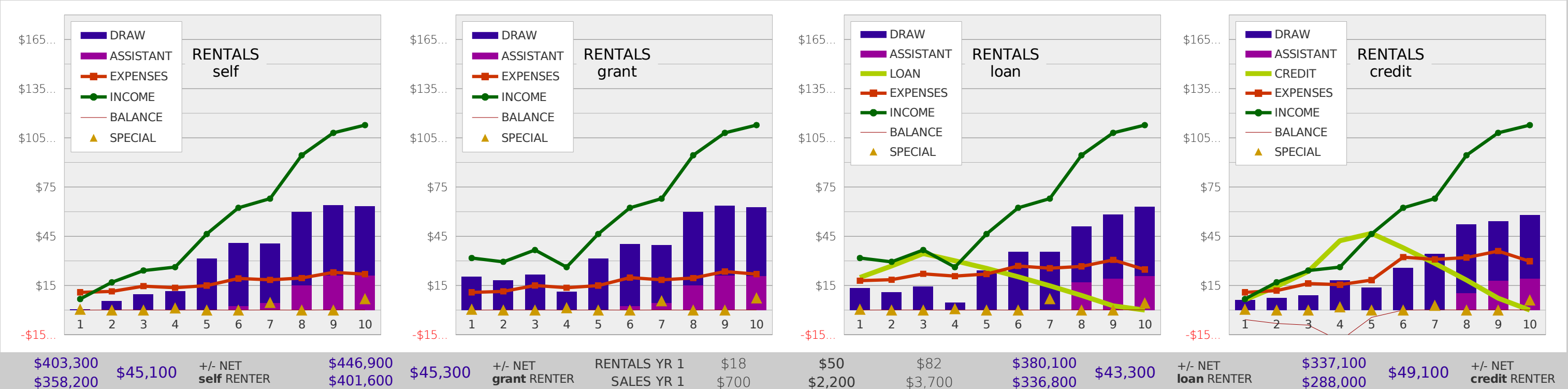
income & expenses

same gross income erratic @ median prices

UNITS: 159 | 254

63%

on renting versus selling visual artworks



self = self financed (self and credit start with \$5,000 cash) **grant** = \$50,000 in 2 or 3 disbursements **loan** = \$50,000 @ 8% interest in 2 or 3 disbursements line of **credit** = \$50,000 limit @ 8% interest

NET income = DRAW+ASSISTANT+SPECIAL DRAW = amount artist pays her/himself ASSISTANT = helper, publicist, accountant, errand runner, etc SPECIAL = travel, training, extra equipment, etc Canadian \$

NET GRANT - NET SELF = GRANT to artist \$43,600 RENTER \$43,400 SELLER

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self | grant | loan | line of credit

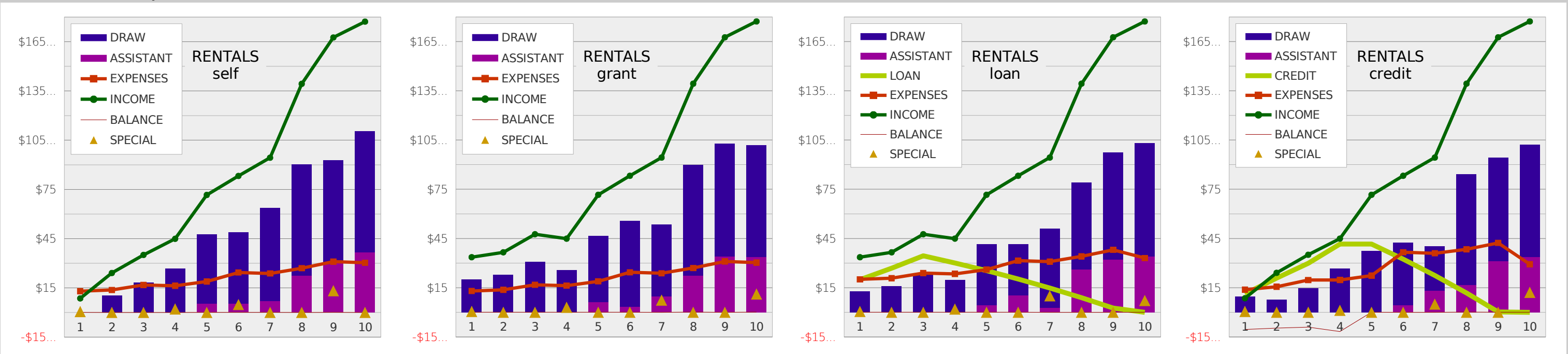
four financing types: **same units ~ erratic @ median prices ~** (\$ amounts are x 1,000)

income & expenses

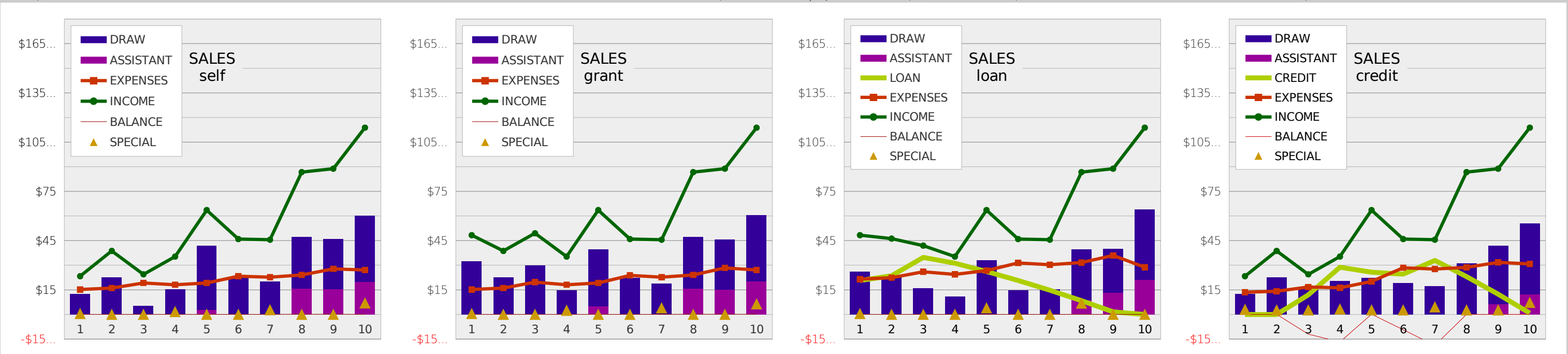
same units erratic @ median prices

UNITS: 254 | 254 100%

on renting versus selling visual artworks



\$635,700 \$277,500 +/- NET self RENTER \$680,600 \$279,100 +/- NET grant RENTER RENTALS YR 1 \$18 \$50 \$82 \$614,000 \$277,100 +/- NET loan RENTER \$577,100 \$289,300 +/- NET credit RENTER
\$358,200 \$277,500 \$401,500 \$279,100 SALES YR 1 \$700 \$2,200 \$3,700 \$336,900 \$277,100 \$287,800



self = self financed (self and credit start with \$5,000 cash) **grant** = \$50,000 in 2 or 3 disbursements **loan** = \$50,000 @ 8% interest in 2 or 3 disbursements line of **credit** = \$50,000 limit @ 8% interest
NET income = DRAW+ASSISTANT+SPECIAL DRAW = amount artist pays her/himself ASSISTANT = helper, publicist, accountant, errand runner, etc SPECIAL = travel, training, extra equipment, etc Canadian \$
NET GRANT - NET SELF = GRANT to artist \$44,900 RENTER \$43,300 SELLER
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self | grant | loan | line of credit

scope

In this comparison there are:

three income variants

A variety of income patterns were assessed. Presented here are the three which seem the most telling.

The first two compare erratic and stable incomes where gross incomes for both RENTER and SELLER are the same but unit counts are different:

- **same gross** income ~ (both) **erratic**
- **same gross** income ~ (both) **stable**

For the third variant, units for the RENTER are increased so the RENTER has up to the same number of units being rented as the SELLER has sold by Year 10:

- **same units** ~ (both) **erratic**

These all yield higher incomes for the RENTER.

three price ranges

low

rent: \$12 | **\$30** | \$48 / month
sell: \$420 | \$1,300 | \$2,200 / unit

median

rent: \$18 | **\$50** | \$82 / month
sell: \$700 | \$2,200 | \$3,700 / unit

high

rent: \$25 | **\$70** | \$116 / month
sell: \$980 | \$3,000 | \$5,100 / unit

Fees/prices are the equivalent of small, medium and large works but might also be sketches, drawings and paintings. The same for sculpture, etc.

RENTAL prices derive from SALES prices, in that the monthly fee was multiplied by 12 for an annual

amount. The fees for RENTALS are an average of 28% of the price to purchase a piece. (It would take 3.67 years to pay the same amount as a sale.)

However, computing of prices is somewhat different. The small RENTAL fee is slightly higher (30.9%) than the small SALES price; the reverse for large pieces (26.6%) because administrative costs are the same for a small piece as a large one.

Prices increase by 6% every second year, which works out to roughly 3% for inflation over 10 years.

similar distributions of units

While there is some divergence, the units for both RENTALS and SALES have been kept close in percentages over 10 years. Initially the ratios were:

- 42% small • 45% medium • 13% large

Subsequently, what is used here was changed to:

- **33% small • 50% medium • 17% large**

A variety of ratios were tried. They all yielded the same result:

Same gross RENTERS always requires less work than SELLERS.

four financing types

- **self** • **grant** • **loan** • line of **credit**

It's interesting to note that the self financed artist does almost as well as a grant recipient by Year 10 where both RENTERS are DRAWing over \$60,000 at the median amounts. The difference is the grant recipient has more net income in the early years. Yet, both self and grant financed artists can go "full-time" in Year 6 (with a DRAW close to \$40,000 CAD)

at the median amounts depending on the income variant.

87% to 90% of grant monies go to the artist for both erratic and stable rental variants where gross income is the same. (Grants are already present in the arts in many countries. Most arts agencies fund projects NOT practices. Perhaps that could change.)

While loan and line of credit financing are unlikely, they were included for the purpose of comparison. Doing so indicates that a RENTER is less risky to a lender than a SELLER. In the lower price range the RENTER can pay back a loan in 10 years, the SELLER would require 12+ years. At the median and higher price ranges both RENTER and SELLER can pay back a loan or line of credit within 10 years.

defaults & lost work

DEFAULTS are something a RENTER has that a SELLER usually doesn't. That a client may not make a payment each month is a negative aspect of renting. Because it would cost roughly the same to retrieve a small piece as a large one, the fee for large pieces was deducted to cover this cost. Defaults start off at 6% in the first year and decrease to 1% by Year 10. Presumably bad clients would be winnowed over the time span explored here.

A RENTER may have more work lost due to theft or damage than a SELLER. But how much more is undetermined. What it would mean (at say a 6% loss over 10 years) is a same gross RENTER would require more work than the average of 65%; perhaps as high as 71%. But, still less work than a SELLER. And, the same units RENTER's income may drop some.

a client’s view

Demographics are an important part of financial projections in business plans. But, statistics are not available for the number of visual artworks purchased per year in Canada. Instead, **what is compared here is how the cost to clients plays out as SALES or RENTALS.**

In the tables to the right the cost for a 12 month rental contract is based on the **sales price** times roughly 28% ~ (30.9%+27%+26.6%) ÷ 3 = 28%. The **third row** (in each of 3 tables) is **what the artist receives**. These amounts also go up by 6% (for inflation) every second year. The **base price** (for both SALES and RENTALS) is then divided by **0.6** to compute the **"retail" price** which includes a 40% commission on sales or monthly fees handled by third-party services. (100 ÷ 0.6 = 166.67) **Sales taxes** are then added for the total **cost to a client**.

In the bottom cells (of each group) **purchase prices** are divided by the **12 month rental fee** to determine how many **YEARS** purchase amounts cover as rental fees instead. This number is used to calculate the number of months and adjusted **↑ ↓** for 12 month **TERMS**:

- For a **medium sized artwork** the cost of one piece **is rounded up** to yield 4 TERMS; perhaps one piece x 4 or four pieces x 1.
- Months are rounded down and up for small sized works (which result in 3.3 TERMS for the cost of one purchase).
- Large sized pieces are rounded up and down.

what these numbers show

If a client were to purchase, say, 3 pieces over ten years, the costs (with mark up and taxes) would be \$4,440, \$13,673 and \$23,572 respectively. Dividing those amounts by **12 month RENTAL fees** yields:

\$1,480

x 3 = \$ 4,440 + \$114 = \$ 4,554 ÷ \$455 = 10 small

\$4,558

x 3 = \$13,673 + \$318 = \$13,991 ÷ \$1,270 = 11 medium

\$7,857

x 3 = \$23,572 - \$695 = \$22,877 ÷ \$2,085 = 11 large TERMS

For the cost to buy 3 pieces, a client can rent up to 10 or 11 artworks for 12 months each; 5 or 5.5 for 2 years, etc.

SALES PRICE \$700			INCREASER EVERY 2 YEARS ↘ inflation				RENTALS FEE \$18			12 MONTH CONTRACTS			
year 1	year 3	year 5	year 7	year 9	AVG	6%	year 1	year 3	year 5	year 7	year 9	AVG	
\$700	\$740	\$780	\$830	\$880	\$786	base	\$216	\$229	\$241	\$250	\$271	\$241	
\$1,167	\$1,233	\$1,300	\$1,383	\$1,467	\$1,310	0.6	\$360	\$382	\$401	\$417	\$452	\$402	
\$82	\$86	\$91	\$97	\$103	\$92	7%	\$25	\$27	\$28	\$29	\$32	\$28	
\$58	\$4	\$65	\$69	\$73	\$66	5%	\$18	\$19	\$20	\$21	\$23	\$20	
\$1,307	\$1,324	\$1,456	\$1,549	\$1,643	\$1,467	TTL	\$403	\$427	\$449	\$467	\$506	\$451	
↙		←	←	←	↖				↙	←	↖		
PURCHASES		RENTALS	YEARS	MONTHS	↑ ↓	ADJUST	MONTHS	ADJUST	/	\$451	TERMS		
1	\$1,467	>	3.3	39	↓	-3	36	-\$113	\$1,355	=	3	<	
2	\$2,934	>	6.5	78	↑	6	84	\$225	\$3,160	=	7		
3	\$4,401	>	9.8	117	↑	3	120	\$113	\$4,513	=	10		
4	\$5,869	>	13.0	156		0	156	\$0	\$5,869	=	13		
5	\$7,336	>	16.3	195	↑	-3	192	-\$113	\$7,223	=	16		
SALES PRICE \$2,200			INCREASER EVERY 2 YEARS ↘ inflation				RENTALS FEE \$50			12 MONTH CONTRACTS			
year 1	year 3	year 5	year 7	year 9	AVG	6%	year 1	year 3	year 5	year 7	year 9	AVG	
\$2,200	\$2,300	\$2,400	\$2,500	\$2,700	\$2,420	base	\$600	\$636	\$672	\$708	\$756	\$674	
\$3,667	\$3,833	\$4,000	\$4,167	\$4,500	\$4,033	0.6	\$1,000	\$1,060	\$1,120	\$1,179	\$1,260	\$1,124	
\$257	\$268	\$280	\$292	\$315	\$282	7%	\$70	\$74	\$78	\$83	\$88	\$79	
\$183	\$13	\$200	\$208	\$225	\$202	5%	\$50	\$53	\$56	\$59	\$63	\$56	
\$4,107	\$4,115	\$4,480	\$4,667	\$5,040	\$4,517	TTL	\$1,120	\$1,187	\$1,255	\$1,321	\$1,411	\$1,259	
↙		←	←	←	↖				↙	←	↖		
PURCHASES		RENTALS	YEARS	MONTHS	↑ ↓	ADJUST	MONTHS	ADJUST	/	\$1,259	TERMS		
1	\$4,517	>	3.6	43	↑	5	48	\$524	\$5,042	=	4	<	
2	\$9,035	>	7.2	86	↓	-2	84	-\$210	\$8,825	=	7		
3	\$13,552	>	10.8	129	↑	3	132	\$315	\$13,867	=	11		
4	\$18,069	>	14.4	172	↓	-4	168	-\$420	\$17,650	=	14		
5	\$22,587	>	17.9	215	↑	1	216	\$105	\$22,692	=	18		
SALES PRICE \$3,700			INCREASER EVERY 2 YEARS ↘ inflation				RENTALS FEE \$82			12 MONTH CONTRACTS			
year 1	year 3	year 5	year 7	year 9	AVG	6%	year 1	year 3	year 5	year 7	year 9	AVG	
\$3,700	\$3,920	\$4,160	\$4,410	\$4,670	\$4,172	base	\$984	\$1,043	\$1,104	\$1,165	\$1,241	\$1,107	
\$6,167	\$6,533	\$6,933	\$7,350	\$7,783	\$6,953	0.6	\$1,640	\$1,738	\$1,839	\$1,941	\$2,068	\$1,845	
\$432	\$457	\$485	\$515	\$545	\$487	7%	\$115	\$122	\$129	\$136	\$145	\$129	
\$308	\$23	\$347	\$368	\$389	\$348	5%	\$82	\$87	\$92	\$97	\$103	\$92	
\$6,907	\$7,014	\$7,765	\$8,232	\$8,717	\$7,788	TTL	\$1,837	\$1,947	\$2,060	\$2,174	\$2,316	\$2,067	
↙		←	←	←	↖				↙	←	↖		
PURCHASES		RENTALS	YEARS	MONTHS	↑ ↓	ADJUST	MONTHS	ADJUST	/	\$2,067	TERMS		
1	\$7,788	>	3.8	45	↑	3	48	\$517	\$8,304	=	4	<	
2	\$15,575	>	7.5	90	↓	-6	84	-\$1,033	\$14,542	=	7		
3	\$23,363	>	11.3	136	↓	-4	132	-\$689	\$22,674	=	11		
4	\$31,151	>	15.1	181	↓	-1	180	-\$172	\$30,979	=	15		
5	\$38,939	>	18.8	226	↑	2	228	\$344	\$39,283	=	19		

Amounts for small and large sizes are percentages of the price or fee for a medium sized piece. The percentage for a small rental is higher than the percentage for a small sale. Large units are the opposite. This is because administrative costs are the same for all transactions.

a client's view continued ...

From a client's perspective, an obvious difference between renting and selling is there is no "asset" to be had when artworks are rented. We live at a time when many things are perceived as commodities and, for many people, being able to profit off something (including someone else's efforts) is considered to be a god-given right. As such, some clients will consider this a reason NOT to rent. But the secondary art market isn't all it is made out to be. According to Hans Abbing:

... Alex met an art historian, Sofia, who rudely opened his eyes when she told him that the overwhelming majority of artworks end up in a garbage dump. This might happen in part during an artist's lifetime and in part shortly after his or her death. Within fifty years of an artist's death, some ninety percent of his or her ... paintings have disappeared into the rubbish bin.⁴

sound business practices

Artists are not known for being business-minded. Rembrandt van Rijn was a brilliant drawer, painter and printmaker but not so brilliant in the buying and selling of artworks (which he also did). He ended his days in poverty not because he worked as an artist but because he mismanaged his resources. A closer to home example is publishing this document as a *free to share* digital file. Except, perhaps, as a "loss leader" used to attract clients to a service of some kind, a business person would NOT do that.

More to the point, though, many—especially beginning—artists are so eager for attention that they

Abbing qualifies a subsequent percentage in the text in a chapter note which observes that only somewhere between 1% and 5% of artworks survive past 100 years.

As well, I operated an open studio for almost 10 years. During this time I spoke with an assortment of art *aficionados*. When it came to whether a person was going to select a piece, the most oft' stated reason I heard for declining was:

"We already have too many paintings in closets or under the bed."

In my experience most visual art clients don't bother with the secondary art market.

4 - [Why Are Artists Poor?: The Exceptional Economy of the Arts](#); Hans Abbing; 2004, p 53.

Or download PDF from [HERE](#).



and then there's "field"

Of late, when visiting older friends, I see they have paintings and sculptures displayed about their homes; most of which were purchased 20 or 30 years before. While people like to show off their visual art trophies it's worth noting here that somewhere between two and five years from first displaying it, every piece will become part of what is called "field".⁵ (People experience field all the time but don't notice it. For example, when driving to or from work most of the sights along the trip are a blur. This is referred to as being on autopilot. The same thing happens with objects in our homes and offices, etc.) When a piece is first put on display much time is spent looking at it. But at some point the artwork recedes into the background. It's part of how we all function as humans.

5 - "Field" is well described by Jean-Paul Sartre in his book *Being and Nothingness: An Essay on Phenomenological Ontology*.

even stop. An entry level artist may not receive the same amount for renting as an established artist but he/she would at least get something. With renting there is no (false as it often is) incentive for showing one's work for free.

This suggests that renting would induce sound business practices among all visual artists.

* Artist Resale Right is a contract attached to the artwork.

client contact

The numbers to the right were generated to compare the two interfaces. The full cost to purchase a small, medium and large sized artwork—from the “marked up” numbers in the tables on the “[client's view](#)” page—was added up to provide a ten year budget of \$14,000. Then a ratio of:

33% small | 50% medium | 17 % large was applied for the **first comparison** where 339 pieces are purchased and individual works are rented for 1,152 (12 month) TERMS. [Note: Prices are used as check sums. They all add up to \$1,400,000 +/-.] Variations were included to broaden the outlook. Both sales and rentals were computed using (the magic number of) 100 clients. Three purchases could happen at once or involve 3 separate contacts. (Or it could be 3 medium sized pieces, 9 small or 2 large pieces purchased in groups or individually.) Rentals, however, are more involved. While there may be as many as 14 unique TERMS, there are—in this comparison—only 10 years in which they occur. It is more likely 7 to 9 client contacts would be the actual maximum as some would involve more than one piece. And, while 12 month contracts are used throughout the projections, 6 & 24 month contracts would also be possible. Obviously, though, administration time is greater for renting than selling. If it takes 1 hour to process a sale or a rental then selling 3 pieces would be around 3 hours. Obviously more than 1 piece can be bought

or rented in a single transaction. But, while 9 sold pieces could be as high as 9 hours, processing 14 rental contracts will be at least 9 hours or more per client. Time spent processing rental contracts would decrease with repeat business since clients’ particulars would already be noted. Still, handling the work—getting it to or from a client’s vehicle or space—will require more time for RENTERS than SELLERS. Fortunately, RENTERS—requiring less work—have more time than SELLERS. And, at the median and high price ranges an artist may have an ASSISTANT by Year 6/7 or Year 5. And, as observed, RENTALS may be best handled by third-parties.

increased traffic

There is a potential upside to more client contact. Retailers pay for and do all manner of things to get people in their stores. (“SALE” items, for example, are often “loss leaders” aimed at attracting customers.) Once in the shop a client will look around and possibly find something else they like. As mentioned, there are more marketing opportunities with renting. The main question is whether clients return works or the artist or art service pick them up. In the latter case, the client still has a blank space to fill; hence a visit to the “gallery” would be in order. And, sales of prints or cards, etc, are also possible. Memento prints of favourite originals could be sold (or given).

PURCHASE				RENT	TERMS	RENT ✓
33%	\$1,500	PRICES & FEES ARE ROUNDED FOR SIMPLICITY	SM	\$500	3.00	\$1,500
50%	\$4,600		MD	\$1,300	3.54	\$4,600
17%	\$7,900		LG	\$2,100	3.76	\$7,900
x 100	\$14,000	TOTALS		x 100	3.59	\$14,000
	\$1,400,000				x	\$1,400,000

with a budget of \$14,000			100 clients can			✓
purchase:			rent:	TERMS	/ client	
112	small	\$168,000	336	small	3.4	\$168,000
170	medium	\$782,000	602	medium	6.0	\$782,600
57	large	\$450,300	214	large	2.1	\$449,400
339	UNITS	\$1,400,300	1,152	TERMS	12	\$1,400,000
UNITS ✓			TERMS	TERMS	/ client	✓
176	small	\$264,000	528	small	5.3	\$264,000
247	medium	\$1,136,200	874	medium	8.7	\$1,136,200
423		✓ \$1,400,200	1,402		✓ 14.02	\$1,400,200
164	medium	\$754,400	580	medium	5.8	\$754,000
82	large	\$647,800	308	large	3.1	\$646,800
246		✓ \$1,402,200	888		✓ 8.88	\$1,400,800
191	small	\$286,500	573	small	5.7	\$286,500
141	large	\$1,113,900	530	large	5.3	\$1,113,000
332		✓ \$1,400,400	1,103		✓ 11.03	\$1,399,500

The budget amount above doesn’t matter since, regardless of the dollars, UNITS and TERMS counts stay the same. If the number of clients changes, [TERMS / client](#) remain the same. For example, @ 200 clients:

224	small	\$336,000	672	small	3.4	\$336,000
339	medium	\$1,559,400	1,200	medium	6.0	\$1,560,000
114	large	\$900,600	429	large	2.1	\$900,900

unit comparison

Let’s have a look at the difference between a sale and a long term rental of a medium sized artwork @ the median price: **\$2,200** or **\$600/year**. [$\$600 \div \$2,200 = 27\%$] In the projections (which follow) a medium sized piece—in the median price range—sells (wholesale) for **\$2,200** and rents for **\$50/month** or **\$600/year**. Regardless of the **annual percentage** of the sale price—**37% | 27% | 17%**—a rented piece can bring in more income than a piece which is sold. In the middle tables a **RENTAL FEE** at **27%** of the **SALE** price brings in between **4.5** and **7 times** more income from renting (over 30 years).

The top tables ↗ show income from a rented piece with no increase in rental fee over 10, 20 and 30 years. The bottom tables → show income from the same piece with an increase in rental fee due to inflation.

It is unlikely that an artwork would rent **100%** of the time.

While **70%** to **90%** is plausible for a popular piece, to be on the safe side **55%** (the average of **USAGE** percentages) is highlighted here. Yet, as this example shows, even at the low percentage (**17%** of the sale price), the amounts are noteworthy.

A rented artwork—which sold for **\$2,200**—can return, at **55%** average usage, between **\$6,100** and **\$20,600** or **3 to 9 times more** than a sale.

SALE	37%	/ YEAR	RENTAL	/ MON
\$2,200	OF SALE	\$800	12	\$67
USAGE	10	20	30	← YEARS
100%	\$8,040	\$16,080	\$24,120	
90%	\$7,236	\$14,472	\$21,708	
80%	\$6,432	\$12,864	\$19,296	
70%	\$5,628	\$11,256	\$16,884	
60%	\$4,824	\$9,648	\$14,472	
50%	\$4,020	\$8,040	\$12,060	
40%	\$3,216	\$6,432	\$9,648	
30%	\$2,412	\$4,824	\$7,236	
20%	\$1,608	\$3,216	\$4,824	
10%	\$804	\$1,608	\$2,412	
55%	\$4,400	\$8,800	\$13,300	AVG

66 months = 5.5 12 month contracts

SALE	37%	/ YEAR	RENTAL	/ MON
\$2,200	OF SALE	\$800	12	\$67
USAGE	10	20	30	← YEARS
100%	\$9,000	\$21,100	\$37,400	RENTAL FEE + 6% EVERY SECOND YEAR 3% AVERAGE PER YEAR
90%	\$8,100	\$19,000	\$33,600	
80%	\$7,200	\$16,900	\$29,900	
70%	\$6,300	\$14,800	\$26,200	
60%	\$5,400	\$12,700	\$22,400	
50%	\$4,500	\$10,600	\$18,700	
40%	\$3,600	\$8,400	\$15,000	
30%	\$2,700	\$6,300	\$11,200	
20%	\$1,800	\$4,200	\$7,500	
10%	\$900	\$2,100	\$3,700	
55%	\$5,000	\$11,600	\$20,600	AVG

OF SALE = one year percentage of SALE price

INFLATION 113% 131% 155% / DECADE

SALE	27%	/ YEAR	RENTAL	/ MON
\$2,200	OF SALE	\$600	12	\$50
USAGE	10	20	30	← YEARS
100%	\$6,000	\$12,000	\$18,000	@ 55% 10 YRS = 66 MONTHS 20 YRS = 132 MONTHS 30 YRS = 198 MONTHS
90%	\$5,400	\$10,800	\$16,200	
80%	\$4,800	\$9,600	\$14,400	
70%	\$4,200	\$8,400	\$12,600	
60%	\$3,600	\$7,200	\$10,800	
50%	\$3,000	\$6,000	\$9,000	
40%	\$2,400	\$4,800	\$7,200	
30%	\$1,800	\$3,600	\$5,400	
20%	\$1,200	\$2,400	\$3,600	
10%	\$600	\$1,200	\$1,800	
55%	\$3,300	\$6,600	\$9,900	AVG

132 months = 11 12 month contracts

SALE	27%	/ YEAR	RENTAL	/ MON
\$2,200	OF SALE	\$600	12	\$50
USAGE	10	20	30	← YEARS
100%	\$6,800	\$15,900	\$28,100	RENTAL FEE + 6% EVERY SECOND YEAR 3% AVERAGE PER YEAR
90%	\$6,100	\$14,300	\$25,300	
80%	\$5,400	\$12,700	\$22,500	
70%	\$4,800	\$11,100	\$19,700	
60%	\$4,100	\$9,500	\$16,900	
50%	\$3,400	\$8,000	\$14,100	
40%	\$2,700	\$6,400	\$11,200	
30%	\$2,000	\$4,800	\$8,400	
20%	\$1,400	\$3,200	\$5,600	
10%	\$700	\$1,600	\$2,800	
55%	\$3,700	\$8,800	\$15,500	AVG

27% is the average from the main tables

INFLATION 113% 133% 156% / DECADE

SALE	17%	/ YEAR	RENTAL	/ MON
\$2,200	OF SALE	\$370	12	\$31
USAGE	10	20	30	← YEARS
100%	\$3,720	\$7,440	\$11,160	
90%	\$3,348	\$6,696	\$10,044	
80%	\$2,976	\$5,952	\$8,928	
70%	\$2,604	\$5,208	\$7,812	
60%	\$2,232	\$4,464	\$6,696	
50%	\$1,860	\$3,720	\$5,580	
40%	\$1,488	\$2,976	\$4,464	
30%	\$1,116	\$2,232	\$3,348	
20%	\$744	\$1,488	\$2,232	
10%	\$372	\$744	\$1,116	
55%	\$2,000	\$4,100	\$6,100	AVG

198 months = 16.5 12 month contracts

SALE	17%	/ YEAR	RENTAL	/ MON
\$2,200	OF SALE	\$370	12	\$31
USAGE	10	20	30	← YEARS
100%	\$4,100	\$9,700	\$17,000	RENTAL FEE + 6% EVERY SECOND YEAR 3% AVERAGE PER YEAR
90%	\$3,700	\$8,700	\$15,300	
80%	\$3,300	\$7,700	\$13,600	
70%	\$2,900	\$6,800	\$11,900	
60%	\$2,500	\$5,800	\$10,200	
50%	\$2,100	\$4,800	\$8,500	
40%	\$1,600	\$3,900	\$6,800	
30%	\$1,200	\$2,900	\$5,100	
20%	\$800	\$1,900	\$3,400	
10%	\$400	\$1,000	\$1,700	
55%	\$2,300	\$5,300	\$9,400	AVG

USAGE = percentage of months rented

INFLATION 111% 130% 152% / DECADE

automatic payments

What is the difference in cost between renting and selling with respects to processing payments? Clients may pay for RENTALS with cash or post-dated cheques or online through a service such as PayPal (which can be set up to automatically process credit card payments). The same is true for SALES.

If ALL of the payments for both RENTALS and SALES were processed through PayPal one difference comes from a \$0.30 fee per transaction. The more transactions the higher this amount. And, a RENTER will have more transactions than a SELLER.

An average of RENTAL payments made **monthly**, **quarterly**, **biannually** and **annually** = 4,008 payments with \$1,203 in transaction fees.

Meanwhile, the cost for a SELLER would be: 254 payments with \$76 in transaction fees.

Which is an average difference (over 10 years) of: **\$1,127** more in transaction fees for a RENTER.

If we go the other way—where all RENTAL payments are **monthly** (the most costly) and SALES are all paid by cash or cheque—the differences (including other charges) between RENTER’s and SELLER’s **net incomes** @ the median amount are:

RENTER	SG-E	SG-S	SG-AVG	SU-E
BEFORE	\$406,500	\$398,700	\$402,600	\$635,700
- PAYPAL	-\$23,783	-\$23,908	-\$23,846	-\$33,533
AFTER	\$382,717	\$374,792	\$378,754	\$602,167
- SELLER	-\$358,200	-\$360,100	-\$359,150	-\$358,200
RENTER ↑	\$24,517	\$14,692	\$19,604	\$243,967

✔ Still **more money** for a RENTER.

10 YR ~ AVERAGE RENTAL PAYMENTS using PAYPAL					
x	\$565,761	\$567,972	\$566,867	\$845,944	GROSS INCOME
PAYMENTS	3,971	4,046	4,008	6,001	10 YR TTL
x	SG-E	SG-S	SG-AVG	SU-E	120 MONTHS
\$35	\$4,200	\$4,200	\$4,200	\$4,200	/ MONTH
\$0.30	\$1,191	\$1,214	\$1,203	\$1,800	/ PAYMENT
2.9%	\$16,407	\$16,471	\$16,440	\$24,532	/ PAYMENT
PAYPAL	\$21,798	\$21,885	\$21,843	\$30,533	TOTAL COST

MONTHLY	\$3,176	\$3,237	\$3,207	\$4,801	@ \$0.30 / TRANSACTION
QUARTERLY	\$794	\$809	\$802	\$1,200	
BIANNUALLY	\$529	\$540	\$534	\$800	
ANNUALLY	\$265	\$270	\$267	\$400	
AVG	\$1,191	\$1,214	\$1,203	\$1,800	SG-AVG = average of SG-E and SG-S SU-E = SAME UNITS ~ erratic
SG-E	SG-S	SG-AVG	SU-E		

10 YR ~ MONTHLY RENTAL PAYMENTS using PAYPAL					
x	\$565,761	\$567,972	\$566,867	\$845,944	GROSS INCOME
PAYMENTS	10,588	10,790	10,689	16,003	10 YR TTL
x	SG-E	SG-S	SG-AVG	SU-E	120 MONTHS
\$35	\$4,200	\$4,200	\$4,200	\$4,200	/ MONTH
\$0.30	\$3,176	\$3,237	\$3,207	\$4,801	/ PAYMENT
2.9%	\$16,407	\$16,471	\$16,439	\$24,532	/ PAYMENT
PAYPAL	\$23,783	\$23,908	\$23,846	\$33,533	TOTAL COST

10 YR ~ QUARTERLY RENTAL PAYMENTS using PAYPAL					
x	\$565,761	\$567,972	\$566,867	\$845,944	GROSS INCOME
PAYMENTS	2,647	2,698	2,672	4,001	10 YR TTL
x	SG-E	SG-S	SG-AVG	SU-E	120 MONTHS
\$35	\$4,200	\$4,200	\$4,200	\$4,200	/ MONTH
\$0.30	\$794	\$809	\$802	\$1,200	/ PAYMENT
2.9%	\$16,407	\$16,471	\$16,439	\$24,532	/ PAYMENT
PAYPAL	\$21,401	\$21,480	\$21,441	\$29,933	TOTAL COST

10 YR ~ SALES using PAYPAL					
x	\$566,050	\$567,970	\$567,010	\$566,050	GROSS INCOME
PAYMENTS	254	254	254	254	10 YR TTL
x	SG-E	SG-S	SG-AVG	SU-E	120 MONTHS
\$35	\$4,200	\$4,200	\$4,200	\$4,200	/ MONTH
\$0.30	\$76	\$76	\$76	\$76	/ PAYMENT
2.9%	\$16,415	\$16,473	\$16,441	\$16,415	/ PAYMENT
PAYPAL	\$20,692	\$20,749	\$20,715	\$20,692	TOTAL COST

	SG-E	SG-S	SG-AVG	SU-E	@ TOTAL AVERAGE COST + for RENTER
RENTALS	\$21,798	\$21,885	\$21,843	\$30,533	
SALES	\$20,692	\$20,749	\$20,715	\$20,692	
DIFFERENCE	\$1,107	\$1,136	\$1,127	\$9,841	

SG-E = SAME GROSS ~ erratic
SG-S = SAME GROSS ~ stable

10 YR ~ BIANNUAL RENTAL PAYMENTS using PAYPAL					
x	\$565,761	\$567,972	\$566,867	\$845,944	GROSS INCOME
PAYMENTS	1,765	1,798	1,782	2,667	10 YR TTL
x	SG-E	SG-S	SG-AVG	SU-E	120 MONTHS
\$35	\$4,200	\$4,200	\$4,200	\$4,200	/ MONTH
\$0.30	\$529	\$540	\$534	\$800	/ PAYMENT
2.9%	\$16,407	\$16,471	\$16,439	\$24,532	/ PAYMENT
PAYPAL	\$21,136	\$21,211	\$21,174	\$29,533	TOTAL COST

10 YR ~ ANNUAL RENTAL PAYMENTS using PAYPAL					
x	\$565,761	\$567,972	\$566,867	\$845,944	GROSS INCOME
PAYMENTS	882	899	891	1,334	10 YR TTL
x	SG-E	SG-S	SG-AVG	SU-E	120 MONTHS
\$35	\$4,200	\$4,200	\$4,200	\$4,200	/ MONTH
\$0.30	\$265	\$270	\$267	\$400	/ PAYMENT
2.9%	\$16,407	\$16,471	\$16,439	\$24,532	/ PAYMENT
PAYPAL	\$20,872	\$20,941	\$20,906	\$29,132	TOTAL COST

To process recurring credit card transactions PayPal Pro (at time of publication) costs \$35.00/month, plus 2.9% of the amount being paid + \$0.30 / transaction.

is renting the better choice?

A couple of things became apparent while working with these numbers:

- Regardless of the income variant RENTERS fare better economically than SELLERS.
- While third-party financing is not a determining factor as to whether an artist can generate a livable income, grants—were they available for practices instead of projects—would give visual artists a hand up. Loans and credit do NOT.

As well, RENTERS with erratic incomes require slightly fewer pieces than RENTERS with stable incomes. **SELLERS**, regardless of income variant—erratic or stable—**have to sell 254 pieces**.

For **same gross RENTERS** it's:

- 159 pieces (63%) with an erratic income and
- 170 pieces (67%) with a stable income

An average of 65%; or 1/3 less work is required of RENTERS to earn the same as SELLERS. If losses—from theft or damage—are factored in the average may go up to 71%; still less work. **For every 3 SELLERS there is room for 4 same gross RENTERS.** Meanwhile, **same units RENTERS can earn almost double that of SELLERS.**

And, due to overlapping payments the highs and lows of RENTERS' incomes will not be as extreme as those of SELLERS. Economically RENTERS have an easier time of things.

— over 10 years —

RENTERS have 113% to 177% more NET income than SELLERS.
RENTERS may have ongoing incomes.

beyond the numbers

What the numbers don't show is also important. It is safe to say, at the end of 10 years:

RENTERS will have ongoing incomes.

SELLERS may not have ongoing incomes.

A single artwork can generate 4.5 to 7 times more income than if it was sold.

But, **renting**, because it requires more interaction with clients, **has more administrative work than selling**. Initially this could be a hurdle for many artists. Interacting with the public is ... well ... dealing with a raft of personalities all of whom want what they want in the manner they choose to express it.

Still, **people are accustomed to interacting with curators and dealers.** Were renting the economic interface, it is probable that services would appear to handle those transactions (or existing galleries could switch to renting). Imagine if one day an interested client walks into a showroom and **the person on duty asks a few questions then responds with:**

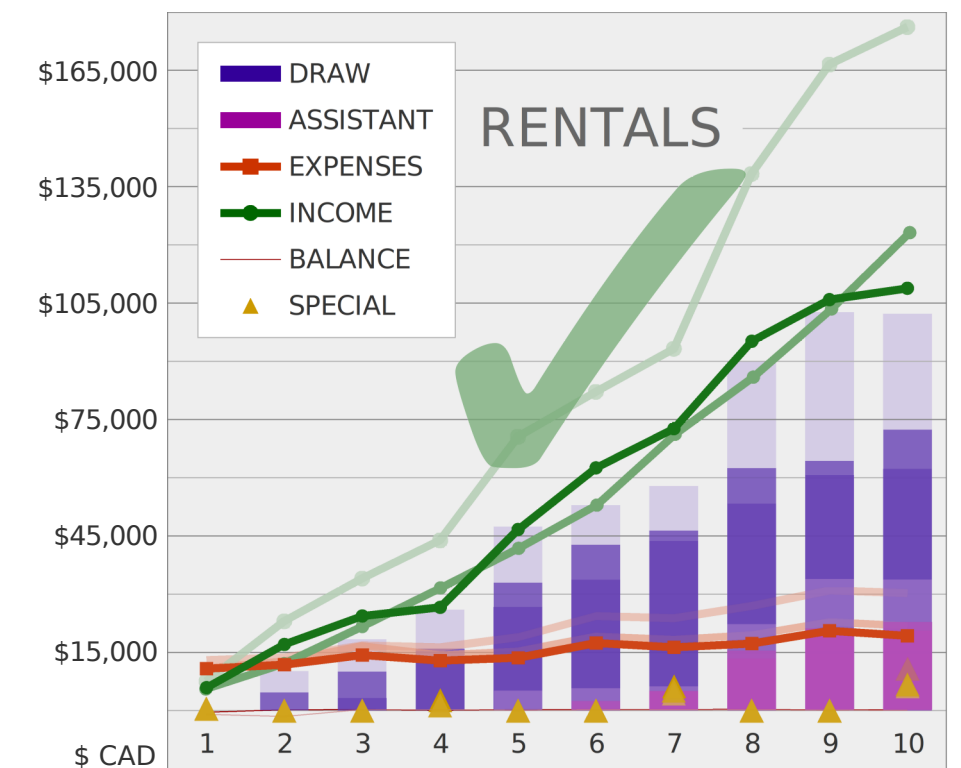
"You might enjoy (or benefit from) spending time with so and so's work."

The emphasis has shifted in this scenario:

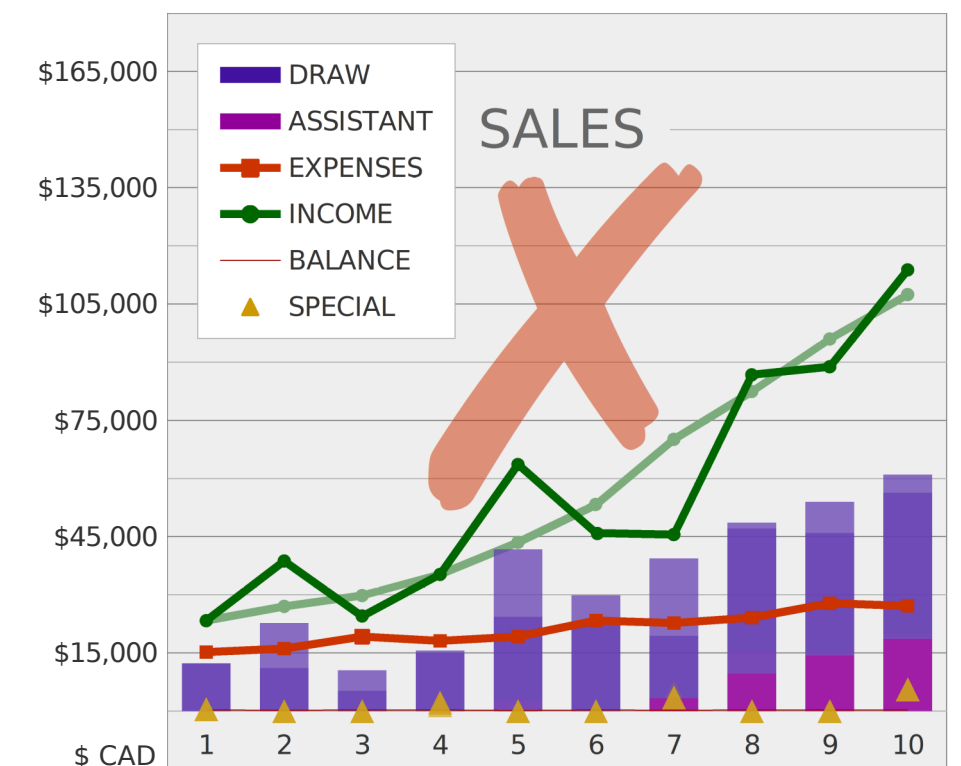
From a client's perspective renting art may also be for the content of a work; the *intrinsic* value.

Renting is NOT *trophy hunting*.

Renting alters the relationship between artist and client. **Visual artists who rent are service providers; a better *depiction* of the activity.**



✓ Yes. Renting is the *better* choice!



viability

Maybe this is wishful thinking, a fantasy, a “Wouldn’t it be great if ...” Meanwhile, critic/historian Robert Hughes pointed out (back in 1990):

The flight of speculative capital to the art market has done more to alter and distort the way we experience painting and sculpture in the last twenty years than any style, movement or polemic. ... Only when an object is seen as truly useless, it seems, can capitalism see it as truly priceless ... [and] ... art is the only commodity whose price is purely and intrinsically manipulative and has no objective relationship to any social machinery except those of ‘rarity’ and promotion.⁶

Catering to the whims of speculators (also known as art collectors or investors)—people who often care little about “visual art” *per se*—has not worked to benefit either art-makers or many (potential) art-users. This perception is fleshed out in my essay: [die now; paid later](#). You might also want to watch: [The Banker's Guide to Art - BBC Documentary 2016](#). Or read: [The Secret Brokers of High-End Art Deals](#).

opposition

People “who make art their business” may resist (and possibly work to prevent) such a switch:

- **Speculators and their colleagues (dealers and secret brokers) have been cashing in on the discipline (“investing” or facilitating “investment” in visual art) and are not likely to let go of such a malleable commodity.**

Having said that, big time speculators, for the most part, are interested in the work of “dead masters”.

What happens to the work upon an artist’s exit? Being able to ascertain how much and by whom a work was rented adds another measure to its value.

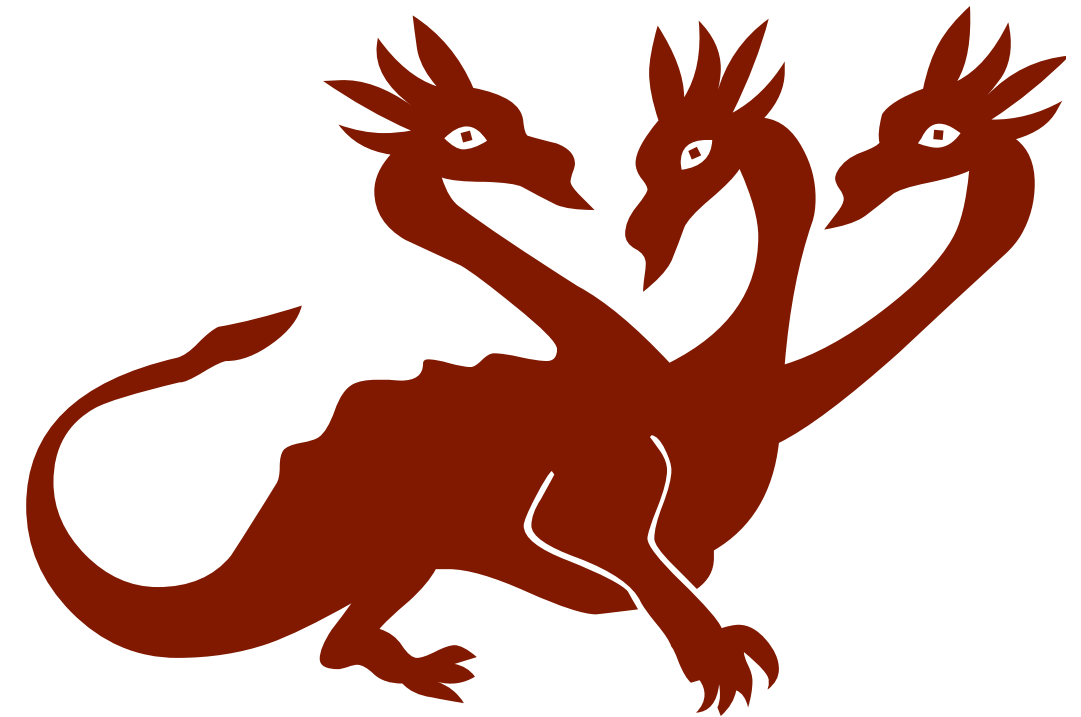
- Framers might see a decrease in income as RENTERS may require fewer frames, etc, than SELLERS. Although RENTERS would have to use more durable frames.
- Amateur, beleaguered or jaded visual artists may disparage this idea because they “don’t care” or are less serious about—or have given up hope of having—a career.

Selling’s easier.

- Visual artists who cater to or rely in part on the “**tourist trade**” may not like this idea.
- Art experts—curators and art historians—may feel threatened by the renting interface. **Those who view themselves as authorities or “arbiters of taste” may dismiss or oppose renting.**
- Many visual art professors believe they cannot make a living outside of academia. That’s why they chose that path. **Meanwhile, sales to “collectors” or institutions are good for reputations.**
- **Dealing directly with clients**—setting up contracts and collecting payments—**can be an onerous task; time-consuming, at the least.** Some artists may see this as too much work.

it is possible

Many visual artists were renting work in the Netherlands during the 1970s and 80s; a practice which continued until the 1990s. Some were doing quite well this way.⁷ For renting to become the norm a significant number of visual artists must opt for



renting instead of selling and the “buying public” (clients) must assent to and foster this different economic interface.

But HOW to make renting the economic interface between visual artists and visual art clients is NOT the purview of this comparison.

“HOW” is a separate question. One which would be pointless to address without a consensus that renting is a better idea.

The point here is to
see what the *friendly numbers* show.

6 - *Nothing if not Critical: Selected Essays on Art and Artists*; Robert Hughes; 1990

7 – [Hans Abbing](#) (author of *Why Are Artists Poor?*), personal correspondence.

... feedback prior to publishing

While the sample group is small, I have spoken with a number of people about renting instead of selling visual art. Aside from an occasional look saying, “What’s an artist doing crunching numbers?” I’ve heard:

- One artist, who managed an artists’ cooperative some years back, told me **renting pieces had worked out well** for everyone. Another had heard the same.
- A couple of artists liked that, along with better money, **others would likely stop displaying work for free.**
- A few artists think it’s **worth considering**; especially by **way of artist-run centres/galleries or third-party services.**
- Some artists objected. They tried it. But **too much time was required and/or pieces had come back damaged.**
- One artist/historian/investor/former dealer said, **“It’ll never fly. Artists will never agree. It’d be like trying to herd cats.”** (And, apparently, speculators flock to the “art market”, especially when stock markets wane.)

Interestingly, though, **with one exception**—a person who said, “I like to own things.”—**clients generally liked the idea.** And, a couple of **clients embraced the notion of spending time with a “disturbing” piece so as to determine why it’s disturbing to them.** This was deemed not an option with purchases because of a “commitment” aspect to buying.

*If what you read here sits well with you,
feel free to share this document with friends or colleagues.*

Note: This economic comparison was funded by the author. ... ↗ Thanks.



Photograph by Robert G Mears

assumptions

As are all projections of income and expenses, the aforementioned spreadsheets were developed with a few assumptions in mind:

- The most important assumption is that what is depicted is possible. Visual artists have been selling artworks for more than three and a half centuries, hence there is evidence that some can earn a living this way. As well, as mentioned, many visual artists were renting work in the Netherlands. A number of artists, with whom I've spoken, have some experience with renting work. And, an online search of "art rental and sales" indicates that most art museums in Canada (and some in the United States) have rental programs.
- Often the objective, though, for those who have been renting out artworks in North America is the same as those who are selling. For example, Art Rental & Sales—at institutions like the Winnipeg Art Gallery—applies rent payments to the purchase price should a client choose to buy a piece. Renting, to them, is a way for clients to spend time with pieces before deciding to buy them. However, **this comparison does NOT share the rent-to-own objective.**
- **The projections of income for renting artworks assume that a "market" or milieu can be established in which original visual artworks are primarily rented by clients for a monthly fee.** Pieces are then returned to or retrieved by the artist (or the artist's representative) who can rent them to someone else and continue generating revenue from the work until it is lost, destroyed, or no one wants to spend time with it anymore.

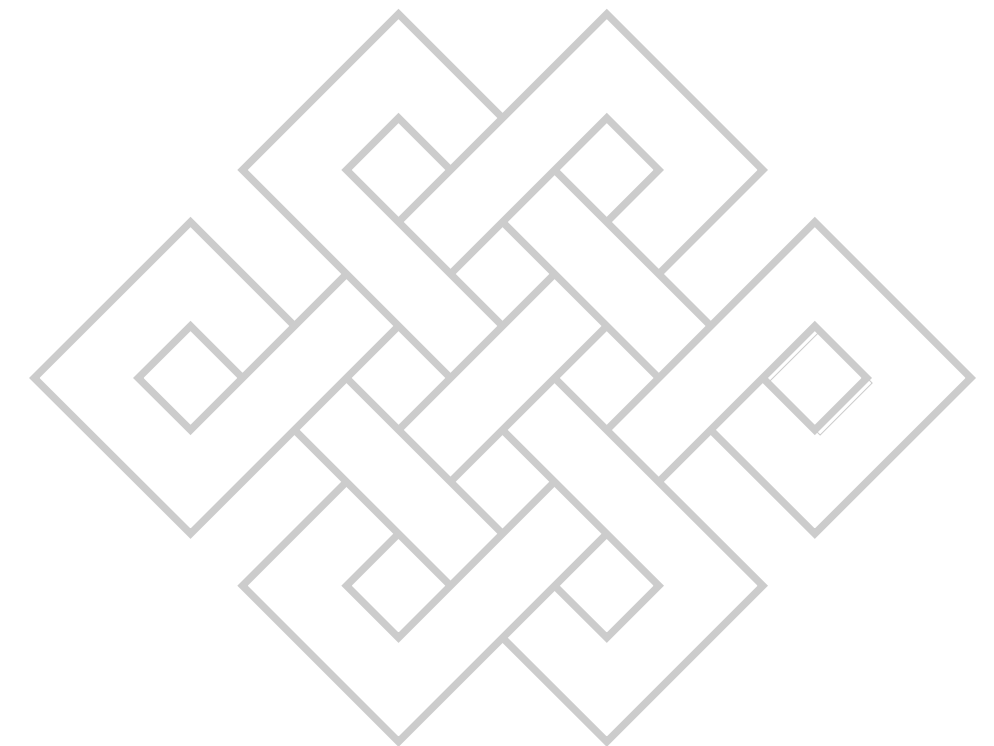
- Sales of "works of art" have typically been to wealthy members of the community because prices for some work—by a few "select" artists—are often so high they preclude most low and middle-income people from buying them. **The rental prices used here, however, are within reach of people with net incomes from \$40,000 to \$100,000 (CAD).** The assumption is that this much larger group can be induced to spend money (or more money) on visual artworks because renting makes them more affordable.
- Neither RENTER nor SELLER in the projections is starting from scratch, as it were. **It is assumed that each will have a body of work to start with;** sufficient numbers to satisfy the first year's requirements.

a fly in the ointment

It's important to note that I am aware that each artist has an idiosyncratic approach to creating work. Some are binge producers who work when they are moved to (or can), others put in fairly regular hours in their studios, making similar numbers of pieces every week or month. There is no way to account for these discrepancies and resultant fluctuations in MATERIALS or PROMOTION expenses. What matters for the "front end" of an artist's practice is that there is a selection of artworks for clients to choose from. For the sake of simplicity these are called UNITS. And, whether they are or are not in actuality, MATERIALS and PROMOTION expenses are treated as being constant.

Essentially making and disseminating are separate activities. And the latter requires "product".

It's worth observing here that in the projections of income the "**same gross**" RENTERS have between 159 and 170 pieces in circulation by Year 10. SELLERS, meanwhile, have had to sell 254 pieces over the same 10 year period. Selling 250+ pieces probably means making 600-700 pieces; it's not uncommon that only one third of the work produced actually sells. Even if an artist renting work makes double or triple the number of pieces in circulation, 300-500 pieces for the RENTER is less than the SELLER. One third less, on average.



[Endless Knot courtesy of Adam Stanislaw](#)

Renting has feedback loops built in.

glitches & possibilities

Financial projections are speculative. Reality will be different. Perhaps prices are too high or too low. The same for expenses. Increase in rentals or sales may be slower than indicated. Or they may happen more quickly. An artist may set out with great work and the best of intentions but miscalculates one year and is suddenly “out of business”. As mentioned earlier, these projections are an extrapolation of a visual artist—a candidate for remuneration—who can attract clients and whose expenses are properly managed. Still, there are some glitches which, in a few instances, have attendant possibilities:

1 - While many artists would like a studio/loft in which to live and work, many others would prefer to develop a studio in their homes, and some prefer to have studios separate from their living quarters. Obviously an artist who has managed to buy a house and add a studio may not have to pay close to \$1,000 per month for rent and utilities (in Year 10). As well, some artists may find studios or studio lofts which are already renovated where all that is needed is some cleaning and fresh paint. Hence, the actual amounts paid for STUDIO will vary depending on an individual artist’s requirements, preferences and options. **Any saving in expenses will reduce pressure on the artist to generate revenue or it will increase the artist’s income** or ability to hire an assistant or explore other possibilities.

2 - Prices used in the projections of income for both rentals and sales are wholesale (direct from the artist) prices. Dealing directly with the public—either collecting rent payments or selling work—is time consuming. Artists may prefer to go through a third-

party. While services of some kind may grow out of visual artists renting their work, few exist at the present time. One such service is **Art Rental & Sales at the Winnipeg Art Gallery which deducts a commission of 40%** from the payments it receives before artists are paid. Adding a commission to the price increases the cost to the client who would pay \$83 (an extra \$33) instead of \$50 (the median average rental amount an artist receives in these projections). Artist-run centres (which sprang up in the 1980s) might have been self sufficient if they were places which people visited to preview and rent visual artworks. Those that remain could still benefit in this way.

For an artist who is selling her/his work, art dealers are the obvious “service”. Dealers’ commissions are not reflected in the projections of income. They are, often, higher than 40%. **Art dealers in Winnipeg charge between 35% and 50%, sometimes up to 60% of the retail price** for their service. The higher amount is an extra disadvantage for SELLERS as prices for art purchases may be double what the artist receives. A medium size work for which an artist is paid \$2,200 may cost a client up to \$5,500.

It seems possible—if there was sufficient traffic—that a some third-party services could manage to cover costs on a commission of 30%. However, that is a separate topic.

3 - It’s worth noting that for many celebrated artists **650 pieces constitutes a lifetime of production**. It’s more than double the known output of some. In order to put everything one has into the art and make a living at it—along with markups of dealers

—prices have had to be high; with the possible exception of some artists who had/have private incomes. As such, artists have been obliged to cater to wealthy “collectors”. To produce the quantity of work needed for the sales projections and keep prices reasonable an artist would almost have to be making multiples such as serigraphs, etchings, or bronze castings or also selling, say, inkjet or giclée prints. Something which dealers usually discourage.

4 - While artworks can be sold to someone next door or to someone from the other side of the globe, renting the work instead would initially restrict its use to a smaller, more local clientele. An artist living and working in Winnipeg would, at present, have trouble renting her/his work to people in Vancouver; crossing national borders may not be possible. Numbers play an important role here. **If renting original artworks was the norm then services could be developed which transport pieces back and forth across the country, perhaps the continent.** Today, such a service is not in place. However, if enough artists in each of the major centres across Canada were renting work, it would be possible to have trucks crossing the country each month which drop off and pick up work. Such a service would require spaces in each drop off/pick up zone and would obviously cost something. **If sufficient numbers were involved then the cost per unit for the service could be kept low.**

Marketing work locally and marketing it to someone several thousand kilometres away are two different things. Promotion costs, for the latter, would be

... continued on next page

glitches & possibilities continued ...

higher. As worthwhile as this may be, for some visual artists, what it would cost is not included in these projections. However, once an artist gets established locally **some of the money earmarked**

SPECIAL could be used for long distance ventures. And, people who are travelling might contact an artist and view the work in person when visiting the location where the artist works.

5 - Businesses can deduct the cost of rentals in the year they are incurred. Meanwhile, art purchases, by businesses, are capital assets which must be depreciated over five years. As such, renting has increased appeal over selling to some business clients such as restaurants or hotels, etc.

without financing ~ with financing

An obvious question when looking at the projections “with financing” is where will such financing come from? At present there are no sources of capitalization for artists which will provide the necessary sums. Governments, in Canada, have given equivalent amounts (and more) to a variety of artists, through grants from various funding agencies. The Canada Council’s largest grant to an individual artist is \$80,000 over two years (\$40,000 + \$40,000). The Manitoba Arts Council’s largest grant to an individual artist is \$30,000. However, these monies are available only to artists who have worked their way up through the granting system and who have been exhibited in major art institutions. Most grants

are awarded on a project basis NOT for funding visual art practices. And, since repayment of loans is questionable, financial institutions such as banks or credit unions are not likely sources of seed money for an artist. Venture capitalists may be a source if renting were to become the economic interface. The point to be made, by including these possibilities, is simply that **if such money was available this is what could happen with it.**

Meanwhile, it’s evident, from these projections, that **third-party financing is not a determining factor** in whether an artist can secure a livelihood from her/his art-making. The difference is that an artist without financing will go for a number of years

without much of a DRAW, while an artist with third-party financing will be able to pay her/himself a stipend from the outset.

Having to work at another job while getting a visual art practice up and running may hinder progress by reducing the amount of time an individual can spend with her/his practice. The question is whether the small amount an artist with third-party financing can pay her/himself is sufficient? **Receiving a grant would allow the artist to work less at something else and spend more time with her/his practice in the initial years.** While a loan may provide a similar function it is burdensome to carry. And, line of credit is NOT recommended.

explanations

Projections of income and expenses for most business endeavours are usually for a three to five year period. Getting a visual art practice up and running can be accomplished in the latter time frame. However, the numbers become more interesting after five years. And, some of the financing models require the longer period to fully examine them.

Projections of income are based on the assumption that word-of-mouth will be the primary way in which people are informed that the visual

artworks are available. (While often the most successful kind of advertising, word-of-mouth is usually the slowest way to attract clients.) So, not unlike any self-employed person or entrepreneur, it may well be five or six years before an artist’s efforts “pay off”. It is in Year 6 or 7 at the median price range, Year 5 or 6 for the high price range and Year 9 or 10 for the low price range that the candidates for remuneration are generating enough to go “full-time”. The time-frame for this varies with erratic or stable income variants.

previously

Back in 1998 (when this comparison began), generating the income numbers started with the RENTER where a quasi-geometric progression was used:

The projections set out with the RENTER having 20 pieces already rented at the beginning of Year 1. It was assumed, if the artist could go on

... continued on next page

explanations continued ...

to having 34 pieces rented in the first year, then he/she would be able to have 46 pieces rented in the second year, and so on. This led to having 300 pieces in circulation by the end of Year 10. Some additional income came from slight increases, every two years, to the monthly fee.

A starting average rental fee was then used for all pieces. As such, at a **median amount** of **\$36** per month, RENTALS for small, medium and large sized pieces would be:

\$14 | **\$36** | \$58, rising to
\$17 | \$44 | \$71 by Year 10

SALES income was then derived from the income projections for RENTALS. The early numbers for SALES were likewise based on three prices—small, medium and large—in keeping with monthly fees for RENTALS:

\$500 | \$1,600 | \$2,600, rising to
\$630 | \$1,900 | \$3,300 by Year 10

The preceding was projected over 5 income levels with KEY NUMBERS of:

\$24 • \$30 • **\$36** • \$42 • \$48

As well, only an **average rental amount** was used. It was projected over 6, 12 and 24 month contracts.

Sales of visual artworks have a history of being erratic. Hence, annual sales income was arrived at by adding the first three years of income from renting the work and multiplying the sum by 17% for Year 1, by 50% for Year 2 and 33% for Year 3. The same was done with

Years 4, 5 and 6 and Years 7, 8 and 9, with Year 10 being the amount needed to round out the income from SALES so that it was the same as income from RENTALS. This led to 555 pieces being sold by Year 10.

The projected income for both RENTALS and SALES was then used to cover probable EXPENSES. This was a back and forth operation and probable expenses were in mind when first generating the amounts for income.

While income from RENTALS can also be erratic, there is a greater likelihood of a more even cash flow from RENTALS INCOME.. Payments, for any given piece, spanned 6 to 24 months.

presently

In revisiting this comparison some changes were made. 555 pieces having been sold was considered to be too many. This number was lowered. Now, **254 pieces have been sold by the end of Year 10.** And SALES prices were raised. At the **median amount**:

\$700 | \$2,200 | \$3,700, rising to
\$880 | \$2,700 | \$4,600 by Year 10

The erratic pattern of the original SELLER's income was considered plausible enough that it was retained. The original notion of a RENTER having a more stable income was also used at the outset and numbers were then calculated in order to keep the gross income, over 10 years, the same for both. **But, the earlier method** of calculating rent amounts based on an **average monthly rental fee** with different terms for the contracts **was replaced with prices for small, medium and large works all with 12 month contracts.**

While $(6 + 12 + 24) \div 3 = 14$, 12 month TERMS were more workable for generating *theoretic* revenue. And, rental prices were raised to match sales prices. Plus, **instead of five price ranges there are now only three:**

\$30 • **\$50** • \$70

And, median rental amounts now work out to:

\$18 | **\$50** | \$82, rising to
\$22 | \$63 | \$104 by Year 10

As well, **both artists now start at zero.** That is, neither has sold or rented anything previously.

Having done that and balanced the numbers so both artists have similar gross incomes over 10 years, **the projections were replicated and altered in order to compare erratic and stable incomes for both.**

small, medium and large

What constitutes small, medium, and large is, of course, relative. I have seen drawings as small as business cards and paintings as large as billboards. The spreadsheet does not specify actual sizes; it just assumes the likelihood of three sizes or three “grades” of work.

income in Year 1

A RENTER's income in Year 1 is lower than a SELLER's because only so many people can be attracted to rent or buy pieces. And, RENTAL income starting late in a year will not add much until the next year.

NOTE: These comparisons are for original artworks only. Income from other sources such as print sales or commissions is not included.

the numbers

The information presented in this document comes from three companion “spreadsheet” files, each of which has five parts:

- settings
- projections of income: (10 sheets) YEAR 1 to YEAR 10
- financial projections of income & expenses by financing type:
 - self • grant • loan @ 8% • line of credit @ 8%
- charts
- summaries

settings

This sheet is where common variables are changed. The most significant being the **KEY NUMBER**. It determines the starting **RENTAL FEES** and **SALES PRICES**. The numbers resulting from KEY NUMBERS of **\$30**, **\$50** and **\$70** are presented in this document. Additional numbers—inflation rate, interest rate, contingency percentage, etc—can also be changed on this, the **settings**, sheet.

The next page (of this document) elaborates on: [income projections](#)

The following 19 pages present **income projections**—@ median prices—for:

- **same gross** income ~ **erratic** together with
- **same gross** income ~ **stable** | both for Years 1 to 10
- discussion of some variables
- **same units** ~ **erratic** | Years 1 to 10

After those pages are:

- [expenses details](#) which explain amounts used in this comparison
- [financial projections](#)—@ the median price—of both **same gross** variants for **income & expenses** for all four financing types
- [financial projections for same units](#) variant of all four financing types

And, then [charts and summaries](#) for all three **income** variants:

- **same gross** ~ **erratic** @ low, median and high price ranges
- **same gross** ~ **stable** @ low, median and high price ranges
- **same units** ~ **erratic** @ low, median and high price ranges

If you would like a copy of the spreadsheet file(s) for your own use, please [contact the author](#).

settings

1.50

Computed

STARTING RENTALS

22

SMALL

MEDIUM

LARGE

9

11

2

\$50

\$50

DEFAULTS

6%

Becomes a negative number.

STARTING RENTAL FEES

SMALL

MEDIUM

LARGE

\$18

\$50

\$82

\$1,944

\$6,600

\$1,968

28.93%

98.21%

29.29%

STARTING SALES UNITS

SMALL

MEDIUM

LARGE

6

7

1

43%

50%

7%

\$21.43

\$25.00

\$3.57

\$50

\$50

33.1%

50.0%

16.9%

average % of SALES units

\$4,200

\$15,400

\$3,700

18%

66%

16%

100%

VARIABLES

#

Changeable KEY NUMBER

#

Changeable numbers

#

Computed numbers

#

Relative computed numbers

#

Copy & paste original numbers in another cell first.

You're right! This is complicated. It's the material NOT the presenter!

INCOME

AVERAGE MONTHLY RENTAL

↓

\$30 | \$50 | \$70

YEAR 1

\$50

CHARTS OFF

\$50

SUMMARIES OFF

94%

0.56

Derivative ↑

KEY NUMBER ↑↑

MODIFIER

STARTING SALES PRICES

All prices are wholesale amounts.

↓

\$30

\$40.0

\$50

\$60.0

\$70

\$700

\$420

\$550

\$700

\$810

\$980

Computed

Computed

Computed

SMALL

Computed

Computed

\$2,200

\$1,300

\$1,740

\$2,200

\$2,530

\$3,000

Computed

Computed

Computed

MEDIUM

Computed

Computed

\$3,700

\$2,200

\$2,920

\$3,700

\$4,260

\$5,100

Computed

Computed

Computed

LARGE

Computed

Computed

\$2,200

\$1,307

\$1,700

\$2,200

\$2,500

\$3,030

FINANCING

START UP CAPITAL

RENTER

SELLER

EXPENSES INFLATION

CREDIT CARD INTEREST

SELF

\$5,000

\$5,000

INTEREST RATE

6%

GRANT

\$50,000

\$50,000

EXPENSES

LOAN

\$50,000

\$50,000

8%

CREDIT

\$5,000

\$5,000

8%

LOSS THRESHOLD

Must be a negative number.

\$50,000

MAXIMUM CREDIT

1

PERIOD

2

EXPENSES

Annual rent or mortgage + utilities payments.

STUDIO

BOTH

\$5,300

BOTH

\$7,800

MATERIALS

SELF

\$3,000

FINANCED

\$3,500

MATERIALS and PROMOTION are LESS for the RENTER.

63%

EQUIPMENT

SELF

\$2,000

FINANCED

\$2,400

PROMOTION

SELF

\$5,800

FINANCED

\$6,900

SPECIAL

Variable; dependent on current year's NET before DRAW, etc.

SPECIAL amount is for travel, training, extra equipment, etc.

CONTINGENCY

BOTH

8%

Covers unforeseen expenses.

STUDIO START UP

BOTH

10%

of RENTER's Start Up Capital.

BOTH

\$500

Computed

SPECIAL amount in Year 1.

TAXES

TAX 1

TAX 2

BUSINESS TAX

SALES TAX

7%

5%

5.5%

TAX RATE

THRESHOLD

\$20,000

\$30,000

\$8,000

THRESHOLD

RENTALS

\$37,948

\$24,592

\$1,200

SALES

\$39,624

\$27,138

10 YEAR TOTALS

↑ Sales / value added taxes.

IF CHECK SUMS DON'T MATCH THERE IS AN ERROR SOMEWHERE.

[visual arts essays by the author](#).

income projections

Perhaps the most contentious aspect of this comparison of economic interfaces is the numbers used for income. I know of visual artists who sell drawings for much less than the lowest numbers used here. I also know of visual artists who are selling work for prices well over the high price range figures. The point, though, was to present a range of numbers and resultant scenarios based on something that would provide a visual artist with a livable income in the real world. If what you read here does not fit with your reality that does NOT mean that what this comparison evinces is not valid. In fact, this exercise also illustrates that there are price points where a visual artist can or cannot sustain her/himself from her/his art-making.

choices

This is how the numbers came to be what they are. Back in 1998, as mentioned earlier, I used:

\$24 • \$30 • \$36 • \$42 • \$48

as average monthly rental payments. I had some pieces being rented at the time and those numbers were in keeping with the rates I received. I had also sold some work and the corresponding sales prices were in keeping with

PRICE COMPARISON CURRENT					UNITS COMPARISON			
RENTAL X 12		SALES	%	TARGET	RENTALS		SALES	
SM	\$216	\$700	30.9%	0%	SM	33.1%	32.6%	33.3%
MD	\$600	\$2,200	27.3%	0%	MD	50.0%	53.5%	57.1%
LG	\$984	\$3,700	26.6%	0%	LG	16.9%	14.0%	9.5%
28.2%					100%		100%	100%
					OVERALL	CURRENT	OVERALL	CURRENT

what I witnessed around me at the time. In the intervening 20 years prices for everything have gone up, so it was appropriate to increase the average numbers used here to:

\$30 • \$50 • \$70 average for rentals

\$1,300 • \$2,200 • \$3,000 average for sales

When this comparison multiplied into many sheets (in order to explore different income variants) it was no longer practicable to have five price ranges. As well, the intermediate prices between the low and high extremes didn't inform much. The previous low price range included artists going "out of business". Now, the low price range is the lowest amount the artist can receive in order to stay in business.

While not done consciously, the median price range with a \$50/month rental for a medium sized work yields a **DRAW** of close to \$60,000 (CAD) for the artist in Year 10. That seemed a good target amount for our "candidate for remuneration". So I used it. Sales prices were worked out to be in keeping with the rental rates in a back and forth process until the numbers balanced.

As mentioned earlier, the original ratios for small | medium | large

also changed. I cannot justify this. There are no statistics to be had and were I to talk to any number of artists or gallery owners I would get a host of answers. All I can say is the

33% small | 50% medium | 17% large

ratio seemed plausible enough to use it. Although it doesn't matter much. Having tried a variety of ratios, the **same gross** RENTER always requires less work than the SELLER.

process

Not shown in the **projections of income** presented on the following pages are a group of numbers ✓ that are underneath the tables in the spreadsheets. They were used to keep the ratios of units balanced. At the bottom right of each sheet ↘ are numbers showing the annual income and the Year 10 income differences.

The small collection of numbers immediately below ↓ were used to adjust the respective units in each year. The numbers with cyan and red outlines were used for anomalous changes as required to balance the books.

projections of income for same gross ~ erratic and same gross ~ stable follow on the next 10 pages

RENTALS UNITS ↑ ↓			PRICE ↑ ↓ (BOTH)		SALES UNITS ↑ ↓		
2.0	4.0	6.0	+/-	6%	100%	94%	5
-0.8	-1.6	-2.4	1.0	↑ STG	modifier	265%	190%
2.50			-1.0	X YR7 ↓ YR7 ↓			

TOTALS	
RENTALS INCOME	
\$12,373	
\$12,913	
\$13,419	
\$13,779	
\$13,959	
\$13,801	
\$13,643	
\$13,611	
\$13,195	
\$13,163	
\$13,163	
\$13,163	
\$160,182	
160,182	✓
← YR9	
modifier	
SALES INCOME	
\$26,600	
\$90,200	
\$55,200	
\$172,000	
-\$11,818	
INCOME DIFFERENCE BY YR 10	
\$321	

background

As mentioned, income numbers went through a couple of patterns and amounts prior to what is presented here. What matters now is the erratic pattern for the SELLER's income was arrived at by adding the first three years of the "original" stable income for the RENTER and multiplying that sum by 17% for Year 1, by 50% for Year 2 and 33% for Year 3. The same was done with Years 4, 5 and 6 and Years 7, 8 and 9, with Year 10 being the amount needed to round out income from **SALES** to match income from **RENTALS**. This pattern was used but the volume of work was reduced.

SALES units dropped from 555 to 254 over 10 years. (This change also decreased the number of units for the RENTER from 300 to < 180 .)

A second change was to start both RENTER and SELLER at “0” (zero) units. Now, neither has sold or rented anything previously. Which brings us to these **year 1** RENTALS tables. The numbers under **PREVIOUS RENTALS** (beside BAL) are **starter numbers** from the **settings** page. They are made negative ($x - 1$) and used to begin computation of 12 month rental contracts. This table appears on all sheets, the difference is that **year 2** ↘ picks up the numbers from **year 1** ↗ and so on.

projections of income

PREVIOUS RENTALS

STG

\$0

9

BAL

AMT

\$0

11

BAL

AMT

\$0

2

BAL

AMT

6%

AMT

TOTAL / MONTH

JAN

0

0

\$0

0

0

\$0

0

0

\$0

0

\$0

\$0

FEB

-1

0

\$0

-2

0

\$0

0

0

\$0

0

\$0

\$0

MAR

-2

0

\$0

-2

0

\$0

-1

0

\$0

0

\$0

\$0

APR

-2

0

\$0

-2

0

\$0

0

0

\$0

0

\$0

\$0

MAY

0

0

\$0

0

0

\$0

0

0

\$0

0

\$0

\$0

JUN

0

0

\$0

0

0

\$0

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0

\$0

0

\$0

\$0

JUL

0

0

\$0

0

0

\$0

0

0

\$0

0

\$0

\$0

AUG

0

0

\$0

0

0

\$0

0

0

\$0

0

\$0

\$0

SEP

-2

0

\$0

-2

0

\$0

0

0

\$0

0

\$0

\$0

OCT

-2

0

\$0

-3

0

\$0

0

0

\$0

0

\$0

\$0

NOV

0

0

\$0

0

0

\$0

-1

0

\$0

0

\$0

\$0

DEC

0

0

\$0

0

0

\$0

0

0

\$0

0

\$0

\$0

TTL

-9

0

\$0

-11

0

\$0

-2

0

\$0

0

\$0

\$0

NEW RENTALS

STG

\$18

EXP

RNW

NEW

9 UNITS

BAL

100%

AMT

JAN

0

0

0

0

0

\$0

FEB

-1

0

1

1

\$18

MAR

-2

0

2

3

\$54

APR

-2

0

2

5

\$90

MAY

0

0

0

5

\$90

JUN

0

0

0

5

\$90

JUL

0

0

0

5

\$90

AUG

0

0

0

5

\$90

SEP

-2

0

2

7

\$126

OCT

-2

0

2

9

\$162

NOV

0

0

0

9

\$162

DEC

0

0

0

9

\$162

TTL

-9

0

9

63

\$1,134

erratic

STG

\$50

EXP

RNW

NEW

11 UNITS

BAL

109%

AMT

JAN

0

0

0

0

\$0

FEB

-2

0

2

2

\$100

MAR

-2

0

2

4

\$200

APR

-2

0

2

6

\$300

MAY

0

0

0

6

\$300

JUN

0

0

0

6

\$300

JUL

0

0

0

6

\$300

AUG

0

0

0

5

\$250

SEP

-2

0

2

7

\$350

OCT

-3

0

4

11

\$550

NOV

0

0

0

11

\$550

DEC

0

0

0

11

\$550

TTL

-11

0

12

75

\$3,750

@ median prices

STG

\$82

EXP

RNW

NEW

2 UNITS

BAL

150%

AMT

JAN

0

0

0

0

\$0

FEB

0

0

1

1

\$82

MAR

-1

0

1

2

\$164

APR

0

0

0

2

\$164

MAY

0

0

0

2

\$164

JUN

0

0

0

2

\$164

JUL

0

0

0

2

\$164

AUG

0

0

0

2

\$164

SEP

0

0

0

2

\$164

OCT

0

0

0

2

\$164

NOV

-1

0

1

3

\$246

DEC

0

0

0

3

\$246

TTL

-2

0

3

23

\$1,886

on renting versus selling visual artworks

STG

\$24

-1

AMT

JAN

0

\$0

FEB

0

\$0

MAR

0

\$0

APR

0

\$0

MAY

0

\$0

JUN

0

\$0

JUL

0

\$0

AUG

0

\$0

SEP

-1

-\$50

OCT

0

\$0

NOV

0

\$0

DEC

0

\$0

TTL

-1

-\$50

TOTALS

RENTALS INCOME

\$0

\$200

\$418

\$554

\$554

\$554

\$504

\$590

\$876

\$958

\$958

\$6,720

✓ assign start expires
alter start prices

year 1

same gross

0

+/-

erratic

@ median prices

on renting versus selling visual artworks

PREVIOUS RENTALS

STG

\$0

9

BAL

AMT

\$0

11

BAL

AMT

\$0

2

BAL

AMT

6%

AMT

TOTAL / MONTH

JAN

0

0

\$0

0

0

\$0

0

0

\$0

0

\$0

\$0

FEB

-1

0

\$0

-2

0

\$0

0

0

\$0

0

\$0

\$0

MAR

-2

0

\$0

-2

0

\$0

-1

0

\$0

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\$0

\$0

APR

-2

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-2

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MAY

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JUL

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AUG

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SEP

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OCT

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-3

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NOV

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\$0

-1

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\$0

0

\$0

\$0

DEC

0

0

\$0

0

0

\$0

0

0

\$0

0

\$0

\$0

TTL

-9

0

\$0

-11

0

\$0

-2

0

\$0

0

\$0

\$0

NEW RENTALS

STG

\$18

EXP

RNW

NEW

9 UNITS

BAL

100%

AMT

JAN

0

0

0

0

\$0

FEB

-1

0

1

1

\$18

MAR

-2

0

2

3

\$54

APR

-2

0

2

5

\$90

MAY

0

0

0

5

\$90

JUN

0

0

0

5

\$90

JUL

0

0

0

5

\$90

AUG

0

0

0

5

\$90

SEP

-2

0

2

7

\$126

OCT

-2

0

2

9

\$162

NOV

0

0

0

9

\$162

DEC

0

0

0

9

\$162

TTL

-9

0

9

63

\$1,134

STG

\$50

EXP

RNW

NEW

11 UNITS

BAL

109%

AMT

JAN

0

0

0

0

\$0

FEB

-2

0

2

2

\$100

MAR

-2

0

2

4

\$200

APR

-2

0

2

6

\$300

MAY

0

0

0

6

\$300

JUN

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0

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6

\$300

JUL

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0

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6

\$300

AUG

0

0

0

5

\$250

SEP

-2

0

2

7

\$350

OCT

-3

0

4

11

\$550

NOV

0

0

0

11

\$550

DEC

0

0

0

11

\$550

TTL

-11

0

12

75

\$3,750

STG

\$82

EXP

RNW

NEW

2 UNITS

BAL

150%

AMT

JAN

0

0

0

0

\$0

FEB

0

0

1

1

\$82

MAR

-1

0

1

2

\$164

APR

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0

0

2

\$164

MAY

0

0

0

2

\$164

JUN

0

0

0

2

\$164

JUL

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AUG

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\$164

SEP

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0

0

2

\$164

OCT

0

0

0

2

\$164

NOV

-1

0

1

3

\$246

DEC

0

0

0

3

\$246

TTL

-2

0

3

23

\$1,886

STG

\$24

-1

AMT

JAN

0

\$0

FEB

0

\$0

MAR

0

\$0

APR

0

\$0

MAY

0

\$0

JUN

0

\$0

JUL

0

\$0

AUG

0

\$0

SEP

-1

-\$50

OCT

0

\$0

NOV

0

\$0

DEC

0

\$0

TTL

-1

-\$50

TOTALS

RENTALS INCOME

\$0

\$200

\$418

\$554

\$554

\$554

\$504

\$590

\$876

\$958

\$958

\$6,720

Expires—under NEW RENTALS—are used to compute renewal and new rentals.

9

✓

9

NEW RENTALS IN YEAR 1

24

NEW RENTALS BY YEAR 10

521

PER MONTH PAYMENTS, THIS YEAR

160

290

RENEWALS IN YEAR 1

0

RENEWALS BY YEAR 10

459

PER MONTH AVERAGE, THIS YEAR

13

\$560

TOTAL RENTALS IN YEAR 1

24

RENTALS BY YEAR 10

980

PER MONTH AVERAGE, PREVIOUS YEAR

N/A

0

DEFAULTS IN YEAR 1

-1

DEFAULTS BY YEAR 10

-41

PER MONTH AVERAGE, IN YEAR 5

83

\$3,864

EXPIRIES IN YEAR 1

0

EXPIRIES BY YEAR 10

-833

PER MONTH AVERAGE, IN YEAR 10

150

\$9,398

NEW = NEW RENTAL

EXP = EXPIRED RENTAL

RNW = RENEWED RENTAL

TTL = TOTAL

A 12 month rental contract expires in the same month of the following year.

STG = SETTINGS

SALES / VALUE ADDED TAXES

RENTALS

SALES

TAX 1

\$0

TAX 1

\$1,631

TAX 2

\$0

TAX 2

\$0

RENTALS YEAR 10

147

63%

OF SALES UNITS

SM

MD

LG

TTL

INCOME

SM

6

\$700

\$4,200

INCOME TOTALS FROM RENTALS

BY YEAR 5

\$186,698

BY YEAR 10

\$565,761

PREVIOUS YEAR

0

0

0

0

\$0

MD

7

\$2,200

\$15,400

BY YEAR 5

88

81

15

189

\$185,260

LG

1

\$3,700

\$3,700

BY YEAR 10

84

127

43

254

\$566,050

TTL

14

TOTAL

\$23,300

TAX 1 and TAX 2 thresholds and percentages are from SETTINGS.

YR 8

159

159

YR 9

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projections of income

PREVIOUS RENTALS

STG

\$0

9

BAL

AMT

\$0

11

BAL

AMT

\$0

2

BAL

AMT

0

AMT

0

AMT

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income projections for same gross ~ year 2 @ median prices

renewals & new rentals

NEW RENTALS are for small, medium and large units with 12 month contracts which expire the following year in the month they started. Those expiry numbers are then used to compute renewals and new rentals for the current year. This was done in batches denoted by the coloured columns:

yellow = (2 ÷ 5) x -1 = -0.4
orange = (4 ÷ 5) x -1 = -0.8
magenta = (6 ÷ 5) x -1 = -1.2

The numbers are made negative because expiries are negative. A negative times a negative yields a positive result [-1 x -1 = 1] for renewals or new rentals in the corresponding columns. EXP of -4 x -0.4 = 1.6 which rounds up to 2 units. EXP of -3 x -0.8 = 2.4 which rounds down to 2 units. That is how a stable income for the RENTER was worked out. The modifier number was kept at 5 while each year’s RENTALS were specified. This modifier number was then changed for the erratic RENTALS income which changes the resultant multipliers accordingly. A modifier lower than 5 increases the units. A modifier higher than 5 decreases them. SALES income was worked out in reverse. The erratic income was established first then modified.

projections of income												year 2		same gross						erratic @ median prices						on renting versus selling visual artworks												
PREVIOUS RENTALS												24	6%	NEW RENTALS						-1	+/-	YR1						-2	+/-	YR1	-1	+/-	47	6%	TOTALS			
YR1	\$18			\$50			\$82			DEFAULT		TOTAL / MONTH	YR1	\$18		9 UNITS		167%	\$50		12 UNITS		208%	\$82		3 UNITS		233%	DEFAULT		RENTALS INCOME							
MON	9	BAL	AMT	12	BAL	AMT	3	BAL	AMT	-1	AMT		MON	EXP	RNW	NEW	BAL	AMT	EXP	RNW	NEW	BAL	AMT	EXP	RNW	NEW	BAL	AMT	-3	AMT								
JAN	0	9	\$162	0	12	\$600	0	3	\$246	0	\$0	\$1,008	JAN	0	0	0	0	\$0	0	0	0	0	\$0	0	0	0	0	\$0	0	\$0	\$1,008							
FEB	-1	8	\$144	-2	10	\$500	-1	2	\$164	0	\$0	\$808	FEB	-1	1	1	2	\$36	-2	3	1	4	\$200	-1	1	1	1	\$82	0	\$0	\$1,126							
MAR	-2	6	\$108	-2	8	\$400	-1	1	\$82	0	\$0	\$590	MAR	-2	1	1	4	\$72	-2	3	1	8	\$400	-1	1	1	3	\$246	-1	-\$50	\$1,258							
APR	-2	4	\$108	-2	6	\$300	0	1	\$82	0	\$0	\$490	APR	-2	1	1	6	\$108	-2	3	1	11	\$550	0	0	0	3	\$246	0	\$0	\$1,394							
MAY	0	4	\$72	0	6	\$300	0	1	\$82	0	\$0	\$454	MAY	0	0	0	6	\$108	0	0	0	11	\$550	0	0	0	3	\$246	-1	-\$50	\$1,308							
JUN	0	4	\$72	0	6	\$300	0	1	\$82	0	\$0	\$454	JUN	0	0	0	6	\$108	0	0	0	11	\$550	0	0	0	3	\$246	0	\$0	\$1,358							
JUL	0	4	\$72	0	6	\$300	0	1	\$82	0	\$0	\$454	JUL	0	0	0	6	\$108	0	0	0	11	\$550	0	0	0	3	\$246	0	\$0	\$1,358							
AUG	0	4	\$72	0	5	\$250	0	1	\$82	0	\$0	\$404	AUG	0	0	0	6	\$108	0	0	0	11	\$550	0	0	0	3	\$246	0	\$0	\$1,308							
SEP	-2	2	\$36	-2	3	\$150	0	1	\$82	-1	-\$50	\$218	SEP	-2	1	3	10	\$180	-2	3	1	15	\$750	0	0	0	3	\$246	0	\$0	\$1,394							
OCT	-2	0	\$0	-4	0	\$0	0	1	\$82	0	\$0	\$82	OCT	-2	1	3	13	\$234	-4	5	3	23	\$1,150	0	0	0	3	\$246	0	\$0	\$1,712							
NOV	0	0	\$0	0	0	\$0	-1	0	\$0	0	\$0	\$0	NOV	0	0	1	14	\$252	0	0	0	23	\$1,150	-1	1	1	5	\$410	-1	-\$50	\$1,762							
DEC	0	0	\$0	0	0	\$0	0	0	\$0	0	\$0	\$0	DEC	0	0	0	14	\$252	0	0	1	24	\$1,200	0	0	1	6	\$492	0	\$0	\$1,944							
TTL	-9	45	\$846	-12	62	\$3,100	-3	13	\$1,066	-1	-\$50	\$4,962	TTL	-9	5	10	87	\$1,566	-12	17	8	152	\$7,600	-3	3	4	36	\$2,952	-3	-\$150	\$16,930							
Expiries—under NEW RENTALS—are used to compute renewal and new rentals.												9	✓	15	12		✓	25	3		✓	7	SM	MD	LG	16,930												
NEW RENTALS IN YEAR 2				22	NEW RENTALS BY YEAR 10				521	PER MONTH PAYMENTS, THIS YEAR				391	740				RENTALS UNITS ↑ ↓				PRICE ↑ ↓ (BOTH)				6	7	1	← YR1								
RENEWALS IN YEAR 2				25	RENEWALS BY YEAR 10				459	PER MONTH AVERAGE, THIS YEAR				33	\$1,411				2.0 4.0 6.0 +/-				6%	100%	94%	SALES UNITS ↑ ↓				5	modifier							
TOTAL RENTALS IN YEAR 10				47	RENTALS BY YEAR 10				980	PER MONTH AVERAGE, PREVIOUS YEAR				13	\$560				-0.7 -1.3 -2.0 1.0				↑ STG	STG—				115%	175%	175%								
DEFAULTS IN YEAR 10				-4	DEFAULTS BY YEAR 10				-41	PER MONTH AVERAGE, IN YEAR 5				83	\$3,864				3.00				-1.0	SALES				X	YR1 ↓	YR1 ↓	SALES INCOME							
EXPIRIES IN YEAR 2				-24	EXPIRIES BY YEAR 10				-833	PER MONTH AVERAGE, IN YEAR 10				150	\$9,398				modifier				INCOME TOTALS FROM SALES					#	\$									
NEW = NEW RENTAL				A 12 month rental contract expires in the same month of the following year.				SALES / VALUE ADDED TAXES				RENTALS YEAR 10				147	63%	OF SALES UNITS				SM	MD	LG	TTL	INCOME	SM	7	\$700	\$4,900								
EXP = EXPIRED RENTAL								RENTALS				SALES				INCOME TOTALS FROM RENTALS				PREVIOUS YEAR				6	7	1	14	\$23,300	MD	12	\$2,200	\$26,400						
RNW = RENEWED RENTAL								TAX 1				\$0	TAX 1				\$2,709	BY YEAR 5				\$186,698				BY YEAR 5				88	81	15	189	\$185,260	LG	2	\$3,700	\$7,400
TTL = TOTAL								STG = SETTINGS				TAX 2				\$0	TAX 2				\$1,935	BY YEAR 10				\$565,761				BY YEAR 10				84	127	43	254	\$566,050
TAX 1 and TAX 2 thresholds and percentages are from SETTINGS.												YR 8	159	159	YR 9	© Robert G Mears, 2020										studiofive.ca												

projections of income												year 2		same gross						stable @ median prices						on renting versus selling visual artworks									
PREVIOUS RENTALS												24	6%	NEW RENTALS						-1	+/-	YR2						-1	+/-	34	6%	TOTALS			
YR1	\$18			\$50			\$82			DEFAULT		TOTAL / MONTH	YR1	\$18		9 UNITS		122%	\$50		12 UNITS		158%	\$82		3 UNITS		133%	DEFAULT		RENTALS INCOME				
MON	9	BAL	AMT	12	BAL	AMT	3	BAL	AMT	-1	AMT		MON	EXP	RNW	NEW	BAL	AMT	EXP	RNW	NEW	BAL	AMT	EXP	RNW	NEW	BAL	AMT	-2	AMT					
JAN	0	9	\$162	0	12	\$600	0	3	\$246	0	\$0	\$1,008	JAN	0	0	0	0	\$0	0	0	0	0	\$0	0	0	0	0	\$0	0	\$0	\$1,008				
FEB	-1	8	\$144	-2	10	\$500	-1	2	\$164	0	\$0	\$808	FEB	-1	0	0	0	\$0	-2	2	1	3	\$150	-1	0	1	1	\$82	0	\$0	\$1,040				
MAR	-2	6	\$108	-2	8	\$400	-1	1	\$82	0	\$0	\$590	MAR	-2	1	1	2	\$36	-2	2	1	6	\$300	-1	0	1	2	\$164	0	\$0	\$1,090				
APR	-2	4	\$108	-2	6	\$300	0	1	\$82	0	\$0	\$490	APR	-2	1	1	4	\$72	-2	2	1	9	\$450	0	0	0	1	\$82	0	\$0	\$1,094				
MAY	0	4	\$72	0	6	\$300	0	1	\$82	0	\$0	\$454	MAY	0	0	0	4	\$72	0	0	0	9	\$450	0	0	0	1	\$82	-1	-\$50	\$1,008				
JUN	0	4	\$72	0	6	\$300	0	1	\$82	0	\$0	\$454	JUN	0	0	0	4	\$72	0	0	0	9	\$450	0	0	0	1	\$82	0	\$0	\$1,058				
JUL	0	4	\$72	0	6	\$300	0	1	\$82	0	\$0	\$454	JUL	0	0	0	4	\$72	0	0	0	9	\$450	0	0	0	1	\$82	0	\$0	\$1,058				
AUG	0	4	\$72	0	5	\$250	0	1	\$82	0	\$0	\$404	AUG	0	0	0	4	\$72	0	0	0	9	\$450	0	0	0	1	\$82	0	\$0	\$1,008				
SEP	-2	2	\$36	-2	3	\$150	0	1	\$82	-1	-\$50	\$218	SEP	-2	1	2	7	\$126	-2	2	1	12	\$600	0	0	0	1	\$82	0	\$0	\$1,026				
OCT	-2	0	\$0	-4	0	\$0	0	1	\$82	0	\$0	\$82	OCT	-2	1	2	9	\$162	-4	3	2	17	\$850	0	0	1	2	\$164	0	\$0	\$1,258				
NOV	0	0	\$0	0	0	\$0	-1	0	\$0	0	\$0	\$0	NOV	0	0	1	10	\$180	0	0	1	18	\$900	-1	0	1	3	\$246	-1	-\$50	\$1,276				
DEC	0	0	\$0	0	0	\$0	0	0	\$0	0	\$0	\$0	DEC	0	0	0	10	\$180	0	0	1	19	\$950	0	0	0	3	\$246	0	\$0	\$1,376				
TTL	-9	45	\$846	-12	62	\$3,100	-3	13	\$1,066	-1	-\$50	\$4,962	TTL	-9	4	7	58	\$1,044	-12	11	8	120	\$6,000	-3	0	4	17	\$1,394	-2	-\$100	\$13,300				
Expiries—under NEW RENTALS—are used to compute renewal and new rentals.												4,962	✓	9	✓	11	12	✓	19	3	✓	4	SM	MD	LG	13,300									
NEW RENTALS IN YEAR 2		19	NEW RENTALS BY YEAR 10		499	PER MONTH PAYMENTS, THIS YEAR		312	740	RENTALS UNITS		↑ ↓	PRICE ↑ ↓ (BOTH)		6	7	1	← YR1																	
RENEWALS IN YEAR 2		15	RENEWALS BY YEAR 10		494	PER MONTH AVERAGE, THIS YEAR		26	\$1,108	2.0	4.0	6.0	+/-	6%	100%	94%	SALES UNITS		↑ ↓	3.75	modifier														
TOTAL RENTALS IN YEAR 2		34	RENTALS BY YEAR 10		993	PER MONTH AVERAGE, PREVIOUS YEAR		13	\$539	-0.4	-0.8	-1.2	1.0	↑ STG	STG	↑	86%	131%	131%																
DEFAULTS IN YEAR 2		-3	DEFAULTS BY YEAR 10		-40	PER MONTH AVERAGE, IN YEAR 5		63	\$3,303	5.00		-1.0	SALES						X	YR1	↓	YR1	↓	SALES INCOME											
EXPIRIES IN YEAR 2		-24	EXPIRIES BY YEAR 10		-832	PER MONTH AVERAGE, IN YEAR 10		165	\$10,261	modifier		INCOME TOTALS FROM SALES										#	\$	SALES INCOME											
NEW = NEW RENTAL		A 12 month rental contract expires in the same month of the following year.				SALES / VALUE ADDED TAXES		RENTALS YEAR 10		161	67%	OF SALES UNITS		SM	MD	LG	TTL	INCOME	SM	5	\$700	\$3,500													
EXP = EXPIRED RENTAL						RENTALS		SALES		INCOME TOTALS FROM RENTALS		PREVIOUS YEAR		6	7	1	14	\$23,300	MD	9	\$2,200	\$19,800													
RNW = RENEWED RENTAL						TAX 1		\$0	TAX 1		\$1,890	BY YEAR 5		28	45	9	82	\$158,840	LG	1	\$3,700	\$3,700													
TTL = TOTAL						TAX 2		\$0	TAX 2		\$0	BY YEAR 10		84	127	43	254	\$567,970	TTL	15	TOTAL	\$27,000													
TAX 1 and TAX 2 thresholds and percentages are from SETTINGS.												YR 8	169	158	YR 9	© Robert G Mears, 2020										studiofive.ca									

sales, anomalies & defaults

SALES units are also multiplied by a **modifier** of 5 for an **erratic** income but the multipliers are different. **Percentages** were used to alter each year's **SALES** numbers:

- small = **black**
- medium = **orange**
- large = **blue**

These numbers were established first for the **erratic** income then the **modifier** was changed to generate a **stable** income for the SELLER. But, with this **modifier** a lower number decreases corresponding percentages and a higher number increases them as can be seen when comparing these two tables.

For both RENTER and SELLER anomalous changes were made to adjust the numbers where needed. A **red outline** indicates a **-1** a **cyan outline** indicates a **+1**.

DEFAULTs were handled manually for the RENTER's income; the amount of a large piece was deducted from income and the unit was cancelled in the **pale red cells**.

Random anomalies were used for the RENTER's income, in part, to cause units to be rented in months when they didn't occur at the outset and for idiosyncratic adjustments. These numbers were used less frequently in SALES.

projections of income

year 3

same gross

erratic @ median prices

on renting versus selling visual artworks

PREVIOUS RENTALS												47		5%		NEW RENTALS						0		+/-		YR2			-3		+/-		YR2			-2		+/-		56		5%		TOTALS	
YR2	\$18			\$50			\$82			DEFAULT		TOTAL / MONTH	YR2	\$19			15 UNITS		180%		\$53			25 UNITS		84%		\$87			7 UNITS		114%		DEFAULT		RENTALS INCOME								
MON	15	BAL	AMT	25	BAL	AMT	7	BAL	AMT	-2	AMT		MON	EXP	RNW	NEW	BAL	AMT	EXP	RNW	NEW	BAL	AMT	EXP	RNW	NEW	BAL	AMT	EXP	RNW	NEW	BAL	AMT	-3	AMT										
JAN	0	15	\$270	0	25	\$1,250	0	7	\$574	0	\$0	\$2,094	JAN	0	0	2	2	\$38	0	0	1	1	\$53	0	0	0	0	\$0	0	0	0	0	\$0	0	\$0	\$2,185									
FEB	-2	13	\$234	-4	21	\$1,050	-2	5	\$410	0	\$0	\$1,694	FEB	-2	1	2	5	\$95	-4	1	2	4	\$212	-2	1	1	2	\$174	0	0	0	0	\$0	0	\$0	\$2,175									
MAR	-2	11	\$198	-4	16	\$800	-2	3	\$246	0	\$0	\$1,244	MAR	-2	1	2	8	\$152	-4	1	2	7	\$371	-2	1	1	4	\$348	0	0	0	0	\$0	0	\$0	\$2,115									
APR	-2	9	\$198	-4	12	\$600	0	2	\$164	-1	-\$82	\$880	APR	-2	1	2	11	\$209	-4	1	2	10	\$530	0	0	0	3	\$261	0	0	0	3	\$261	0	\$0	\$1,880									
MAY	0	9	\$162	0	12	\$600	0	2	\$164	-1	-\$82	\$844	MAY	0	0	2	13	\$247	0	0	1	11	\$583	0	0	0	0	\$261	0	0	0	0	\$261	-1	-\$87	\$1,848									
JUN	0	9	\$162	0	12	\$600	0	2	\$164	0	\$0	\$926	JUN	0	0	0	13	\$247	0	0	1	12	\$636	0	0	0	3	\$261	0	0	0	3	\$261	0	\$0	\$2,070									
JUL	0	9	\$162	0	12	\$600	0	2	\$164	0	\$0	\$926	JUL	0	0	0	13	\$247	0	0	0	12	\$636	0	0	0	3	\$261	0	0	0	3	\$261	0	\$0	\$2,070									
AUG	0	9	\$162	0	12	\$600	0	2	\$164	0	\$0	\$926	AUG	0	0	0	13	\$247	0	0	0	10	\$530	0	0	0	3	\$261	0	0	0	3	\$261	0	\$0	\$1,964									
SEP	-4	5	\$90	-4	8	\$400	0	2	\$164	0	\$0	\$654	SEP	-4	3	3	19	\$361	-4	1	2	13	\$689	0	0	0	3	\$261	0	0	0	3	\$261	-2	-\$174	\$1,791									
OCT	-4	1	\$18	-8	0	\$0	0	2	\$164	0	\$0	\$182	OCT	-4	3	3	25	\$475	-8	2	4	19	\$1,007	0	0	0	3	\$261	0	0	0	3	\$261	0	\$0	\$1,925									
NOV	-1	0	\$0	0	0	\$0	-2	0	\$0	0	\$0	\$0	NOV	-1	1	1	27	\$513	0	0	0	19	\$1,007	-2	1	1	5	\$435	0	0	0	5	\$435	0	\$0	\$1,955									
DEC	0	0	\$0	-1	0	\$0	-1	0	\$0	0	\$0	\$0	DEC	0	0	0	27	\$513	-1	0	0	19	\$1,007	-1	1	1	7	\$609	0	0	0	7	\$609	0	\$0	\$2,129									
TTL	-15	90	\$1,656	-25	130	\$6,500	-7	29	\$2,378	-2	-\$164	\$10,370	TTL	-15	10	17	176	\$3,344	-25	6	15	137	\$7,261	-7	4	4	39	\$3,393	-3	-\$261			\$3,393	-3	-\$261	\$24,107									
Expires—under NEW RENTALS—are used to compute renewal and new rentals.												15	✓	27											25	✓	21											7	✓	8	SM	MD	LG	24,107	✓
NEW RENTALS IN YEAR 3			36	NEW RENTALS BY YEAR 10			521	PER MONTH PAYMENTS, THIS YEAR			596	1,236			RENTALS UNITS ↑ ↓			PRICE ↑ ↓ (BOTH)																											
RENEWALS IN YEAR 3			20	RENEWALS BY YEAR 10			459	PER MONTH AVERAGE, THIS YEAR			50	\$2,009			2.0			4.0			6.0			+/-			6%			106%			100%			SALES UNITS ↑ ↓			5			modifier			
TOTAL RENTALS IN YEAR 10			56	RENTALS BY YEAR 10			980	PER MONTH AVERAGE, PREVIOUS YEAR			33	\$1,411			-0.3			-0.5			-0.8			1.0			↑ STG			modifier			80%			55%			50%						
DEFAULTS IN YEAR 10			-5	DEFAULTS BY YEAR 10			-41	PER MONTH AVERAGE, IN YEAR 5			83	\$3,864			8.00			-1.0			SALES																		SALES INCOME						
EXPIRIES IN YEAR 3			-47	EXPIRIES BY YEAR 10			-833	PER MONTH AVERAGE, IN YEAR 10			150	\$9,398			modifier						INCOME TOTALS FROM SALES						#			\$															
NEW = NEW RENTAL			A 12 month rental contract expires in the same month of the following year.			SALES / VALUE ADDED TAXES			RENTALS YEAR 10			147	63%			OF SALES UNITS																													
EXP = EXPIRED RENTAL						RENTALS			SALES						INCOME TOTALS FROM RENTALS																														
RNW = RENEWED RENTAL						TAX 1			\$1,687			TAX 1			\$1,711			BY YEAR 5			\$186,698																								
TTL = TOTAL						TAX 2			\$0			TAX 2			\$1,222			BY YEAR 10			\$565,761																								
TAX 1 and TAX 2 thresholds and percentages are from SETTINGS.												YR 8	159	159	YR 9											© Robert G Mears, 2020										studiofive.ca									

projections of income

year 3

same gross

stable @ median prices

on renting versus selling visual artworks

PREVIOUS RENTALS												34		5%		NEW RENTALS						0		+/-		YR2		-3		+/-		YR2		-2		+/-		51		5%		TOTALS	
YR2	\$18			\$50			\$82			DEFAULT		TOTAL / MONTH	YR2	\$19			11 UNITS		118%		\$53			19 UNITS		158%		\$87			4 UNITS		200%		DEFAULT		RENTALS INCOME						
MON	11	BAL	AMT	19	BAL	AMT	4	BAL	AMT	-2	AMT		MON	EXP	RNW	NEW	BAL	AMT	EXP	RNW	NEW	BAL	AMT	EXP	RNW	NEW	BAL	AMT	EXP	RNW	NEW	BAL	AMT	-3	AMT								
JAN	0	11	\$198	0	19	\$950	0	4	\$328	0	\$0	\$1,476	JAN	0	0	2	2	\$38	0	0	1	1	\$53	0	0	0	0	\$0	0	0	0	0	\$0	0	\$0	\$1,567							
FEB	0	11	\$198	-3	16	\$800	-1	3	\$246	0	\$0	\$1,244	FEB	0	0	0	2	\$38	-3	2	1	3	\$159	-1	1	1	2	\$174	0	0	0	0	\$0	0	\$0	\$1,615							
MAR	-2	9	\$162	-3	13	\$650	-1	1	\$82	0	\$0	\$894	MAR	-2	1	1	4	\$76	-3	2	1	6	\$318	-1	1	1	4	\$348	-1	-53	0	\$0	0	\$0	\$1,583								
APR	-2	7	\$162	-3	10	\$500	0	1	\$82	-1	-\$50	\$694	APR	-2	1	3	8	\$152	-3	2	1	9	\$477	0	0	0	4	\$348	0	\$0	0	\$0	0	\$0	\$1,671								
MAY	0	7	\$126	0	10	\$500	0	1	\$82	0	\$0	\$708	MAY	0	0	1	9	\$171	0	0	1	10	\$530	0	0	0	4	\$348	0	\$0	0	\$0	0	\$0	\$1,757								
JUN	0	7	\$126	0	10	\$500	0	1	\$82	0	\$0	\$708	JUN	0	0	0	9	\$171	0	0	1	11	\$583	0	0	0	3	\$261	0	\$0	0	\$0	0	\$0	\$1,723								
JUL	0	7	\$126	0	10	\$500	0	1	\$82	0	\$0	\$708	JUL	0	0	0	9	\$171	0	0	1	12	\$636	0	0	0	0	\$3	-1	-\$53	0	\$0	0	\$0	\$1,723								
AUG	0	7	\$126	0	9	\$450	0	1	\$82	0	\$0	\$658	AUG	0	0	0	9	\$171	0	0	1	11	\$583	0	0	0	3	\$261	0	\$0	0	\$0	0	\$0	\$1,673								
SEP	-3	4	\$72	-3	6	\$300	0	1	\$82	-1	-\$50	\$404	SEP	-3	1	1	11	\$209	-3	2	2	15	\$795	0	0	0	3	\$261	-1	-\$53	0	\$0	0	\$0	\$1,616								
OCT	-3	1	\$18	-5	1	\$50	-1	0	\$0	0	\$0	\$68	OCT	-3	1	1	13	\$247	-5	4	4	23	\$1,219	-1	1	1	5	\$435	0	\$0	0	\$0	0	\$0	\$1,969								
NOV	-1	0	\$0	-1	0	\$0	-1	0	\$0	0	\$0	\$0	NOV	-1	0	0	13	\$247	-1	1	1	25	\$1,325	-1	1	1	7	\$609	0	\$0	0	\$0	0	\$0	\$2,181								
DEC	0	0	\$0	-1	0	\$0	0	0	\$0	0	\$0	\$0	DEC	0	0	0	13	\$247	-1	1	1	27	\$1,431	0	0	0	7	\$609	0	\$0	0	\$0	0	\$0	\$2,287								
TTL	-11	71	\$1,314	-19	104	\$5,200	-4	14	\$1,148	-2	-\$100	\$7,562	TTL	-11	4	9	102	\$1,938	-19	14	16	153	\$8,109	-4	4	4	45	\$3,915	-3	-\$159					\$21,365								
Expiries—under NEW RENTALS—are used to compute renewal and new rentals.												7,562		✓		11		✓		13		19		✓		30		4		✓		8		SM		MD		LG		21,365		✓	
NEW RENTALS IN YEAR 3			29		NEW RENTALS BY YEAR 10			499		PER MONTH PAYMENTS, THIS YEAR			484		1,236		RENTALS UNITS			↑ ↓		PRICE ↑ ↓ (BOTH)			106%			100%			SALES UNITS ↑ ↓			8.75		modifier							
RENEWALS IN YEAR 3			22		RENEWALS BY YEAR 10			494		PER MONTH AVERAGE, THIS YEAR			41		\$1,780		2.0			4.0		6.0		+/-		6%			106%			100%			SALES UNITS ↑ ↓			8.75		modifier			
TOTAL RENTALS IN YEAR 3			51		RENTALS BY YEAR 10			993		PER MONTH AVERAGE, PREVIOUS YEAR			26		\$1,108		-0.4			-0.8		-1.2		1.0		↑ STG			106%			100%			SALES UNITS ↑ ↓			8.75		modifier			
DEFAULTS IN YEAR 3			-5		DEFAULTS BY YEAR 10			-40		PER MONTH AVERAGE, IN YEAR 5			63		\$3,303		5.00			-1.0		SALES			X			YR2 ↓			YR2 ↓		SALES INCOME										
EXPIRIES IN YEAR 3			-34		EXPIRIES BY YEAR 10			-832		PER MONTH AVERAGE, IN YEAR 10			165		\$10,261		5.00			-1.0		SALES			X			YR2 ↓			YR2 ↓		SALES INCOME										
NEW = NEW RENTAL			A 12 month rental contract expires in the same month of the following year.			SALES / VALUE ADDED TAXES			RENTALS YEAR 10			161		67%		OF SALES UNITS			SM			MD		LG		TTL		INCOME		SM		7		\$740		\$5,180							
EXP = EXPIRED RENTAL						RENTALS			SALES			INCOME TOTALS FROM RENTALS			PREVIOUS YEAR			5		9		1		15		\$27,000		MD		9		\$2,300		\$20,700									
RNW = RENEWED RENTAL						TAX 1			\$1,496			TAX 1			\$2,085			BY YEAR 5			28		45		9		82		\$158,840		LG		1		\$3,900		\$3,900						
TTL = TOTAL						TAX 2			\$0			TAX 2			\$0			BY YEAR 10			84		127		43		254		\$567,970		TTL		17		TOTAL		\$29,780						
TAX 1 and TAX 2 thresholds and percentages are from SETTINGS.												YR 8		169		158		YR 9																								studiofive.ca	
																																© Robert G Mears, 2020											

income projections for same gross ~ year 4 @ median prices

new rentals revisited

You will, no doubt, have noticed that the coloured columns in the **NEW RENTALS** tables are similar but not exactly the same for **erratic** → and **stable** ↘ incomes. It was a challenge to make the RENTER’s income erratic. It wasn’t a simple matter of changing the modifier up or down. Additional modifications to the computed numbers were required here and there. Such as:

yellow orange
yellow orange →

being changed to:

orange orange
orange orange ↘

in the **NEW RENTALS** tables on this page. While it was a challenge “on paper” to make the RENTER’s income erratic, it would be wrong to assume that the same would be true in the real world. People are busy and fickle. Artwork by another artist may capture clients’ interest for a time. The economy may be in a downturn. There are many variables. However, the overlapping monthly payments attenuate the effects. This is also true for the “competition”. In essence, regular monthly payments render the highs and lows less extreme, as can be seen more readily in the charts.

projections of income

PREVIOUS RENTALS												56 4%		year 4	
YR3	\$19			\$53			\$87			DEFAULT		TOTAL / MONTH			
MON	27	BAL	AMT	21	BAL	AMT	8	BAL	AMT	-2	AMT				
JAN	-2	25	\$475	-1	20	\$1,060	0	8	\$696	0	\$0	\$2,231			
FEB	-3	22	\$418	-3	17	\$901	-2	6	\$522	0	\$0	\$1,841			
MAR	-3	19	\$361	-3	13	\$689	-2	4	\$348	0	\$0	\$1,398			
APR	-3	16	\$361	-3	10	\$530	0	4	\$348	-1	-\$87	\$1,152			
MAY	-2	14	\$266	-1	9	\$477	0	4	\$348	0	\$0	\$1,091			
JUN	0	14	\$266	-1	8	\$424	0	4	\$348	0	\$0	\$1,038			
JUL	0	14	\$266	0	8	\$424	0	4	\$348	0	\$0	\$1,038			
AUG	0	14	\$266	0	8	\$424	0	3	\$261	0	\$0	\$951			
SEP	-6	8	\$152	-3	5	\$265	0	3	\$261	-1	-\$87	\$591			
OCT	-6	2	\$38	-6	0	\$0	0	3	\$261	0	\$0	\$299			
NOV	-2	0	\$0	0	0	\$0	-2	1	\$87	0	\$0	\$87			
DEC	0	0	\$0	0	0	\$0	-2	0	\$0	0	\$0	\$0			
TTL	-27	148	\$2,869	-21	98	\$5,194	-8	44	\$3,828	-2	-\$174	\$11,717			

Expiries—under NEW RENTALS—are used to compute renewal and new rentals.						
NEW RENTALS IN YEAR 4	41	NEW RENTALS BY YEAR 10	521	PER MONTH PAYMENTS, THIS YEAR		
RENEWALS IN YEAR 4	22	RENEWALS BY YEAR 10	459	PER MONTH AVERAGE, THIS YEAR		
TOTAL RENTALS IN YEAR 4	63	RENTALS BY YEAR 10	980	PER MONTH AVERAGE, PREVIOUS YEAR		
DEFAULTS IN YEAR 4	-5	DEFAULTS BY YEAR 10	-41	PER MONTH AVERAGE, IN YEAR 5		
EXPIRIES IN YEAR 4	-56	EXPIRIES BY YEAR 10	-833	PER MONTH AVERAGE, IN YEAR 10		
NEW = NEW RENTAL	A 12 month rental contract expires in the same month of the following year.		SALES / VALUE ADDED TAXES			
EXP = EXPIRED RENTAL						
RNW = RENEWED RENTAL			TAX 1	RENTALS	TAX 1	SALES
TTL = TOTAL	STG = SETTINGS	TAX 2	RENTALS	TAX 2	SALES	
TAX 1 and TAX 2 thresholds and percentages are from SETTINGS.						

same gross

NEW RENTALS						-1 +/-	
YR3	\$19			27 UNITS	119%		
MON	EXP	RNW	NEW	BAL	AMT		
JAN	-2	1	2	3	\$57		
FEB	-3	1	2	6	\$114		
MAR	-3	1	2	9	\$171		
APR	-3	1	2	11	\$209		
MAY	-2	1	2	14	\$266		
JUN	0	0	0	14	\$266		
JUL	0	0	0	14	\$266		
AUG	0	0	0	14	\$266		
SEP	-6	2	5	21	\$399		
OCT	-6	2	5	28	\$532		
NOV	-2	1	2	31	\$589		
DEC	0	0	0	31	\$589		
TTL	-27	10	22	196	\$3,724		

27 ✓		32	
THIS YEAR	646		1,793
THIS YEAR	54		\$2,181
PREVIOUS YEAR	50		\$2,009
YEAR 5	83		\$3,864
YEAR 10	150		\$9,398
RENTALS YEAR 10		147	63%
INCOME TOTALS FROM RENTALS			
BY YEAR 5		\$186,698	
BY YEAR 10		\$565,761	
TITLES.		YR 8	159 159

erratic @ median prices

NEW RENTALS						-1 +/-	
YR3	\$19			21 UNITS	81%		
MON	EXP	RNW	NEW	BAL	AMT		
JAN	-2	1	1	1	\$53		
FEB	-3	1	1	3	\$159		
MAR	-3	1	1	5	\$265		
APR	-3	1	1	7	\$371		
MAY	-2	1	1	7	\$371		
JUN	0	0	0	7	\$371		
JUL	0	0	0	6	\$318		
AUG	0	0	0	6	\$318		
SEP	-6	2	2	9	\$477		
OCT	-6	2	5	16	\$848		
NOV	-2	1	2	16	\$848		
DEC	0	0	0	16	\$848		
TTL	-27	10	22	196	\$3,724		

21		17			
RENTALS UNITS ↑ ↓				PRICE	
2.0	4.0	6.0	+/-	6%	
-0.4	-0.8	-1.3	1.0	↑ STG	
4.75			-1.0		
modifier			INCOME T		
OF SALES UNITS			SM	MD	
PREVIOUS YEAR			6	7	
BY YEAR 5			88	81	
BY YEAR 10			84	127	
YR 9					

NEW RENTALS						-1 +/-	
YR3	\$19			27 UNITS	119%		
MON	EXP	RNW	NEW	BAL	AMT		
JAN	-2	1	2	3	\$57		
FEB	-3	1	2	6	\$114		
MAR	-3	1	2	9	\$171		
APR	-3	1	2	11	\$209		
MAY	-2	1	2	14	\$266		
JUN	0	0	0	14	\$266		
JUL	0	0	0	14	\$266		
AUG	0	0	0	14	\$266		
SEP	-6	2	5	21	\$399		
OCT	-6	2	5	28	\$532		
NOV	-2	1	2	31	\$589		
DEC	0	0	0	31	\$589		
TTL	-27	10	22	196	\$3,724		

8 ✓ 14		SM MD LG		26,169	
↑ ↓ (BOTH)		6 7 1		← YR3	
100%		94%		SALES UNITS ↑ ↓ 5 modifier	
STG →		100% 140% 225%			
SALES				X YR3 ↓ YR3 ↓	
TOTALS FROM SALES				SALES INCOME	
LG	TTL	INCOME	SM	#	\$
1	14	\$24,440	MD	6	\$740
15	189	\$185,260	LG	10	\$2,300
15	189	\$185,260	LG	2	\$3,900
43	254	\$566,050	TTL	18	TOTAL
				\$7,440 \$23,000 \$7,800 \$35,240	

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on renting versus selling visual artworks

YR3		-3	+/-	63		4%		TOTALS	
8 UNITS			175%		DEFAULT			RENTALS INCOME	
NEW	BAL	AMT		-3	AMT				
0	0	\$0		0	\$0		\$2,341		
2	3	\$261		0	\$0		\$2,375		
2	6	\$522		0	\$0		\$2,356		
0	5	\$435		0	\$0		\$2,167		
0	5	\$435		-2	-\$174		\$1,989		
0	5	\$435		0	\$0		\$2,110		
0	5	\$435		0	\$0		\$2,057		
0	5	\$435		-1	-\$87		\$1,883		
0	5	\$435		0	\$0		\$1,902		
0	5	\$435		0	\$0		\$2,114		
2	9	\$783		0	\$0		\$2,307		
2	13	\$1,131		0	\$0		\$2,568		
8	66	\$5,742		-3	-\$261		\$26,169		

income projections for same gross ~ year 5 @ median prices

...

When you look closely at the RENTER’s income tables you will notice there are fewer rentals in December/January and July/August. This is a reflection of behavioural patterns in Canada, a northern clime country. Before and after winter solstice has people preoccupied with other things and the summer months has many people outdoors, often “at the lake”. While not exclusively so, new rentals are less likely to occur in these two periods than the remainder of the year. This pattern is summarized [HERE](#).

yikes

A downside of renting is pointed out on this page:

PER MONTH PAYMENTS, THIS YEAR: 998 ↗ | 757 ↘

That is a sizable amount of “paperwork”. And this is only Year 5. Still, there are ways to alleviate the burden. For example, I host several websites which require annual payments for domain names and quarterly payments for web hosting. All of this is done automatically. While set up of an online payment service may involve some work (and possibly hiring a third-party knowledgeable in such things), it can be done. Fees for such a service are not included in EXPENSES, but what it would cost is discussed on the “[automatic payments](#)” page.

projections of income

PREVIOUS RENTALS												63 3%		year 5	
YR4	\$19			\$53			\$87			DEFAULT		TOTAL / MONTH			
MON	32	BAL	AMT	17	BAL	AMT	14	BAL	AMT	-2	AMT				
JAN	-3	29	\$551	-1	16	\$848	0	14	\$1,218	0	\$0	\$2,617			
FEB	-3	26	\$494	-2	14	\$742	-3	11	\$957	0	\$0	\$2,193			
MAR	-3	22	\$418	-2	11	\$583	-3	8	\$696	0	\$0	\$1,697			
APR	-3	19	\$418	-2	9	\$477	0	8	\$696	-2	-\$174	\$1,417			
MAY	-3	16	\$304	0	9	\$477	0	8	\$696	0	\$0	\$1,477			
JUN	0	16	\$304	0	9	\$477	0	8	\$696	0	\$0	\$1,477			
JUL	0	16	\$304	0	9	\$477	0	8	\$696	0	\$0	\$1,477			
AUG	0	16	\$304	0	9	\$477	0	8	\$696	0	\$0	\$1,477			
SEP	-7	9	\$171	-3	6	\$318	0	8	\$696	0	\$0	\$1,185			
OCT	-7	2	\$38	-7	0	\$0	0	8	\$696	0	\$0	\$734			
NOV	-3	0	\$0	0	0	\$0	-4	4	\$348	0	\$0	\$348			
DEC	0	0	\$0	0	0	\$0	-4	0	\$0	0	\$0	\$0			
TTL	-32	171	\$3,306	-17	92	\$4,876	-14	93	\$8,091	-2	-\$174	\$16,099			

NEW RENTALS												32 169%		same gross		erratic		@ median prices		on renting versus selling visual artworks	
YR4	\$20			32 UNITS			17 UNITS			171%		YR4 -2 +/-		YR4 -1 +/-		110 3%		TOTALS			
MON	EXP	RNW	NEW	BAL	AMT			EXP	RNW	NEW	BAL	AMT			EXP	RNW	NEW	BAL	AMT		
JAN	-3	2	2	4	\$80			-1	1	1	2	\$112			0	0	0	0	\$0		
FEB	-3	2	2	8	\$160			-2	2	2	6	\$336			-3	3	3	6	\$552		
MAR	-3	2	2	12	\$240			-2	2	2	10	\$560			-3	3	3	12	\$1,104		
APR	-3	2	2	16	\$320			-2	2	2	14	\$784			0	0	0	12	\$1,104		
MAY	-3	2	2	20	\$400			0	0	0	14	\$784			0	0	0	12	\$1,104		
JUN	0	0	0	20	\$400			0	0	1	14	\$784			0	0	0	11	\$1,012		
JUL	0	0	0	20	\$400			0	0	1	15	\$840			0	0	0	11	\$1,012		
AUG	0	0	0	19	\$380			0	0	1	16	\$896			0	0	0	11	\$1,012		
SEP	-7	7	7	33	\$660			-3	2	2	20	\$1,120			0	0	1	12	\$1,104		
OCT	-7	7	7	47	\$940			-7	4	4	28	\$1,568			0	0	2	14	\$1,288		
NOV	-3	3	3	53	\$1,060			0	0	0	28	\$1,568			-4	4	2	20	\$1,840		
DEC	0	0	0	53	\$1,060			0	0	0	28	\$1,568			-4	4	2	26	\$2,392		
TTL	-32	27	27	305	\$6,100			-17	13	16	195	\$10,920			-14	14	13	147	\$13,524		

NEW RENTALS												32 169%		same gross		erratic		@ median prices		on renting versus selling visual artworks	
YR4	\$20			32 UNITS			17 UNITS			171%		YR4 -2 +/-		YR4 -1 +/-		110 3%		TOTALS			
MON	EXP	RNW	NEW	BAL	AMT			EXP	RNW	NEW	BAL	AMT			EXP	RNW	NEW	BAL	AMT		
JAN	-3	2	2	4	\$80			-1	1	1	2	\$112			0	0	0	0	\$0		
FEB	-3	2	2	8	\$160			-2	2	2	6	\$336			-3	3	3	6	\$552		
MAR	-3	2	2	12	\$240			-2	2	2	10	\$560			-3	3	3	12	\$1,104		
APR	-3	2	2	16	\$320			-2	2	2	14	\$784			0	0	0	12	\$1,104		
MAY	-3	2	2	20	\$400			0	0	0	14	\$784			0	0	0	12	\$1,104		
JUN	0	0	0	20	\$400			0	0	1	14	\$784			0	0	0	11	\$1,012		
JUL	0	0	0	20	\$400			0	0	1	15	\$840			0	0	0	11	\$1,012		
AUG	0	0	0	19	\$380			0	0	1	16	\$896			0	0	0	11	\$1,012		
SEP	-7	7	7	33	\$660			-3	2	2	20	\$1,120			0	0	1	12	\$1,104		
OCT	-7	7	7	47	\$940			-7	4	4	28	\$1,568			0	0	2	14	\$1,288		
NOV	-3	3	3	53	\$1,060			0	0	0	28	\$1,568			-4	4	2	20	\$1,840		
DEC	0	0	0	53	\$1,060			0	0	0	28	\$1,568			-4	4	2	26	\$2,392		
TTL	-32	27	27	305	\$6,100			-17	13	16	195	\$10,920			-14	14	13	147	\$13,524		

NEW RENTALS												32 169%		same gross		erratic		@ median prices		on renting versus selling visual artworks	
YR4	\$20			32 UNITS			17 UNITS			171%		YR4 -2 +/-		YR4 -1 +/-		110 3%		TOTALS			
MON	EXP	RNW	NEW	BAL	AMT			EXP	RNW	NEW	BAL	AMT			EXP	RNW	NEW	BAL	AMT		
JAN	-3	2	2	4	\$80			-1	1	1	2	\$112			0	0	0	0	\$0		
FEB	-3	2	2	8	\$160			-2	2	2	6	\$336			-3	3	3	6	\$552		
MAR	-3	2	2	12	\$240			-2	2	2	10	\$560			-3	3	3	12	\$1,104		
APR	-3	2	2	16	\$320			-2	2	2	14	\$784			0	0	0	12	\$1,104		
MAY	-3	2	2	20	\$400			0	0	0	14	\$784			0	0	0	12	\$1,104		
JUN	0	0	0	20	\$400			0	0	1	14	\$784			0	0	0	11	\$1,012		
JUL	0	0	0	20	\$400			0	0	1	15	\$840			0	0	0	11	\$1,012		
AUG	0	0	0	19	\$380			0	0	1	16	\$896			0	0	0	11	\$1,012		
SEP	-7	7	7	33	\$660			-3	2	2	20	\$1,120			0	0	1	12	\$1,104		
OCT	-7	7	7	47	\$940			-7	4	4	28	\$1,568			0	0	2	14	\$1,288		
NOV	-3	3	3	53	\$1,060			0	0	0	28	\$1,568			-4	4	2	20	\$1,840		
DEC	0	0	0	53	\$1,060			0	0	0	28	\$1,568			-4	4	2	26	\$2,392		
TTL	-32	27	27	305	\$6,100			-17	13	16	195	\$10,920			-14	14	13	147	\$13,524		

Expiries—under NEW RENTALS—are used to compute renewal and new rentals.									
NEW RENTALS IN YEAR 5	56	NEW RENTALS BY YEAR 10	521	PER MONTH PAYMENTS, T					
RENEWALS IN YEAR 5	54	RENEWALS BY YEAR 10	459	PER MONTH AVERAGE, T					
TOTAL RENTALS IN YEAR 5	110	RENTALS BY YEAR 10	980	PER MONTH AVERAGE, P					
TOTAL RENTALS IN YEAR 5	-5	DEFAULTS BY YEAR 10	-41	PER MONTH AVERAGE, IN					
EXPIRIES IN YEAR 5	-63	EXPIRIES BY YEAR 10	-833	PER MONTH AVERAGE, IN					
NEW = NEW RENTAL	A 12 month rental contract expires in the same month of the following year.	SALES / VALUE ADDED TAXES							
EXP = EXPIRED RENTAL									
RNW = RENEWED RENTAL									
		TAX 1	RENTALS	TAX 1	SALES				
TTL = TOTAL	STG = SETTINGS	TAX 2		TAX 2					
TAX 1 and TAX 2 thresholds and percentages are from									

income projections for same gross ~ year 6 @ median prices

sales revisited

SALES units seem to be an after-thought in these tables. They’re not, of course. It’s just that they are much less complicated to compute/calculate. They occur once, as does payment for the artwork.

The way their numbers are determined is to call the numbers from the previous year then multiply them by various percentages to ascertain this year’s number of units for:

small | medium | large pieces

On this page—year 6—the erratic income alters the numbers by 70% | 70% | 70% respectively. And the stable income alters them by 119% | 119% | 119%. As it turns

out this is unusual. Generally the numbers vary between sizes. On the previous page—year 5—it’s:

erratic - 100% | 160% | 225%

stable - 60% | 96% | 135%

On the next page—year 7—it’s:

erratic - 90% | 90% | 100%

stable - 117% | 117% | 130%

Over the course of generating different numbers in various spreadsheets every attempt was made to keep the ratios of units, if not identical, close to the same for both SALES and RENTALS. A curious aspect of this is changing the number of, say, small pieces in year 2 can radically alter overall numbers and hence the ratios.

projections of income												year 6						same gross						erratic @ median prices						on renting versus selling visual artworks																							
PREVIOUS RENTALS												110 3%						NEW RENTALS						-1 +/-						YR5 -3 +/-						YR5 -1 +/-						93 2%		TOTALS									
YR5	\$20			\$56			\$92			DEFAULT		TOTAL / MONTH	YR5	\$20			54 UNITS		46%		\$56			29 UNITS		155%		\$92			27 UNITS		85%		DEFAULT		RENTALS INCOME																
MON	54	BAL	AMT	29	BAL	AMT	27	BAL	AMT	-3	AMT		MON	EXP	RNW	NEW	BAL	AMT	EXP	RNW	NEW	BAL	AMT	EXP	RNW	NEW	BAL	AMT	EXP	RNW	NEW	BAL	AMT	-2	AMT																		
JAN	-4	50	\$1,000	-2	27	\$1,512	0	27	\$2,484	0	\$0	\$4,996	JAN	-4	1	1	2	\$40	-2	1	1	2	\$112	0	0	1	1	\$92	0	1	1	\$0	\$0	\$5,240																			
FEB	-4	46	\$920	-4	23	\$1,288	-6	21	\$1,932	0	\$0	\$4,140	FEB	-4	1	1	4	\$80	-4	3	3	8	\$448	-6	3	1	5	\$460	0	1	5	\$0	\$0	\$5,128																			
MAR	-4	42	\$840	-4	19	\$1,064	-6	14	\$1,288	0	\$0	\$3,192	MAR	-4	1	1	6	\$120	-4	3	3	14	\$784	-6	3	1	9	\$828	0	1	9	\$0	\$0	\$4,924																			
APR	-4	38	\$840	-4	15	\$840	0	14	\$1,288	-1	-\$92	\$2,876	APR	-4	1	1	8	\$160	-4	3	3	20	\$1,120	0	0	1	10	\$920	0	1	10	\$0	\$0	\$5,076																			
MAY	-4	34	\$680	0	15	\$840	0	14	\$1,288	0	\$0	\$2,808	MAY	-4	1	2	11	\$220	0	0	0	20	\$1,120	0	0	1	11	\$1,012	0	1	11	\$0	\$0	\$5,160																			
JUN	0	34	\$680	-1	14	\$784	0	14	\$1,288	0	\$0	\$2,752	JUN	0	0	0	11	\$220	-1	1	1	22	\$1,232	0	0	1	12	\$1,104	0	1	12	\$0	\$0	\$5,308																			
JUL	0	34	\$680	-1	13	\$728	0	14	\$1,288	0	\$0	\$2,696	JUL	0	0	0	11	\$220	-1	1	1	24	\$1,344	0	0	0	12	\$1,104	0	0	12	\$0	\$0	\$5,364																			
AUG	0	33	\$660	-1	11	\$616	0	14	\$1,288	0	\$0	\$2,564	AUG	0	0	0	11	\$220	-1	1	1	24	\$1,344	0	0	1	13	\$1,196	0	1	13	\$0	\$0	\$5,324																			
SEP	-14	19	\$380	-4	7	\$392	-1	13	\$1,196	-2	-\$184	\$1,784	SEP	-14	3	3	17	\$340	-4	3	3	30	\$1,680	-1	1	1	15	\$1,380	-2	1	15	-\$184	\$5,000																				
OCT	-14	5	\$100	-8	0	\$0	-2	11	\$1,012	0	\$0	\$1,112	OCT	-14	3	3	23	\$460	-8	6	6	42	\$2,352	-2	1	1	17	\$1,564	0	1	17	\$0	\$0	\$5,488																			
NOV	-6	0	\$0	0	0	\$0	-6	5	\$460	0	\$0	\$460	NOV	-6	1	1	25	\$500	0	0	1	43	\$2,408	-6	1	3	21	\$1,932	0	1	21	\$0	\$0	\$5,300																			
DEC	0	0	\$0	0	0	\$0	-6	0	\$0	0	\$0	\$0	DEC	0	0	0	25	\$500	0	0	0	43	\$2,408	-6	1	1	23	\$2,116	0	1	23	\$0	\$0	\$5,024																			
TTL	-54	335	\$6,780	-29	144	\$8,064	-27	161	\$14,812	-3	-\$276	\$29,380	TTL	-54	12	13	154	\$3,080	-29	22	23	292	\$16,352	-27	10	13	149	\$13,708	-2	10	13	149	-\$184	\$62,336																			
Expiries—under NEW RENTALS—are used to compute renewal and new rentals.												54 ✓ 25						29 ✓ 45						27 ✓ 23						SM 6		MD 16		LG 5		62,336																	
NEW RENTALS IN YEAR 6 49												NEW RENTALS BY YEAR 10 521						PER MONTH PAYMENTS, THIS YEAR 1,230						2,788						RENTALS UNITS ↑ ↓ 2.0 4.0 6.0 +/- 6% 100% 94%						PRICE ↑ ↓ (BOTH) 6% 100% 94%						SALES UNITS ↑ ↓ 5 modifier											
RENEWALS IN YEAR 6 44												RENEWALS BY YEAR 10 459						PER MONTH AVERAGE, THIS YEAR 103						\$5,195						-0.2 -0.5 -0.7 1.0 ↑ STG						STG →						70% 70% 70%											
TOTAL RENTALS IN YEAR 6 93												RENTALS BY YEAR 10 980						PER MONTH AVERAGE, PREVIOUS YEAR 83						\$3,864						8.50 modifier -1.0						SALES X YR5 ↓ YR5 ↓						SALES INCOME											
DEFAULTS IN YEAR 6 -5												DEFAULTS BY YEAR 10 -41						PER MONTH AVERAGE, IN YEAR 5 83						\$3,864						INCOME TOTALS FROM SALES						#		\$		SALES INCOME													
EXPIRIES IN YEAR 6 -110												EXPIRIES BY YEAR 10 -833						PER MONTH AVERAGE, IN YEAR 10 150						\$9,398						PREVIOUS YEAR 6 16 5 27 \$63,580 MD 11 \$2,400 \$26,400						BY YEAR 5 88 81 15 189 \$185,260 LG 4 \$4,100 \$16,400						BY YEAR 10 84 127 43 254 \$566,050 TTL 19 TOTAL \$45,920											
NEW = NEW RENTAL												A 12 month rental contract expires in the same month of the following year.						SALES / VALUE ADDED TAXES						RENTALS YEAR 10 147 63% OF SALES UNITS						SM MD LG TTL INCOME SM 4 \$780 \$3,120						MD 11 \$2,400 \$26,400						LG 4 \$4,100 \$16,400						TTL 19 TOTAL \$45,920					
EXP = EXPIRED RENTAL												RENTALS						SALES						INCOME TOTALS FROM RENTALS						PREVIOUS YEAR 6 16 5 27 \$63,580 MD 11 \$2,400 \$26,400						BY YEAR 5 88 81 15 189 \$185,260 LG 4 \$4,100 \$16,400						BY YEAR 10 84 127 43 254 \$566,050 TTL 19 TOTAL \$45,920											
RNW = RENEWED RENTAL												TAX 1 \$4,364						TAX 1 \$3,214						BY YEAR 5 \$186,698						BY YEAR 10 \$565,761						BY YEAR 10 84 127 43 254 \$566,050 TTL 19 TOTAL \$45,920																	
TTL = TOTAL												STG = SETTINGS						TAX 2 \$3,117						TAX 2 \$2,296						BY YEAR 10 \$565,761						BY YEAR 10 84 127 43 254 \$566,050 TTL 19 TOTAL \$45,920																	
TAX 1 and TAX 2 thresholds and percentages are from SETTINGS.												YR 8 159 159						YR 9						© Robert G Mears, 2020						studiofive.ca																							

income projections for same gross ~ year 7 @ median prices

ratios

The ratios mentioned on the previous page are target percentages:

- small = 33%
- medium = 50%
- large = 17%

Which worked out to ✓:

RENTALS		
SM	33.1%	31.8%
MD	50.0%	49.5%
LG	16.9%	18.7%
	100%	100%
	OVERALL	CURRENT
SALES		
SM	33.1%	22.2%
MD	50.0%	51.9%
LG	16.9%	25.9%
	100%	100%
	OVERALL	CURRENT

This was a back and forth process until the OVERALL numbers balanced. And, as can be seen in the detail, while respective

ratios in each year may be off (a reflection of reality), what mattered was to keep the overall percentages the same.

- It would distort this comparison to:
- sell 50% large works
 - rent 17% large works
 - sell 33% medium sized works
 - rent 50% medium sized works
 - sell 17% small works
 - rent 33% small works

Reconciling these ratios ensures that the numbers pan out.

projections of income

PREVIOUS RENTALS												93 3%	
YR6	\$20			\$56			\$92			DEFAULT		TOTAL / MONTH	
MON	25	BAL	AMT	45	BAL	AMT	23	BAL	AMT	-3	AMT		
JAN	-2	23	\$460	-2	43	\$2,408	-1	22	\$2,024	0	\$0	\$4,892	
FEB	-2	21	\$420	-6	37	\$2,072	-4	18	\$1,656	0	\$0	\$4,148	
MAR	-2	19	\$380	-6	31	\$1,736	-4	14	\$1,288	0	\$0	\$3,404	
APR	-2	17	\$380	-6	25	\$1,400	-1	11	\$1,012	0	\$0	\$2,792	
MAY	-3	14	\$280	0	25	\$1,400	-1	10	\$920	-2	-\$184	\$2,416	
JUN	0	14	\$280	-2	23	\$1,288	-1	9	\$828	0	\$0	\$2,396	
JUL	0	14	\$280	-2	21	\$1,176	0	9	\$828	0	\$0	\$2,284	
AUG	0	14	\$280	-2	18	\$1,008	-1	8	\$736	0	\$0	\$2,024	
SEP	-6	8	\$160	-6	12	\$672	-2	6	\$552	-1	-\$92	\$1,292	
OCT	-6	2	\$40	-12	0	\$0	-2	4	\$368	0	\$0	\$408	
NOV	-2	0	\$0	-1	0	\$0	-4	0	\$0	0	\$0	\$0	
DEC	0	0	\$0	0	0	\$0	-2	0	\$0	0	\$0	\$0	
TTL	-25	146	\$2,960	-45	235	\$13,160	-23	111	\$10,212	-3	-\$276	\$26,056	

Expiries—under NEW RENTALS—are used to compute renewal and new rentals.					
NEW RENTALS IN YEAR 7	65	NEW RENTALS BY YEAR 10	521	PER MONTH PAYMENTS, THIS YEAR	
RENEWALS IN YEAR 7	57	RENEWALS BY YEAR 10	459	PER MONTH AVERAGE, THIS YEAR	
TOTAL RENTALS IN YEAR 7	122	RENTALS BY YEAR 10	980	PER MONTH AVERAGE, PREVIOUS YEAR	
DEFAULTS IN YEAR 7	-5	DEFAULTS BY YEAR 10	-41	PER MONTH AVERAGE, IN YEAR 5	
EXPIRIES IN YEAR 7	-93	EXPIRIES BY YEAR 10	-833	PER MONTH AVERAGE, IN YEAR 10	
NEW = NEW RENTAL	A 12 month rental contract expires in the same month of the following year.	SALES / VALUE ADDED TAXES			
EXP = EXPIRED RENTAL					
RNW = RENEWED RENTAL					
		TAX 1	\$4,755	TAX 1	\$3,186
		TAX 2	\$3,397	TAX 2	\$2,276
TTL = TOTAL	STG = SETTINGS				
TAX 1 and TAX 2 thresholds and percentages are from 5					

projections of income

PREVIOUS RENTALS												110 3%	
YR6	\$20			\$56			\$92			DEFAULT		TOTAL / MONTH	
MON	38	BAL	AMT	56	BAL	AMT	16	BAL	AMT	-3	AMT		
JAN	-6	32	\$640	0	56	\$3,136	0	16	\$1,472	0	\$0	\$5,248	
FEB	0	32	\$640	-7	49	\$2,744	-4	12	\$1,104	0	\$0	\$4,488	
MAR	-6	26	\$520	-3	46	\$2,576	-4	8	\$736	0	\$0	\$3,832	
APR	-6	20	\$520	-3	43	\$2,408	0	8	\$736	0	\$0	\$3,664	
MAY	-4	16	\$320	0	43	\$2,408	0	6	\$552	0	\$0	\$3,280	
JUN	0	16	\$320	-3	40	\$2,240	0	6	\$552	-2	-\$112	\$3,000	
JUL	0	16	\$320	-3	36	\$2,016	0	6	\$552	0	\$0	\$2,888	
AUG	0	16	\$320	-3	33	\$1,848	0	6	\$552	-1	-\$56	\$2,664	
SEP	-4	12	\$240	-12	21	\$1,176	0	6	\$552	0	\$0	\$1,968	
OCT	-12	0	\$0	-12	9	\$504	-4	2	\$184	0	\$0	\$688	
NOV	0	0	\$0	-5	4	\$224	-4	0	\$0	0	\$0	\$224	
DEC	0	0	\$0	-5	0	\$0	0	0	\$0	0	\$0	\$0	
TTL	-38	186	\$3,840	-56	380	\$21,280	-16	76	\$6,992	-3	-\$168	\$31,944	

Expiries—under NEW RENTALS—are used to compute renewal and new rentals.					31,944	
NEW RENTALS IN YEAR 7	65	NEW RENTALS BY YEAR 10	499	PER MONTH PAYMENTS, THIS YEAR	1,535	
RENEWALS IN YEAR 7	85	RENEWALS BY YEAR 10	494	PER MONTH AVERAGE, THIS YEAR	\$6,187	
TOTAL RENTALS IN YEAR 7	150	RENTALS BY YEAR 10	993	PER MONTH AVERAGE, PREVIOUS YEAR	\$4,577	
DEFAULTS IN YEAR 7	-6	DEFAULTS BY YEAR 10	-40	PER MONTH AVERAGE, IN YEAR 5	\$3,303	
EXPIRIES IN YEAR 7	-110	EXPIRIES BY YEAR 10	-832	PER MONTH AVERAGE, IN YEAR 10	\$10,261	
NEW = NEW RENTAL	A 12 month rental contract expires in the same month of the following year.		SALES / VALUE ADDED TAXES			
EXP = EXPIRED RENTAL			RENTALS		SALES	
RNW = RENEWED RENTAL			TAX 1	\$5,197	TAX 1	\$4,906
			TAX 2	\$3,712	TAX 2	\$3,504
TTL = TOTAL			STG = SETTINGS			

TAX 1 and TAX 2 thresholds and percentages are from

TAX 1 and TAX 2 thresholds and percentages are from SETTINGS.

year 7

same gross

NEW RENTALS						-1 +/-	
YR6	\$21			25 UNITS	108%		
MON	EXP	RNW	NEW	BAL	AMT		
JAN	-2	1	2	3	\$63		
FEB	-2	1	2	6	\$126		
MAR	-2	1	1	7	\$147		
APR	-2	1	1	9	\$189		
MAY	-3	1	2	12	\$252		
JUN	0	0	0	12	\$252		
JUL	0	0	0	12	\$252		
AUG	0	0	0	12	\$252		
SEP	-6	3	3	18	\$378		
OCT	-6	3	3	24	\$504		
NOV	-2	1	1	26	\$546		
DEC	0	0	0	26	\$546		
TTL	-25	12	15	167	\$3,507		

25 ✓		27			
THIS YEAR		1,266		3,574	
THIS YEAR		106		\$5,661	
PREVIOUS YEAR		103		\$5,195	
YEAR 5		83		\$3,864	
YEAR 10		150		\$9,398	
RENTALS YEAR 10				147	63%
INCOME TOTALS FROM RENTALS					
BY YEAR 5				\$186,698	
BY YEAR 10				\$565,761	
TOTALS		YR 8		159	159

same gross

NEW RENTALS					-1	+/-
YR6	\$21		38 UNITS		163%	
MON	EXP	RNW	NEW	BAL	AMT	
JAN	-6	5	5	10	\$210	
FEB	0	0	0	10	\$210	
MAR	-6	5	5	20	\$420	
APR	-6	5	5	30	\$630	
MAY	-4	3	3	36	\$756	
JUN	0	0	0	36	\$756	
JUL	0	0	0	35	\$735	
AUG	0	0	0	35	\$735	
SEP	-4	3	3	41	\$861	
OCT	-12	10	10	61	\$1,281	
NOV	0	0	0	61	\$1,281	
DEC	0	0	0	61	\$1,281	
TTL	-38	31	31	436	\$9,156	

income projections for same gross ~ year 8 @ median prices

inflation

On all sheets there is a small block of information wherein prices are left the same or caused to go up:

PRICE ↑↓ (BOTH)

If you check the previous page you will see that the modifier is 100%. On this page it’s 94%. Either number is added to the 6% (on the other side of the outlined number). The percentage of 6% comes from the settings page (where it can be changed). What this does is increase the price on the sheets where the modifier is 100%. (A modifier of 94% keeps the price at 100%.) This is used on every second sheet (starting in year 3) and works out to about a 3% inflationary rate—in sales prices and rental fees—over 10 years. The result—100% or 106%—is then multiplied by the previous year’s rates to generate the current year’s prices and fees.

On this page prices and fees stay the same. On the previous and next page prices and fees went/go up. In year 9 this change is:

RENTALS		SALES	
\$21 ↗ \$22		\$830 ↗ \$880	
\$59 ↗ \$63		\$2,500 ↗ \$2,700	
\$98 ↗ \$104		\$4,300 ↗ \$4,600	

These small increases mean that prices and fees in year 9/10 are 122% of what they were in year 1.

projections of income

PREVIOUS RENTALS												122 2%	
YR7	\$21			\$59			\$98			DEFAULT		TOTAL / MONTH	
MON	27	BAL	AMT	81	BAL	AMT	14	BAL	AMT	-2	AMT		
JAN	-3	24	\$504	-5	76	\$4,484	0	14	\$1,372	0	\$0	\$6,360	
FEB	-3	21	\$441	-10	66	\$3,894	-2	12	\$1,176	0	\$0	\$5,511	
MAR	-2	19	\$399	-10	56	\$3,304	-2	10	\$980	0	\$0	\$4,683	
APR	-2	17	\$399	-10	46	\$2,714	0	10	\$980	0	\$0	\$4,093	
MAY	-3	14	\$294	-1	45	\$2,655	0	10	\$980	0	\$0	\$3,929	
JUN	0	14	\$294	-4	41	\$2,419	0	10	\$980	0	\$0	\$3,693	
JUL	0	12	\$252	-4	37	\$2,183	0	10	\$980	0	\$0	\$3,415	
AUG	0	12	\$252	-5	32	\$1,888	0	10	\$980	-2	-\$196	\$2,924	
SEP	-6	6	\$126	-10	22	\$1,298	-3	7	\$686	0	\$0	\$2,110	
OCT	-6	0	\$0	-20	2	\$118	-3	4	\$392	0	\$0	\$510	
NOV	-2	0	\$0	-2	0	\$0	-2	2	\$196	0	\$0	\$196	
DEC	0	0	\$0	0	0	\$0	-2	0	\$0	0	\$0	\$0	
TTL	-27	139	\$2,961	-81	423	\$24,957	-14	99	\$9,702	-2	-\$196	\$37,424	

Expiries—under NEW RENTALS—are used to compute renewal and new rentals.											
NEW RENTALS IN YEAR 8		83	NEW RENTALS BY YEAR 10		521	PER MONTH PAYMENTS, THIS YEAR					
RENEWALS IN YEAR 8		76	RENEWALS BY YEAR 10		459	PER MONTH AVERAGE, THIS YEAR					
TOTAL RENTALS IN YEAR 8		159	RENTALS BY YEAR 10		980	PER MONTH AVERAGE, PREVIOUS YEAR					
DEFAULTS IN YEAR 8		-4	DEFAULTS BY YEAR 10		-41	PER MONTH AVERAGE, IN YEAR 5					
EXPIRIES IN YEAR 8		-122	EXPIRIES BY YEAR 10		-833	PER MONTH AVERAGE, IN YEAR 10					
NEW = NEW RENTAL		A 12 month rental contract expires in the same month of the following year.			SALES / VALUE ADDED TAXES						
EXP = EXPIRED RENTAL					RENTALS				SALES		
RNW = RENEWED RENTAL					TAX 1	\$6,607	TAX 1	\$6,071			
TTL = TOTAL					TAX 2	\$4,719	TAX 2	\$4,337			
STG = SETTINGS											
TAX 1 and TAX 2 thresholds and percentages are from SETTINGS.											

projections of income

PREVIOUS RENTALS												150 2%	
YR7	\$21			\$59			\$98			DEFAULT		TOTAL / MONTH	
MON	62	BAL	AMT	65	BAL	AMT	23	BAL	AMT	-3	AMT		
JAN	-10	52	\$1,092	0	65	\$3,835	0	23	\$2,254	0	\$0	\$7,181	
FEB	0	52	\$1,092	-9	56	\$3,304	-6	17	\$1,666	0	\$0	\$6,062	
MAR	-10	42	\$882	-3	53	\$3,127	-6	11	\$1,078	0	\$0	\$5,087	
APR	-10	32	\$882	-3	48	\$2,832	0	11	\$1,078	0	\$0	\$4,792	
MAY	-6	26	\$546	0	48	\$2,832	0	11	\$1,078	-2	-\$118	\$4,338	
JUN	0	26	\$546	-3	45	\$2,655	0	11	\$1,078	0	\$0	\$4,279	
JUL	0	26	\$546	-3	42	\$2,478	0	10	\$980	-1	-\$59	\$3,945	
AUG	0	26	\$546	-3	39	\$2,301	0	10	\$980	0	\$0	\$3,827	
SEP	-6	20	\$420	-15	24	\$1,416	0	10	\$980	0	\$0	\$2,816	
OCT	-20	0	\$0	-15	9	\$531	-6	4	\$392	0	\$0	\$923	
NOV	0	0	\$0	-5	4	\$236	-5	0	\$0	0	\$0	\$236	
DEC	0	0	\$0	-6	0	\$0	0	0	\$0	0	\$0	\$0	
TTL	-62	302	\$6,552	-65	433	\$25,547	-23	118	\$11,564	-3	-\$177	\$43,486	

Expiries—under NEW RENTALS—are used to compute renewal and new rentals.					43,486		
NEW RENTALS IN YEAR 8		88	NEW RENTALS BY YEAR 10		499	PER MONTH PAYMENTS, THIS YEAR	
RENEWALS IN YEAR 8		81	RENEWALS BY YEAR 10		494	PER MONTH AVERAGE, THIS YEAR	
TOTAL RENTALS IN YEAR 8		169	RENTALS BY YEAR 10		993	PER MONTH AVERAGE, PREVIOUS YEAR	
DEFAULTS IN YEAR 8		-5	DEFAULTS BY YEAR 10		-40	PER MONTH AVERAGE, IN YEAR 5	
EXPIRIES IN YEAR 8		-150	EXPIRIES BY YEAR 10		-832	PER MONTH AVERAGE, IN YEAR 10	
NEW = NEW RENTAL		A 12 month rental contract expires in the same month of the following year.		SALES / VALUE ADDED TAXES			
EXP = EXPIRED RENTAL				RENTALS		SALES	
RNW = RENEWED RENTAL				TAX 1	\$6,384	TAX 1	\$5,770
				TAX 2	\$4,560	TAX 2	\$4,122
TTL = TOTAL				STG = SETTINGS			
TAX 1 and TAX 2 thresholds and percentages are from							

year 8

same gross

NEW RENTALS							-3 +/-	
YR7	\$21		27 UNITS		130%			
MON	EXP	RNW	NEW	BAL	AMT			
JAN	-3	2	2	4	\$84			
FEB	-3	2	2	8	\$168			
MAR	-2	1	1	10	\$210			
APR	-2	1	1	12	\$252			
MAY	-3	2	2	16	\$336			
JUN	0	0	0	16	\$336			
JUL	0	0	0	15	\$315			
AUG	0	0	0	15	\$315			
SEP	-6	4	4	23	\$483			
OCT	-6	4	4	31	\$651			
NOV	-2	1	1	33	\$693			
DEC	0	0	1	34	\$714			
TTL	-27	17	18	217	\$4,557			

27 ✓		35	
THIS YEAR		1,667	4,062
5 YEAR		139	\$7,865
PREVIOUS YEAR		106	\$5,661
YEAR 5		83	\$3,864
YEAR 10		150	\$9,398
RENTALS YEAR 10		147	63%
INCOME TOTALS FROM RENTALS			
BY YEAR 5		\$186,698	
BY YEAR 10		\$565,761	
TOTALS		YR 8 159	159

income projections for same gross ~ year 9 @ median prices

numbers of units

Below or beside the numbers used to compute income are tally tables which calculate the number of units for both RENTALS and SALES. While the dollar values are important, the major finding of this comparison is the amount of work required by each economic interface. As mentioned, the same gross RENTER consistently requires less work than the same gross SELLER. The numbers which illustrate this are found in these tally tables.

The most important calculations in this regard are the short rows between and below the tally tables. These numbers are displayed on every sheet of the income projections. It was interesting to watch this information reveal itself. As can be seen here, RENTAL units are 63% to 67% of SALES units. The two extremes added together and divided by 2 yields an average of 65%. If a 6% loss—due to theft or damage—is factored in for the RENTER we have 71% of the work required by the SELLER to generate the same gross income. It is safe to say that the RENTER requires somewhere between 1/4 and 1/3 less work than the SELLER to generate the same gross income.

projections of income

PREVIOUS RENTALS												159 1%	
YR8	\$21			\$59			\$98			DEFAULT		TOTAL / MONTH	
MON	35	BAL	AMT	95	BAL	AMT	29	BAL	AMT	-2	AMT		
JAN	-4	31	\$651	-6	89	\$5,251	0	29	\$2,842	0	\$0	\$8,744	
FEB	-4	27	\$567	-12	77	\$4,543	-4	25	\$2,450	0	\$0	\$7,560	
MAR	-2	25	\$525	-12	65	\$3,835	-4	21	\$2,058	0	\$0	\$6,418	
APR	-2	23	\$525	-12	53	\$3,127	0	21	\$2,058	0	\$0	\$5,710	
MAY	-4	19	\$399	-2	49	\$2,891	-1	20	\$1,960	0	\$0	\$5,250	
JUN	0	19	\$399	-4	45	\$2,655	0	20	\$1,960	-2	-\$196	\$4,818	
JUL	0	19	\$399	-4	41	\$2,419	0	20	\$1,960	0	\$0	\$4,778	
AUG	0	19	\$399	-6	35	\$2,065	0	20	\$1,960	0	\$0	\$4,424	
SEP	-8	11	\$231	-11	24	\$1,416	-6	14	\$1,372	0	\$0	\$3,019	
OCT	-8	3	\$63	-24	0	\$0	-8	6	\$588	0	\$0	\$651	
NOV	-2	1	\$21	-2	0	\$0	-3	3	\$294	0	\$0	\$315	
DEC	-1	0	\$0	0	0	\$0	-3	0	\$0	0	\$0	\$0	
TTL	-35	197	\$4,179	-95	478	\$28,202	-29	199	\$19,502	-2	-\$196	\$51,687	

Expiries—under NEW RENTALS—are used to compute renewal and new rentals.												35	29
NEW RENTALS IN YEAR 9	76	NEW RENTALS BY YEAR 10	521	PER MONTH PAYMENTS, THIS YEAR	1,831	4,626							
RENEWALS IN YEAR 9	83	RENEWALS BY YEAR 10	459	PER MONTH AVERAGE, THIS YEAR	153	\$9,004							
TOTAL RENTALS IN YEAR 9	159	RENTALS BY YEAR 10	980	PER MONTH AVERAGE, PREVIOUS YEAR	139	\$7,865							
DEFAULTS IN YEAR 9	-4	DEFAULTS BY YEAR 10	-41	PER MONTH AVERAGE, IN YEAR 5	83	\$3,864							
EXPIRIES IN YEAR 9	-159	EXPIRIES BY YEAR 10	-833	PER MONTH AVERAGE, IN YEAR 10	150	\$9,398							
NEW = NEW RENTAL				A 12 month rental contract expires in the same month of the following year.			SALES / VALUE ADDED TAXES						
EXP = EXPIRED RENTAL							RENTALS			SALES			
RNW = RENEWED RENTAL							TAX 1	\$7,563	TAX 1	\$6,217			
TTL = TOTAL				STG = SETTINGS			TAX 2	\$5,402	TAX 2	\$4,441			

TAX 1 and TAX 2 thresholds and percentages are from SETTINGS.

projections of income

PREVIOUS RENTALS												169 1%	
YR8	\$21			\$59			\$98			DEFAULT		TOTAL / MONTH	
MON	52	BAL	AMT	98	BAL	AMT	19	BAL	AMT	-2	AMT		
JAN	-8	44	\$924	0	98	\$5,782	-1	18	\$1,764	0	\$0	\$8,470	
FEB	0	44	\$924	-14	84	\$4,956	-4	14	\$1,372	0	\$0	\$7,252	
MAR	-8	36	\$756	-3	81	\$4,779	-4	10	\$980	0	\$0	\$6,515	
APR	-9	27	\$756	-4	77	\$4,543	0	8	\$784	0	\$0	\$6,083	
MAY	-6	21	\$441	-2	75	\$4,425	0	8	\$784	-2	-\$118	\$5,532	
JUN	0	21	\$441	-4	71	\$4,189	0	8	\$784	0	\$0	\$5,414	
JUL	0	21	\$441	-4	67	\$3,953	0	8	\$784	0	\$0	\$5,178	
AUG	0	21	\$441	-4	63	\$3,717	0	8	\$784	0	\$0	\$4,942	
SEP	-7	14	\$294	-24	39	\$2,301	-2	6	\$588	0	\$0	\$3,183	
OCT	-14	0	\$0	-23	16	\$944	-4	2	\$196	0	\$0	\$1,140	
NOV	0	0	\$0	-7	9	\$531	-3	0	\$0	0	\$0	\$531	
DEC	0	0	\$0	-9	0	\$0	-1	0	\$0	0	\$0	\$0	
TTL	-52	249	\$5,418	-98	680	\$40,120	-19	90	\$8,820	-2	-\$118	\$54,240	

Expiries—under NEW RENTALS—are used to compute renewal and new rentals.												54,240	41
NEW RENTALS IN YEAR 9	76	NEW RENTALS BY YEAR 10	499	PER MONTH PAYMENTS, THIS YEAR	1,987	4,626							
RENEWALS IN YEAR 9	82	RENEWALS BY YEAR 10	494	PER MONTH AVERAGE, THIS YEAR	166	\$9,244							
TOTAL RENTALS IN YEAR 9	158	RENTALS BY YEAR 10	993	PER MONTH AVERAGE, PREVIOUS YEAR	152	\$7,600							
DEFAULTS IN YEAR 9	-4	DEFAULTS BY YEAR 10	-40	PER MONTH AVERAGE, IN YEAR 5	63	\$3,303							
EXPIRIES IN YEAR 9	-169	EXPIRIES BY YEAR 10	-832	PER MONTH AVERAGE, IN YEAR 10	165	\$10,261							
NEW = NEW RENTAL				A 12 month rental contract expires in the same month of the following year.			SALES / VALUE ADDED TAXES						
EXP = EXPIRED RENTAL							RENTALS			SALES			
RNW = RENEWED RENTAL							TAX 1	\$7,765	TAX 1	\$6,719			
TTL = TOTAL				STG = SETTINGS			TAX 2	\$5,546	TAX 2	\$4,799			

TAX 1 and TAX 2 thresholds and percentages are from SETTINGS.

year 9

same gross

NEW RENTALS						0 +/-	
YR8	\$22			35 UNITS	83%		
MON	EXP	RNW	NEW	BAL	AMT		
JAN	-4	1	2	3	\$66		
FEB	-4	1	2	6	\$132		
MAR	-2	1	1	8	\$176		
APR	-2	1	1	10	\$220		
MAY	-4	1	2	13	\$286		
JUN	0	0	0	13	\$286		
JUL	0	0	0	13	\$286		
AUG	0	0	0	13	\$286		
SEP	-8	2	4	19	\$418		
OCT	-8	2	4	25	\$550		
NOV	-2	1	2	28	\$616		
DEC	-1	0	1	29	\$638		
TTL	-35	10	19	180	\$3,960		

35 ✓		29		
THIS YEAR		1,831	4,626	
PREVIOUS YEAR		153	\$9,004	
PREVIOUS YEAR		139	\$7,865	
YEAR 5		83	\$3,864	
YEAR 10		150	\$9,398	
RENTALS YEAR 10		147	63%	
INCOME TOTALS FROM RENTALS				
BY YEAR 5			\$186,698	
BY YEAR 10			\$565,761	
TITLES.		YR 8	159	159

TAX 1 and TAX 2 thresholds and percentages are from SETTINGS.

same gross

NEW RENTALS						0 +/-	
YR8	\$22			52 UNITS	79%		
MON	EXP	RNW	NEW	BAL	AMT		
JAN	-8	3	3	6	\$132		
FEB	0	0	0	6	\$132		
MAR	-8	3	3	12	\$264		
APR	-9	4	4	20	\$440		
MAY	-6	2	2	24	\$528		
JUN	0	0	0	24	\$528		
JUL	0	0	0	24	\$528		
AUG	0	0	0	24	\$528		
SEP	-7	3	2	29	\$638		
OCT	-14	6	6	41	\$902		
NOV	0	0	0	41	\$902		
DEC	0	0	0	41	\$902		
TTL	-52	21	20	292	\$6,424		

52 ✓		41		
THIS YEAR		1,987		4,626
THIS YEAR		166		\$9,244
PREVIOUS YEAR		152		\$7,600
YEAR 5		63		\$3,303
YEAR 10		165		\$10,261
RENTALS YEAR 10		161		67%
INCOME TOTALS FROM RENTALS				
BY YEAR 5		\$110,834		
BY YEAR 10		\$565,254		
TOTALS		YR 8	169	158

TAX 1 and TAX 2 thresholds and percentages are from SETTINGS.

erratic @ median prices

NEW RENTALS					
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income projections for same gross ~ year 10 @ median prices

sales/value added taxes

Out of curiosity sales/value added taxes were computed to see if there is any difference between the two methods of exchanging cash for visual artworks. There is:

	RENTALS	SALES	RENTALS	SALES
	TAX 1	TAX 1	TAX 2	TAX 2
erratic	\$37,948	\$39,624	\$24,592	\$27,138
stable	\$38,184	\$39,758	\$26,206	\$24,395
AVG	\$38,066	\$39,691	\$25,399	\$25,766
	SALES + \$1,758		SALES + \$312	

But it’s small.

The numbers above are for the 10 year period of this comparison. TAX 1 is 7% Provincial Sales Tax (PST); TAX 2 is 5% federal Goods and Services Tax (GST) in Man- itoba, Canada. Both governments get slightly more from the SELLER.

However, if we go back to the [unit comparison](#) page, that small differ- ence changes. Keep in mind, sales or value added taxes are NOT col- lected on resales of visual artworks.

Income from renting a piece—over periods of 10 years or longer—is much higher than from a piece which is sold once. Both levels of government miss out on consider- able tax revenue when artworks are sold.

... continued on next page

projections of income

PREVIOUS RENTALS												159 1%	
YR4	\$22			\$63			\$104			DEFAULT		TOTAL / MONTH	
MON	29	BAL	AMT	109	BAL	AMT	21	BAL	AMT	-2	AMT		
JAN	-3	26	\$572	-6	103	\$6,489	0	21	\$2,184	0	\$0	\$9,245	
FEB	-3	23	\$506	-12	91	\$5,733	-2	19	\$1,976	0	\$0	\$8,215	
MAR	-2	21	\$462	-12	79	\$4,977	-2	17	\$1,768	0	\$0	\$7,207	
APR	-2	19	\$462	-12	67	\$4,221	0	17	\$1,768	0	\$0	\$6,451	
MAY	-3	16	\$352	-2	65	\$4,095	0	17	\$1,768	0	\$0	\$6,215	
JUN	0	16	\$352	-4	61	\$3,843	0	17	\$1,768	0	\$0	\$5,963	
JUL	0	16	\$352	-5	56	\$3,528	0	17	\$1,768	0	\$0	\$5,648	
AUG	0	16	\$352	-9	45	\$2,835	0	17	\$1,768	0	\$0	\$4,955	
SEP	-6	10	\$220	-15	30	\$1,890	-5	12	\$1,248	-2	-\$208	\$3,150	
OCT	-6	4	\$88	-29	1	\$63	-6	6	\$624	0	\$0	\$775	
NOV	-3	1	\$22	-3	0	\$0	-3	3	\$312	0	\$0	\$334	
DEC	-1	0	\$0	0	0	\$0	-3	0	\$0	0	\$0	\$0	
TTL	-29	168	\$3,740	-109	598	\$37,674	-21	163	\$16,952	-2	-\$208	\$58,158	

Expiries—under NEW RENTALS—are used to compute renewal and new rentals.				
NEW RENTALS IN YEAR 10	69	NEW RENTALS BY YEAR 10	521	PER MONTH PAYMENTS, THIS YEAR
RENEWALS IN YEAR 10	78	RENEWALS BY YEAR 10	459	PER MONTH AVERAGE, THIS YEAR
TOTAL RENTALS IN YEAR 10	147	RENTALS BY YEAR 10	980	PER MONTH AVERAGE, PREVIOUS YEAR
DEFAULTS IN YEAR 10	-3	DEFAULTS BY YEAR 10	-41	PER MONTH AVERAGE, IN YEAR 5
EXPIRIES IN YEAR 10	-159	EXPIRIES BY YEAR 10	-833	PER MONTH AVERAGE, IN YEAR 10
NEW = NEW RENTAL	A 12 month rental contract expires in the same month of the following year.		SALES / VALUE ADDED TAXES	
RENTALS				
SALES				
EXP = EXPIRED RENTAL				
RNW = RENEWED RENTAL			TAX 1	\$7,894
			TAX 1	\$7,966
			TAX 2	\$5,639
TTL = TOTAL	STG = SETTINGS		TAX 2	\$5,690

TAX 1 and TAX 2 thresholds and percentages are from SETTINGS.

projections of income

PREVIOUS RENTALS												158 1%	
YR9	\$22			\$63			\$104			DEFAULT		TOTAL / MONTH	
MON	41	BAL	AMT	91	BAL	AMT	26	BAL	AMT	-2	AMT		
JAN	-6	35	\$770	0	91	\$5,733	-2	24	\$2,496	0	\$0	\$8,999	
FEB	0	35	\$770	-17	74	\$4,662	-6	18	\$1,872	0	\$0	\$7,304	
MAR	-6	29	\$638	-3	71	\$4,473	-6	12	\$1,248	0	\$0	\$6,359	
APR	-8	21	\$638	-5	66	\$4,158	0	12	\$1,248	0	\$0	\$6,044	
MAY	-4	17	\$374	-3	61	\$3,843	0	12	\$1,248	0	\$0	\$5,465	
JUN	0	17	\$374	-5	56	\$3,528	0	12	\$1,248	-2	-\$126	\$5,024	
JUL	0	17	\$374	-4	52	\$3,276	0	12	\$1,248	0	\$0	\$4,898	
AUG	0	17	\$374	-4	48	\$3,024	0	12	\$1,248	0	\$0	\$4,646	
SEP	-5	12	\$264	-20	28	\$1,764	-3	9	\$936	0	\$0	\$2,964	
OCT	-12	0	\$0	-18	10	\$630	-5	4	\$416	0	\$0	\$1,046	
NOV	0	0	\$0	-6	4	\$252	-3	1	\$104	0	\$0	\$356	
DEC	0	0	\$0	-6	0	\$0	-1	0	\$0	0	\$0	\$0	
TTL	-41	200	\$4,576	-91	561	\$35,343	-26	128	\$13,312	-2	-\$126	\$53,105	

Expiries—under NEW RENTALS—are used to compute renewal and new rentals.					53,105	
NEW RENTALS IN YEAR 10	73	NEW RENTALS BY YEAR 10	499	PER MONTH PAYMENTS, THIS YEAR	1,977	
RENEWALS IN YEAR 10	88	RENEWALS BY YEAR 10	494	PER MONTH AVERAGE, THIS YEAR	\$10,261	
TOTAL RENTALS IN YEAR 10	161	RENTALS BY YEAR 10	993	PER MONTH AVERAGE, PREVIOUS YEAR	\$9,244	
DEFAULTS IN YEAR 10	-4	DEFAULTS BY YEAR 10	-40	PER MONTH AVERAGE, IN YEAR 5	\$3,303	
EXPIRIES IN YEAR 10	-158	EXPIRIES BY YEAR 10	-832	PER MONTH AVERAGE, IN YEAR 10	\$10,261	
NEW = NEW RENTAL	A 12 month rental contract expires in the same month of the following year.		SALES / VALUE ADDED TAXES			
RENTALS						
SALES						
EXP = EXPIRED RENTAL			TAX 1	\$8,619	TAX 1	\$7,521
RNW = RENEWED RENTAL			TAX 2	\$6,156	TAX 2	\$5,372
TTL = TOTAL	STG = SETTINGS					

TAX 1 and TAX 2 thresholds and percentages are from SETTINGS.

year 10

same gross

NEW RENTALS				0	+/-
YR9	\$22		29 UNITS		72%
MON	EXP	RNW	NEW	BAL	AMT
JAN	-3	1	1	2	\$44
FEB	-3	1	1	4	\$88
MAR	-2	1	1	6	\$132
APR	-2	1	1	8	\$176
MAY	-3	1	2	11	\$242
JUN	0	0	0	11	\$242
JUL	0	0	0	11	\$242
AUG	0	0	0	11	\$242
SEP	-6	2	2	15	\$330
OCT	-6	2	2	19	\$418
NOV	-3	1	1	21	\$462
DEC	-1	0	0	21	\$462
TTL	-29	10	11	140	\$3,080

	29 ✓	21	274	↓ TOTAL
THIS YEAR	1,803		980	
5 YEAR	150		\$9,398	
PREVIOUS YEAR	153		\$9,004	
YEAR 5	83		\$3,864	
YEAR 10	150		\$9,398	
RENTALS YEAR 10			147	63%
INCOME TOTALS FROM RENTALS				
BY YEAR 5			\$186,698	
BY YEAR 10			\$565,761	

TAX 1 and TAX 2 thresholds and percentages are from SETTINGS.

year 10

same gross

NEW RENTALS					0	+/-
YR9	\$22		41 UNITS		115%	
MON	EXP	RNW	NEW	BAL	AMT	
JAN	-6	5	2	7	\$154	
FEB	0	0	0	7	\$154	
MAR	-6	5	2	14	\$308	
APR	-8	5	3	22	\$484	
MAY	-4	3	2	27	\$594	
JUN	0	0	0	27	\$594	
JUL	0	0	0	27	\$594	
AUG	0	0	0	27	\$594	
SEP	-5	4	2	33	\$726	
OCT	-12	9	5	47	\$1,034	
NOV	0	0	0	47	\$1,034	
DEC	0	0	0	47	\$1,034	
TTL	-41	31	16	332	\$7,304	

more unit comparisons

What if a RENTER has up to 254 units in circulation over 10 years? That’s the same number of pieces as the SELLER has sold by Year 10. Such a RENTER would have almost 1.8 times more net income than a SELLER.

$\$635,700 - \$358,200 = \uparrow \$277,500 = 177\%$

Plus, SALES TAXES now look like this:

	RENTALS TAX 1	SALES TAX 1	RENTALS TAX 2	SALES TAX 2
same gross	\$37,948	↙ - ← = ↓	\$24,592	↙ - ← = ↓
same units	\$58,615	\$20,667	\$40,664	\$16,072
AVG	\$48,281	\$39,624	\$32,628	\$27,138
RENTALS ↑	↑ - ↗ = →	\$8,657	↑ - ↗ = →	\$5,490

taxes

The amounts of sales/value added taxes also increase. At 254 rental units a **same units** RENTER generates **\$20,667** and **\$16,072** more tax respectively than a **same gross** RENTER. An **average** of the **same gross** and **same units** RENTALS projections indicates that it would not take much for the **same gross** RENTER to catch up to the SELLER in this regard.

While not a motivating factor for artists, **renting** can generate more tax revenue than selling. And, a RENTER can go on renting pieces; which puts even more money in an artist’s pocket and continues generating tax revenue. Once a piece is sold there

are no sales/value added taxes collected if it is resold. Capital gains tax may have to be paid on the “collectible” if it’s resold at a profit. Most artworks are NOT resold, let alone at a profit.

In fact, **one unit rented 55% of the time will generate** (over 10 years) **1.68 to 7 times** (over 30 years) **more sales/value added taxes as a piece which is sold**. It would be fair of governments to cut in half the percentages renting artists must collect. They (governments) would still come out ahead.

And, in all income models, **RENTERs have more net income (which is taxable) than SELLERs**. Again, government benefits more from RENTERs. **Renting would reimburse any grants that governments give to visual artists.**

summaries of income & expenses							erratic @ median prices						on renting versus selling visual artworks							
rentals		same gross		159 UNITS			sales		← same for both →		254 UNITS				rentals		same units		254 UNITS	
YR	RENTALS INCOME	SELF financed			START UP \$5,000		RENTALS INCOME	SELF financed			START UP \$5,000		RENTALS INCOME	SELF financed			START UP \$5,000			
		EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE		EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE		EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE		
1	6,720	10,800	400	0	500	20	23,300	15,200	12,500	0	500	100	8,588	13,000	0	0	500	88		
2	16,930	11,400	5,500	0	0	50	38,700	16,100	22,600	0	0	100	24,076	13,700	10,400	0	0	64		
3	24,107	14,600	9,500	0	0	57	24,440	19,200	5,300	0	0	40	35,086	16,800	18,300	0	0	50		
4	26,169	13,600	11,400	0	1,200	26	35,240	18,100	15,400	0	1,700	80	44,912	16,300	26,500	0	2,100	62		
5	46,367	14,900	31,400	0	0	93	63,580	19,200	41,800	2,600	0	60	71,624	18,900	47,500	5,200	0	86		
6	62,336	19,300	40,800	2,300	0	29	45,920	23,300	22,600	0	0	80	83,208	24,400	48,700	5,300	4,800	94		
7	67,932	18,400	40,500	4,400	4,600	61	45,520	22,700	20,000	0	2,800	100	94,314	23,800	63,600	6,900	0	108		
8	94,383	19,500	60,000	14,900	0	44	86,730	24,100	47,100	15,500	0	130	139,326	27,000	90,100	22,300	0	34		
9	108,045	23,000	63,800	21,100	0	189	88,820	27,800	45,900	15,100	0	150	167,571	31,000	92,700	30,600	13,200	105		
10	112,772	21,900	63,200	20,900	6,900	61	113,800	27,100	60,100	19,800	6,900	50	177,239	30,300	110,500	36,500	0	44		
TTL	565,761	167,400	326,500	63,600	13,200		566,050	212,800	293,300	53,000	11,900		845,944	215,200	508,300	106,800	20,600			
NET INCOME		\$403,300					NET INCOME		\$358,200					NET INCOME		\$635,700				
TAX 1		\$37,948		TAX 2		\$24,592	TAX 1		\$39,624		TAX 2		\$27,138	TAX 1		\$58,615		TAX 2		\$40,664

variations on a theme

During the process of researching and generating the comparison presented here a number of different income patterns and price ranges were explored.

same gross

As mentioned previously—in [explanations](#)—initially the RENTER’s income was calculated as stable. The SELLER’s income was then replicated from the RENTER’s income but altered to make it erratic. This “erratic income” became the basis for a second generation of calculations which followed. It was used for the erratic incomes then modified for the stable incomes in the [projections of income](#). Between then and arriving at the two variants:

- erratic • stable

other same gross income variants were explored:

- erratic | stable ~ seasonal*
- stable | erratic ~ seasonal*
- erratic | erratic ~ seasonal*
- erratic | erratic ~ general*

* seasonal had very few RENTALS starting in December/January and July/August
* general spread RENTALS out more evenly

It would be needlessly repetitive to include all the variables in this document. So, two variations—seasonal and general—were merged. As well, labels of the two polarities were merged:

- erratic | erratic • stable | stable

are now:

- erratic (SG-E) • stable (SG-S)

Both include 3 price ranges and 4 financing types.

same units

The original focus, in the **projections of income**, was on the number of RENTAL units required so that a RENTER’s and a SELLER’s gross incomes are the same over 10 years.

It seemed worthwhile to also generate numbers where **the rental units equal the sales units** to see what the difference would be. This led to additional **financial projections** for all four financing types:

- self • grant • loan • line of credit

projections of income for **same units** @ median prices on the next five pages.

As can be seen, while the logistics of handling RENTAL contracts for 254 units may be problematic for an individual, **increases to a RENTER’s NET INCOME** over 10 years @ median prices are significant:

- self \$403,300 → \$635,700 = ↑ \$232,400
- grant \$446,900 → \$680,600 = ↑ \$233,700
- loan \$380,100 → \$614,000 = ↑ \$233,900
- credit \$337,100 → \$577,100 = ↑ \$240,000

wait, there’s more

After the **financial projections** for **same units** are:

- charts and summaries for the two same gross (SG-E and SG-S) variants.

And the last six pages are:

- charts and summaries for the same units erratic (SU-E) comparison.

The table illustrates merged rental TERM frequencies as 10 year averages by month.

The numbers shown are for TERM starts; eg: **JA 53** = average **SG** starts as 10 year totals. While December/January and July/August are still low, they are higher than “seasonal”.

TERMS		same gross			same units	
MON	SG-E	SG-S	SG-AVG		SU-E	↑ SU
JA	51	55	53	/	79	= 149%
FE	121	122	122	/	182	= 150%
MR	118	122	120	/	179	= 149%
AP	90	91	91	/	135	= 149%
MA	36	38	37	/	55	= 149%
JN	21	22	22	/	32	= 149%
JL	22	21	22	/	35	= 163%
AU	34	21	28	/	41	= 149%
SE	158	155	157	/	233	= 149%
OC	235	238	237	/	354	= 150%
NO	64	68	66	/	100	= 152%
DE	30	41	36	/	51	= 144%
TTL	980	994	987	/	1,476	= 150%
UNIT %	63%	67%	65%		100%	OF SALES

TERMS = 12 month RENTAL contracts
same gross = 65% RENTAL units (165/254) **SALES**
same units = 100% RENTAL units (254/254) **SALES**
(unit = original artwork)
UNIT % = % of RENTAL units to SALES units
SG-E = same gross ~ erratic
SG-S = same gross ~ stable
SG-AVG = same gross average (SG-E + SG-S) / 2
SU-E = same units ~ erratic
SU-E / SG-AVG = ↑ SU ~ % of increase

same units

gross (or basic) INCOME increases for a **same units** RENTER:

RENTALS ~ Year 1				increase	
same gross	\$6,720				
same units	\$8,588	↑	\$1,868		
SALES ~ Year 1					
gross units	\$23,300	↔	\$23,300		
+/- RENTER	-\$16,580		-\$14,712		
same	gross		units		
RENTALS ~ Year 2				increase	
same gross	\$16,930				
same units	\$24,076	↑	\$7,146		
SALES ~ Year 2					
gross units	\$38,700	↔	\$38,700		
+/- RENTER	-\$21,770		-\$14,624		
same	gross		units		
RENTALS ~ Year 3				increase	
same gross	\$24,107				
same units	\$35,086	↑	\$10,979		
SALES ~ Year 3					
gross units	\$24,440	↔	\$24,440		
+/- RENTER	-\$333		\$10,646		
same	gross		units		
RENTALS ~ Year 4				increase	
same gross	\$26,169				
same units	\$44,912	↑	\$18,743		
SALES ~ Year 4					
gross units	\$35,240	↔	\$35,240		
+/- RENTER	-\$9,071		\$9,672		
same	gross		units		
RENTALS ~ Year 5				increase	
same gross	\$46,367				
same units	\$71,624	↑	\$25,257		
SALES ~ Year 5					
gross units	\$63,580	↔	\$63,580		
+/- RENTER	-\$17,213		\$8,044		
same	gross		units		
RENTALS ~ Year 6				increase	
same gross	\$62,336				
same units	\$83,208	↑	\$20,872		
SALES ~ Year 6					
gross units	\$45,920	↔	\$45,920		
+/- RENTER	\$16,416		\$37,288		
same	gross		units		
RENTALS ~ Year 7				increase	
same gross	\$67,932				
same units	\$94,314	↑	\$26,382		
SALES ~ Year 7					
gross units	\$45,520	↔	\$45,520		
+/- RENTER	\$22,412		\$48,794		
same	gross		units		
RENTALS ~ Year 8				increase	
same gross	\$94,383				
same units	\$139,326	↑	\$44,943		
SALES ~ Year 8					
gross units	\$86,730	↔	\$86,730		
+/- RENTER	\$7,653		\$52,596		
same	gross		units		
RENTALS ~ Year 9				increase	
same gross	\$108,045				
same units	\$167,571	↑	\$59,526		
SALES ~ Year 9					
gross units	\$88,820	↔	\$88,820		
+/- RENTER	\$19,225		\$78,751		
same	gross		units		
RENTALS ~ Year 10				increase	
same gross	\$112,772				
same units	\$177,239	↑	\$64,467		
SALES ~ Year 10					
gross units	\$113,800	↔	\$113,800		
+/- RENTER	-\$1,028		\$63,439		
same	gross		units		
RENTALS				SALES	
same gross to		+/- RENTER		same	
YR	↑ same units	YR	gross	units	
1	\$1,868	1	-\$16,580	-\$14,712	
2	\$7,146	2	-\$21,770	-\$14,624	
3	\$10,979	3	-\$333	\$10,646	
4	\$18,743	4	-\$9,071	\$9,672	
5	\$25,257	5	-\$17,213	\$8,044	
6	\$20,872	6	\$16,416	\$37,288	
7	\$26,382	7	\$22,412	\$48,794	
8	\$44,943	8	\$7,653	\$52,596	
9	\$59,526	9	\$19,225	\$78,751	
10	\$64,467	10	-\$1,028	\$63,439	
TTL	↑ \$280,183	TTL	-\$289	\$279,894	
\$565,761	\$845,944	\$566,050	\$565,761	\$845,944	

As mentioned, the RENTER's basic INCOME starts off slowly compared to the SELLER. The same is the case for the same units RENTER. As can be seen, the same units RENTER catches up more quickly. In Year 10, the same gross income RENTER has slightly less basic INCOME Than the SELLER.

income projections for same units @ median prices follow on the next 5 pages.

income projections for same units ~ years 1 & 2 @ median prices

income differences

RENTALS ~ Year 1		increase	
same gross	\$6,720	↑	\$1,868
same units	\$8,588		
SALES ~ Year 1			
gross units	\$23,300	↔	\$23,300
+/- RENTER	-\$16,580		-\$14,712
same	gross		units

RENTALS ~ Year 2		increase	
same gross	\$16,930	↑	\$7,146
same units	\$24,076		
SALES ~ Year 2			
gross units	\$38,700	↔	\$38,700
+/- RENTER	-\$21,770		-\$14,624
same	gross		units

Increases from both erratic income comparisons—same gross and same units—are noted here and on the next 4 pages, Amounts ,from grant or loan are not included here. Total basic INCOME is much higher when the same number of units are rented as are sold.

These numbers also illustrate that a RENTER’s gross income starts out slower than a SELLER’s. The same gross RENTER catches up in Year 6. The same units RENTER catches up in Year 3.

projections of income												year 1		same units		erratic		@ median prices		on renting versus selling visual artworks									
PREVIOUS RENTALS												NEW RENTALS		NEW RENTALS		NEW RENTALS		NEW RENTALS		NEW RENTALS		TOTALS							
STG												STG		STG		STG		STG		STG		STG		STG		STG			
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STG																													

income projections for same units ~ years 3 & 4 @ median prices

income differences

RENTALS ~ Year 3		increase
same gross	\$24,107	↑ \$10,979
same units	\$35,086	
SALES ~ Year 3		
gross units	\$24,440 ↔ \$24,440	
+/- RENTER	-\$333	\$10,646
same	gross	units

RENTALS ~ Year 4		increase
same gross	\$26,169	↑ \$18,743
same units	\$44,912	
SALES ~ Year 4		
gross units	\$35,240 ↔ \$35,240	
+/- RENTER	-\$9,071	\$9,672
same	gross	units

projections of income

PREVIOUS RENTALS												64 5%	
YR2	\$18			\$50			\$82			DEFAULT		TOTAL / MONTH	
MON	20	BAL	AMT	32	BAL	AMT	12	BAL	AMT	-3	AMT		
JAN	0	20	\$360	-2	30	\$1,500	0	12	\$984	0	\$0	\$2,844	
FEB	-2	18	\$324	-4	26	\$1,300	-2	10	\$820	0	\$0	\$2,444	
MAR	-4	14	\$252	-4	20	\$1,000	-4	6	\$492	0	\$0	\$1,744	
APR	-4	10	\$252	-4	16	\$800	0	5	\$410	-2	-\$164	\$1,298	
MAY	0	10	\$180	0	16	\$800	-4	1	\$82	-1	-\$82	\$980	
JUN	-1	9	\$162	-1	15	\$750	0	1	\$82	0	\$0	\$994	
JUL	-1	8	\$144	-1	14	\$700	0	1	\$82	0	\$0	\$926	
AUG	0	8	\$144	-1	13	\$650	0	1	\$82	0	\$0	\$876	
SEP	-4	4	\$72	-4	9	\$450	0	1	\$82	0	\$0	\$604	
OCT	-4	0	\$0	-8	1	\$50	-1	0	\$0	0	\$0	\$50	
NOV	0	0	\$0	-2	0	\$0	-1	0	\$0	0	\$0	\$0	
DEC	0	0	\$0	-1	0	\$0	0	0	\$0	0	\$0	\$0	
TTL	-20	101	\$1,890	-32	160	\$8,000	-12	38	\$3,116	-3	-\$246	\$12,760	

Expiries—under NEW RENTALS—are used to compute renewal and new rentals.											
NEW RENTALS IN YEAR 3	54	NEW RENTALS BY YEAR 10	766	PER MONTH PAYMENTS, THIS YEAR	800	1,236					
RENEWALS IN YEAR 3	30	RENEWALS BY YEAR 10	710	PER MONTH AVERAGE, THIS YEAR	67	\$2,924					
TOTAL RENTALS IN YEAR 3	84	RENTALS BY YEAR 10	1,476	PER MONTH AVERAGE, PREVIOUS YEAR	45	\$2,006					
DEFAULTS IN YEAR 3	-7	DEFAULTS BY YEAR 10	-60	PER MONTH AVERAGE, IN YEAR 5	138	\$5,969					
EXPIRIES IN YEAR 3	-64	EXPIRIES BY YEAR 10	-1,255	PER MONTH AVERAGE, IN YEAR 10	233	\$14,770					
NEW = NEW RENTAL	A 12 month rental contract expires in the same month of the following year.			SALES / VALUE ADDED TAXES							
EXP = EXPIRED RENTAL				RENTALS							
RNW = RENEWED RENTAL				SALES							
TTL = TOTAL				RENTALS							
	STG = SETTINGS	TAX 1	\$2,456	TAX 1	\$1,711	BY YEAR 10					
		TAX 2	\$1,754	TAX 2	\$1,222	\$289,901					
TAX 1 and TAX 2 thresholds and percentages are from 1998.											

TAX 1 and TAX 2 thresholds and percentages are from SETTINGS.

same units

NEW RENTALS						-1 +/-	
YR2	\$19			20 UNITS		185%	
MON	EXP	RNW	NEW	BAL	AMT		
JAN	0	0	0	0	\$0		
FEB	-2	1	2	3	\$57		
MAR	-4	2	4	9	\$171		
APR	-4	2	4	14	\$266		
MAY	0	0	0	14	\$266		
JUN	-1	1	1	16	\$304		
JUL	-1	1	1	18	\$342		
AUG	0	0	0	18	\$342		
SEP	-4	4	6	28	\$532		
OCT	-4	4	4	36	\$684		
NOV	0	0	0	36	\$684		
DEC	0	0	0	36	\$684		
TTL	-20	15	22	228	\$4,332		

NEW RENTALS IN YEAR 3						54	NEW RENTALS BY YEAR 10	766	PER MONTH PAYMENTS, THIS YEAR	800	1,236
RENEWALS IN YEAR 3						30	RENEWALS BY YEAR 10	710	PER MONTH AVERAGE, THIS YEAR	67	\$2,924
TOTAL RENTALS IN YEAR 3						84	RENTALS BY YEAR 10	1,476	PER MONTH AVERAGE, PREVIOUS YEAR	45	\$2,006
DEFAULTS IN YEAR 3						-7	DEFAULTS BY YEAR 10	-60	PER MONTH AVERAGE, IN YEAR 5	138	\$5,969
EXPIRIES IN YEAR 3						-64	EXPIRIES BY YEAR 10	-1,255	PER MONTH AVERAGE, IN YEAR 10	233	\$14,770
NEW = NEW RENTAL						A 12 month rental contract expires in the same month of the following year.					
EXP = EXPIRED RENTAL						SALES / VALUE ADDED TAXES					
RNW = RENEWED RENTAL						RENTALS YEAR 10					
TTL = TOTAL						INCOME TOTALS FROM RENTALS					
						BY YEAR 5					
						BY YEAR 10					

YR 8 254 246 YR 9

same units

NEW RENTALS						-1 +/-	
YR3	\$19			37 UNITS		154%	
MON	EXP	RNW	NEW	BAL	AMT		
JAN	0	0	0	0	\$0		
FEB	-3	1	2	3	\$57		
MAR	-6	2	5	10	\$190		
APR	-6	2	5	16	\$304		
MAY	0	0	0	16	\$304		
JUN	-2	1	1	18	\$342		
JUL	-2	2	2	22	\$418		
AUG	0	0	1	23	\$437		
SEP	-10	10	11	44	\$836		
OCT	-8	6	6	56	\$1,064		
NOV	0	0	0	56	\$1,064		
DEC	0	0	0	56	\$1,064		
TTL	-37	24	33	320	\$6,080		

NEW RENTALS IN YEAR 4						65	NEW RENTALS BY YEAR 10	766	PER MONTH PAYMENTS, THIS YEAR	1,064	1,793
RENEWALS IN YEAR 4						43	RENEWALS BY YEAR 10	710	PER MONTH AVERAGE, THIS YEAR	89	\$3,743
TOTAL RENTALS IN YEAR 4						108	RENTALS BY YEAR 10	1,476	PER MONTH AVERAGE, PREVIOUS YEAR	67	\$2,924
DEFAULTS IN YEAR 4						-7	DEFAULTS BY YEAR 10	-60	PER MONTH AVERAGE, IN YEAR 5	138	\$5,969
EXPIRIES IN YEAR 4						-84	EXPIRIES BY YEAR 10	-1,255	PER MONTH AVERAGE, IN YEAR 10	233	\$14,770
NEW = NEW RENTAL						A 12 month rental contract expires in the same month of the following year.					
EXP = EXPIRED RENTAL						SALES / VALUE ADDED TAXES					
RNW = RENEWED RENTAL						RENTALS YEAR 10					
TTL = TOTAL						INCOME TOTALS FROM RENTALS					
						BY YEAR 5					
						BY YEAR 10					

TAX 1 and TAX 2 thresholds and percentages are from SETTINGS.

YR 8 254 246 YR 9

same units

NEW RENTALS IN YEAR 3						54	NEW RENTALS BY YEAR 10	766	PER MONTH PAYMENTS, THIS YEAR	800	1,236
RENEWALS IN YEAR 3						30	RENEWALS BY YEAR 10	710	PER MONTH AVERAGE, THIS YEAR	67	\$2,924
TOTAL RENTALS IN YEAR 3						84	RENTALS BY YEAR 10	1,476	PER MONTH AVERAGE, PREVIOUS YEAR	45	\$2,006
DEFAULTS IN YEAR 3						-7	DEFAULTS BY YEAR 10	-60	PER MONTH AVERAGE, IN YEAR 5	138	\$5,969
EXPIRIES IN YEAR 3						-64	EXPIRIES BY YEAR 10	-1,255	PER MONTH AVERAGE, IN YEAR 10	233	\$14,770
NEW = NEW RENTAL						A 12 month rental contract expires in the same month of the following year.					
EXP = EXPIRED RENTAL						SALES / VALUE ADDED TAXES					
RNW = RENEWED RENTAL						RENTALS YEAR 10					
TTL = TOTAL						INCOME TOTALS FROM RENTALS					
						BY YEAR 5					
						BY YEAR 10					

erratic @ median prices

YR2					-4	+/-
\$53			32 UNITS		94%	
EXP	RNW	NEW	BAL		AMT	
-2	1	1	2		\$106	
-4	1	3	6		\$318	
-4	1	2	9		\$477	
-4	1	2	12		\$636	
0	0	0	12		\$636	
-1	0	1	13		\$689	
-1	0	1	14		\$742	
-1	0	1	13		\$689	
-4	1	2	16		\$848	
-8	2	7	25		\$1,325	
-2	1	1	27		\$1,431	
-1	0	1	28		\$1,484	
-32	8	22	177		\$9,381	

income projections for same units ~ years 5 & 6 @ median prices

income differences

RENTALS ~ Year 5		increase
same gross	\$46,367	↑ \$25,257
same units	\$71,624	
SALES ~ Year 5		
gross units	\$63,580 ↔ \$63,580	
+/- RENTER	-\$17,213	\$8,044
same	gross	units

RENTALS ~ Year 6		increase
same gross	\$62,336	↑ \$20,872
same units	\$83,208	
SALES ~ Year 6		
gross units	\$45,920 ↔ \$45,920	
+/- RENTER	\$16,416	\$37,288
same	gross	units

projections of income

PREVIOUS RENTALS												108 3%	
YR4	\$19			\$53			\$87			DEFAULT		TOTAL / MONTH	
MON	57	BAL	AMT	34	BAL	AMT	17	BAL	AMT	-3	AMT		
JAN	0	57	\$1,083	-3	31	\$1,643	0	17	\$1,479	0	\$0	\$4,205	
FEB	-3	54	\$1,026	-4	27	\$1,431	-2	15	\$1,305	0	\$0	\$3,762	
MAR	-7	46	\$874	-3	23	\$1,219	-4	11	\$957	0	\$0	\$3,050	
APR	-7	39	\$874	-3	20	\$1,060	0	11	\$957	-2	-\$174	\$2,717	
MAY	0	39	\$741	0	20	\$1,060	-4	7	\$609	0	\$0	\$2,410	
JUN	-2	37	\$703	-1	19	\$1,007	0	7	\$609	0	\$0	\$2,319	
JUL	-4	32	\$608	-1	18	\$954	0	7	\$609	0	\$0	\$2,171	
AUG	-1	31	\$589	-1	17	\$901	0	7	\$609	-1	-\$87	\$2,012	
SEP	-21	10	\$190	-3	14	\$742	0	7	\$609	0	\$0	\$1,541	
OCT	-12	0	\$0	-11	3	\$159	-5	2	\$174	0	\$0	\$333	
NOV	0	0	\$0	-3	0	\$0	-2	0	\$0	0	\$0	\$0	
DEC	0	0	\$0	-1	0	\$0	0	0	\$0	0	\$0	\$0	
TTL	-57	345	\$6,688	-34	192	\$10,176	-17	91	\$7,917	-3	-\$261	\$24,520	

Expiries—under NEW RENTALS—are used to compute renewal and new rentals.												57 ✓	85
NEW RENTALS IN YEAR 5				NEW RENTALS BY YEAR 10				PER MONTH PAYMENTS, THIS YEAR				1,650	2,219
RENEWALS IN YEAR 5				RENEWALS BY YEAR 10				PER MONTH AVERAGE, THIS YEAR				138	\$5,969
TOTAL RENTALS IN YEAR 5				RENTALS BY YEAR 10				PER MONTH AVERAGE, PREVIOUS YEAR				89	\$3,743
TOTAL RENTALS IN YEAR 5				DEFAULTS BY YEAR 10				PER MONTH AVERAGE, IN YEAR 5				138	\$5,969
EXPIRIES IN YEAR 5				EXPIRIES BY YEAR 10				PER MONTH AVERAGE, IN YEAR 10				233	\$14,770
NEW = NEW RENTAL			A 12 month rental contract expires in the same month of the following year.			SALES / VALUE ADDED TAXES			RENTALS YEAR 10			221	100%
EXP = EXPIRED RENTAL						RENTALS			SALES			OF SALES UNITS	
RNW = RENEWED RENTAL						TAX 1			TAX 1			INCOME TOTALS FROM RENTALS	
						TAX 2			TAX 2			BY YEAR 5	
TTL = TOTAL			STG = SETTINGS									BY YEAR 10	

TAX 1 and TAX 2 thresholds and percentages are from SETTINGS.

same units

NEW RENTALS						-5 +/-	
YR4	\$20			57 UNITS		149%	
MON	EXP	RNW	NEW	BAL	AMT		
JAN	0	0	0	0	\$0		
FEB	-3	2	3	5	\$100		
MAR	-7	4	7	16	\$320		
APR	-7	4	7	27	\$540		
MAY	0	0	0	27	\$540		
JUN	-2	0	1	28	\$560		
JUL	-4	2	2	32	\$640		
AUG	-1	1	1	31	\$620		
SEP	-21	21	11	63	\$1,260		
OCT	-12	12	6	81	\$1,620		
NOV	0	0	0	81	\$1,620		
DEC	0	0	1	82	\$1,640		
TTL	-57	46	39	473	\$9,460		

57 ✓		85	
THIS YEAR	1,650	2,219	
5 YEAR	138	\$5,969	
PREVIOUS YEAR	89	\$3,743	
YEAR 5	138	\$5,969	
YEAR 10	233	\$14,770	
RENTALS YEAR 10		221	100%
INCOME TOTALS FROM RENTALS			
BY YEAR 5		\$289,901	
BY YEAR 10		\$845,944	
TOTALS		YR 8	254 246

income projections for same units ~ years 7 & 8 @ median prices

income differences

RENTALS ~ Year 7		increase
same gross	\$67,932	↑ \$26,382
same units	\$94,314	
SALES ~ Year 7		
gross units	\$45,520	↔ \$45,520
+/- RENTER	\$22,412	\$48,794
same	gross	units

RENTALS ~ Year 8		increase
same gross	\$94,383	↑ \$44,943
same units	\$139,326	
SALES ~ Year 8		
gross units	\$86,730	↔ \$86,730
+/- RENTER	\$7,653	\$52,596
same	gross	units

projections of income

PREVIOUS RENTALS												130 3%	
YR6	\$20			\$56			\$92			DEFAULT		TOTAL / MONTH	
MON	37	BAL	AMT	67	BAL	AMT	26	BAL	AMT	-4	AMT		
JAN	0	37	\$740	-7	60	\$3,360	0	26	\$2,392	0	\$0	\$6,492	
FEB	-3	34	\$680	-10	50	\$2,800	-3	23	\$2,116	0	\$0	\$5,596	
MAR	-4	30	\$600	-7	43	\$2,408	-2	21	\$1,932	0	\$0	\$4,940	
APR	-4	26	\$600	-7	36	\$2,016	0	19	\$1,748	0	\$0	\$4,364	
MAY	0	26	\$520	0	36	\$2,016	-6	13	\$1,196	-2	-\$184	\$3,548	
JUN	0	26	\$520	-2	34	\$1,904	0	13	\$1,196	0	\$0	\$3,620	
JUL	-2	24	\$480	-1	33	\$1,848	0	13	\$1,196	0	\$0	\$3,524	
AUG	-1	23	\$460	-2	29	\$1,624	0	13	\$1,196	0	\$0	\$3,280	
SEP	-13	10	\$200	-8	21	\$1,176	0	13	\$1,196	-2	-\$184	\$2,388	
OCT	-8	2	\$40	-16	5	\$280	-10	3	\$276	0	\$0	\$596	
NOV	-1	1	\$20	-5	0	\$0	-3	0	\$0	0	\$0	\$20	
DEC	-1	0	\$0	-2	0	\$0	-2	0	\$0	0	\$0	\$0	
TTL	-37	239	\$4,860	-67	347	\$19,432	-26	157	\$14,444	-4	-\$368	\$38,368	

Expiries—under NEW RENTALS—are used to compute renewal and new rentals.												37 ✓	42
NEW RENTALS IN YEAR 7			87	NEW RENTALS BY YEAR 10			766	PER MONTH PAYMENTS, THIS YEAR			1,780	3,574	
RENEWALS IN YEAR 7			82	RENEWALS BY YEAR 10			710	PER MONTH AVERAGE, THIS YEAR			148	\$7,860	
TOTAL RENTALS IN YEAR 7			169	RENTALS BY YEAR 10			1,476	PER MONTH AVERAGE, PREVIOUS YEAR			146	\$6,934	
DEFAULTS IN YEAR 7			-7	DEFAULTS BY YEAR 10			-60	PER MONTH AVERAGE, IN YEAR 5			138	\$5,969	
EXPIRIES IN YEAR 7			-130	EXPIRIES BY YEAR 10			-1,255	PER MONTH AVERAGE, IN YEAR 10			233	\$14,770	
NEW = NEW RENTAL			A 12 month rental contract expires in the same month of the following year.			SALES / VALUE ADDED TAXES			RENTALS YEAR 10 221 100% OF SALES UNITS				
EXP = EXPIRED RENTAL						RENTALS			SALES				
RNW = RENEWED RENTAL						TAX 1 \$6,602			TAX 1 \$3,186				
TTL = TOTAL						TAX 2 \$4,716			TAX 2 \$2,276				

projections of income

PREVIOUS RENTALS												169 2%	
YR7	\$21			\$59			\$98			DEFAULT		TOTAL / MONTH	
MON	42	BAL	AMT	110	BAL	AMT	17	BAL	AMT	-3	AMT		
JAN	0	42	\$882	-12	98	\$5,782	0	17	\$1,666	0	\$0	\$8,330	
FEB	-4	38	\$798	-16	82	\$4,838	-2	15	\$1,470	0	\$0	\$7,106	
MAR	-4	34	\$714	-12	70	\$4,130	-2	13	\$1,274	0	\$0	\$6,118	
APR	-4	30	\$714	-12	58	\$3,422	0	13	\$1,274	0	\$0	\$5,410	
MAY	0	30	\$630	0	58	\$3,422	-3	10	\$980	0	\$0	\$5,032	
JUN	0	30	\$630	-4	54	\$3,186	0	10	\$980	0	\$0	\$4,796	
JUL	-2	26	\$546	-1	53	\$3,127	0	10	\$980	0	\$0	\$4,653	
AUG	-2	24	\$504	-4	48	\$2,832	0	10	\$980	-2	-\$196	\$4,120	
SEP	-15	9	\$189	-12	36	\$2,124	0	10	\$980	-1	-\$98	\$3,195	
OCT	-8	1	\$21	-25	11	\$649	-6	4	\$392	0	\$0	\$1,062	
NOV	-2	0	\$0	-8	3	\$177	-2	2	\$196	0	\$0	\$373	
DEC	-1	0	\$0	-4	0	\$0	-2	0	\$0	0	\$0	\$0	
TTL	-42	264	\$5,628	-110	571	\$33,689	-17	114	\$11,172	-3	-\$294	\$50,195	

Expiries—under NEW RENTALS—are used to compute renewal and new rentals.												42 ✓	67
NEW RENTALS IN YEAR 8			135	NEW RENTALS BY YEAR 10			766	PER MONTH PAYMENTS, THIS YEAR			2,563	4,062	
RENEWALS IN YEAR 8			119	RENEWALS BY YEAR 10			710	PER MONTH AVERAGE, THIS YEAR			214	\$11,611	
TOTAL RENTALS IN YEAR 8			254	RENTALS BY YEAR 10			1,476	PER MONTH AVERAGE, PREVIOUS YEAR			148	\$7,860	
DEFAULTS IN YEAR 8			-6	DEFAULTS BY YEAR 10			-60	PER MONTH AVERAGE, IN YEAR 5			138	\$5,969	
EXPIRIES IN YEAR 8			-169	EXPIRIES BY YEAR 10			-1,255	PER MONTH AVERAGE, IN YEAR 10			233	\$14,770	
NEW = NEW RENTAL			A 12 month rental contract expires in the same month of the following year.			SALES / VALUE ADDED TAXES			RENTALS YEAR 10 221 100% OF SALES UNITS				
EXP = EXPIRED RENTAL						RENTALS			SALES				
RNW = RENEWED RENTAL						TAX 1 \$9,753			TAX 1 \$6,071				
TTL = TOTAL						TAX 2 \$6,966			TAX 2 \$4,337				

TAX 1 and TAX 2 thresholds and percentages are from SETTINGS.

same units

NEW RENTALS						-1 +/-	
YR6	\$21			37 UNITS	114%		
MON	EXP	RNW	NEW	BAL	AMT		
JAN	0	0	0	0	\$0		
FEB	-3	2	2	4	\$84		
MAR	-4	2	2	7	\$147		
APR	-4	2	2	11	\$231		
MAY	0	0	0	11	\$231		
JUN	0	0	0	11	\$231		
JUL	-2	1	1	13	\$273		
AUG	-1	1	1	15	\$315		
SEP	-13	7	8	30	\$630		
OCT	-8	4	4	38	\$798		
NOV	-1	1	1	40	\$840		
DEC	-1	0	1	41	\$861		
TTL	-37	20	22	221	\$4,641		

Expiries—under NEW RENTALS—are used to compute renewal and new rentals.						37 ✓	42
NEW RENTALS IN YEAR 7			87	NEW RENTALS BY YEAR 10			766
RENEWALS IN YEAR 7			82	RENEWALS BY YEAR 10			710
TOTAL RENTALS IN YEAR 7			169	RENTALS BY YEAR 10			1,476
DEFAULTS IN YEAR 7			-7	DEFAULTS BY YEAR 10			-60
EXPIRIES IN YEAR 7			-130	EXPIRIES BY YEAR 10			-1,255
NEW = NEW RENTAL			A 12 month rental contract expires in the same month of the following year.			SALES / VALUE ADDED TAXES	
EXP = EXPIRED RENTAL						RENTALS	
RNW = RENEWED RENTAL						TAX 1 \$6,602	
TTL = TOTAL						TAX 2 \$4,716	

same units

NEW RENTALS						-3 +/-	
YR7	\$21			42 UNITS	160%		
MON	EXP	RNW	NEW	BAL	AMT		
JAN	0	0	0	0	\$0		
FEB	-4	3	5	8	\$168		
MAR	-4	3	5	16	\$336		
APR	-4	3	5	24	\$504		
MAY	0	0	0	24	\$504		
JUN	0	0	0	24	\$504		
JUL	-2	1	3	27	\$567		
AUG	-2	1	1	29	\$609		
SEP	-15	11	11	51	\$1,071		
OCT	-8	6	6	63	\$1,323		
NOV	-2	1	1	65	\$1,365		
DEC	-1	0	1	66	\$1,386		
TTL	-42	29	38	397	\$8,337		

Expiries—under NEW RENTALS—are used to compute renewal and new rentals.						42 ✓	67
NEW RENTALS IN YEAR 8			135	NEW RENTALS BY YEAR 10			766
RENEWALS IN YEAR 8			119	RENEWALS BY YEAR 10			710
TOTAL RENTALS IN YEAR 8			254	RENTALS BY YEAR 10			1,476
DEFAULTS IN YEAR 8			-6	DEFAULTS BY YEAR 10			-60
EXPIRIES IN YEAR 8			-169	EXPIRIES BY YEAR 10			-1,255
NEW = NEW RENTAL			A 12 month rental contract expires in the same month of the following year.			SALES / VALUE ADDED TAXES	
EXP = EXPIRED RENTAL						RENTALS	
RNW = RENEWED RENTAL						TAX 1 \$9,753	
TTL = TOTAL						TAX 2 \$6,966	

TAX 1 and TAX 2 thresholds and percentages are from SETTINGS.

erratic @ median prices

NEW RENTALS					
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income projections for same units ~ years 9 & 10 @ median prices

income differences

RENTALS ~ Year 9		increase	
same gross	\$108,045	↑	\$59,526
same units	\$167,571		
SALES ~ Year 9			
gross units	\$88,820	↔	\$88,820
+/- RENTER	\$19,225		\$78,751
same	gross		units

RENTALS ~ Year 10		increase	
same gross	\$112,772	↑	\$64,467
same units	\$177,239		
SALES ~ Year 10			
gross units	\$113,800	↔ \$113,800	
+/- RENTER	-\$1,028	\$63,439	

projections of income

PREVIOUS RENTALS												254 1%	
YR8	\$21			\$59			\$98			DEFAULT		TOTAL / MONTH	
MON	67	BAL	AMT	151	BAL	AMT	36	BAL	AMT	-3	AMT		
JAN	0	67	\$1,407	-16	135	\$7,965	0	36	\$3,528	0	\$0	\$12,900	
FEB	-8	59	\$1,239	-22	113	\$6,667	-6	30	\$2,940	0	\$0	\$10,846	
MAR	-8	51	\$1,071	-16	97	\$5,723	-6	24	\$2,352	0	\$0	\$9,146	
APR	-8	43	\$1,071	-16	81	\$4,779	0	24	\$2,352	0	\$0	\$8,202	
MAY	0	43	\$903	0	79	\$4,661	-8	16	\$1,568	0	\$0	\$7,132	
JUN	0	43	\$903	-5	74	\$4,366	0	16	\$1,568	-2	-\$196	\$6,641	
JUL	-4	39	\$819	-1	73	\$4,307	0	16	\$1,568	0	\$0	\$6,694	
AUG	-2	37	\$777	-5	68	\$4,012	0	16	\$1,568	0	\$0	\$6,357	
SEP	-22	15	\$315	-16	52	\$3,068	0	16	\$1,568	0	\$0	\$4,951	
OCT	-12	3	\$63	-36	15	\$885	-10	6	\$588	0	\$0	\$1,536	
NOV	-2	1	\$21	-12	3	\$177	-3	3	\$294	-1	-\$98	\$394	
DEC	-1	0	\$0	-6	0	\$0	-3	0	\$0	0	\$0	\$0	
TTL	-67	401	\$8,589	-151	790	\$46,610	-36	203	\$19,894	-3	-\$294	\$74,799	

Expiries—under NEW RENTALS—are used to compute renewal and new rentals.											
NEW RENTALS IN YEAR 9	113	NEW RENTALS BY YEAR 10	766	PER MONTH PAYMENTS, THIS YEAR							
RENEWALS IN YEAR 9	133	RENEWALS BY YEAR 10	710	PER MONTH AVERAGE, THIS YEAR							
TOTAL RENTALS IN YEAR 9	246	RENTALS BY YEAR 10	1,476	PER MONTH AVERAGE, PREVIOUS YEAR							
DEFAULTS IN YEAR 9	-5	DEFAULTS BY YEAR 10	-60	PER MONTH AVERAGE, IN YEAR 5							
EXPIRIES IN YEAR 9	-254	EXPIRIES BY YEAR 10	-1,255	PER MONTH AVERAGE, IN YEAR 10							
NEW = NEW RENTAL	A 12 month rental contract expires in the same month of the following year.		SALES / VALUE ADDED TAXES								
EXP = EXPIRED RENTAL			RENTALS				SALES				
RNW = RENEWED RENTAL			TAX 1	\$11,730	TAX 1	\$6,217					
TTL = TOTAL			STG = SETTINGS	TAX 2	\$8,379	TAX 2	\$4,441				
TAX 1 and TAX 2 thresholds and percentages are from SETTINGS.											

same units

NEW RENTALS						0 +/-	
YR8	\$22			67 UNITS		60%	
MON	EXP	RNW	NEW	BAL	AMT		
JAN	0	0	0	0	\$0		
FEB	-8	2	2	4	\$88		
MAR	-8	2	2	8	\$176		
APR	-8	2	2	12	\$264		
MAY	0	0	0	12	\$264		
JUN	0	0	0	12	\$264		
JUL	-4	1	1	14	\$308		
AUG	-2	1	1	16	\$352		
SEP	-22	7	7	30	\$660		
OCT	-12	4	4	38	\$836		
NOV	-2	1	1	40	\$880		
DEC	-1	0	0	40	\$880		
TTL	-67	20	20	226	\$4,972		

67 ✓		40	
THIS YEAR	2,887		4,626
THIS YEAR	241		\$13,964
PREVIOUS YEAR	214		\$11,611
YEAR 5	138		\$5,969
YEAR 10	233		\$14,770
RENTALS YEAR 10		221	100%
INCOME TOTALS FROM RENTALS			
BY YEAR 5		\$289,901	
BY YEAR 10		\$845,944	
SETTINGS.		YR 8	254 246

erratic

NEW RENTALS						0 +/-	
YR8	\$22			67 UNITS		60%	
MON	EXP	RNW	NEW	BAL	AMT		
JAN	0	0	0	0	\$0		
FEB	-8	2	2	4	\$88		
MAR	-8	2	2	8	\$176		
APR	-8	2	2	12	\$264		
MAY	0	0	0	12	\$264		
JUN	0	0	0	12	\$264		
JUL	-4	1	1	14	\$308		
AUG	-2	1	1	16	\$352		
SEP	-22	7	7	30	\$660		
OCT	-12	4	4	38	\$836		
NOV	-2	1	1	40	\$880		
DEC	-1	0	0	40	\$880		
TTL	-67	20	20	226	\$4,972		

151					175								
RENTALS UNITS					↑ ↓		PRICE					↑ ↓	
2.0		4.0		6.0		+/-		6%					
-0.3		-0.5		-0.8		1.0		↑ STG					
8.00						-1.0		INCOME TAX					
modifier													
OF SALES UNITS						SM		MD					
PREVIOUS YEAR						11		19					
BY YEAR 5						88		81					
BY YEAR 10						84		127					
YR 9													

@ median prices

YR8		-1	+/-		246	1%	TOTALS	
\$104		36 UNITS		86%		DEFAULT		RENTALS INCOME
EXP	RNW	NEW	BAL	AMT		-2	AMT	
0	0	1	1	\$104		0	\$0	\$14,012
-6	2	3	6	\$624		0	\$0	\$13,952
-6	2	3	11	\$1,144		0	\$0	\$13,868
0	0	0	11	\$1,144		0	\$0	\$14,020
-8	2	4	17	\$1,768		0	\$0	\$13,574
0	0	0	17	\$1,768		0	\$0	\$13,461
0	0	0	16	\$1,664		0	\$0	\$13,517
0	0	0	16	\$1,664		-2	-\$208	\$13,457
0	0	0	16	\$1,664		0	\$0	\$13,890
-10	5	3	24	\$2,496		0	\$0	\$14,318
-3	2	1	27	\$2,808		0	\$0	\$14,540
-3	2	1	30	\$3,120		0	\$0	\$14,962
-36	15	16	192	\$19,968		-2	-\$208	\$167,571

expenses details

Many of the EXPENSES listed in the **financial projections** (which follow) are straightforward. Some are not. What the amounts are for is explained here.

STUDIO includes rent or mortgage payments, utilities (heat, electricity, water), property taxes, etc. Visual artists are in competition for spaces with other people or businesses especially if an area becomes developed. It's one thing to get into a space and fix up a studio, it's another to hang on to it. Hence, the amount paid for STUDIO increases in Year 6 to enable the artist to compete in the real estate market. (This increase, however, may not be incurred by an artist who owns her/his home/studio.)

MATERIALS amounts are for all materials used to create work which is to be rented or sold. They are based on the amount a painter/printmaker is likely to spend, and increase in keeping with inflation (calculated @ 6% biannually). Also, it is anticipated that an artist will start with a modest body of work or "inventory" and much of the individual's time, in the first few years, will be occupied in attracting clients. (These numbers may vary. Artists who work in other media, like marble or bronze casting, would have higher costs.)

EQUIPMENT - Many artists use computers, either to produce or promote their work. Such equipment needs to be upgraded every few years. Other artists need special equipment, such as easels, kilns, etc.

PROMOTION amounts include presentation as well

as things like invitations to shows or mailers, etc, inviting people to the studio. **Presentation includes framing, or, in the case of a sculptor, items such as plinths to mount the work for display.**

Showing out sometimes costs little but can be hundreds, even thousands of dollars per event. Too, an artist may have open houses or shows in the studio with wine and cheese or some other nosh. A telephone and things like Internet user fees are also included in the amounts for PROMOTION.

DRAW is the amount the artist pays her/himself.

ASSISTANT is a third-party who might be helping with making the artwork, a publicist, an accountant or someone to run errands. If no one is retained this amount would be part of the artist's DRAW.

SPECIAL - Some artists may want or need to travel as part of the input for their work, others may need special training. SPECIAL expenditures could also be for hiring an extra assistant, making improvements to a studio, etc. Or they could be for events such as an anniversary celebration.

NOTE: Paying an ASSISTANT or for travel or training, etc, are expenses which would reduce the artist's taxable income.

BUSINESS TAX - At present (in Winnipeg, Manitoba, Canada) visual artists are exempt from business tax; most are grateful for the exemption. However, by virtue of not paying business tax, artists

have little or no say when it comes to policies or day-to-day operations of organizations which represent businesses in a district. Even though visual artists may be important to an area and while they may be consulted, artists are not at the table when decisions are made. Hence, they have no real say in matters which may affect them. **To give visual artists a voice in the business community they have to pay business tax.**

Since an artist getting started will be struggling financially during the first years—and the amount paid would be quite small—business tax kicks in when STUDIO costs exceed \$8,000. Business tax is calculated on the amount paid for rent. Visual artists require more space than the average business, so a reduced percentage is recommended. The numbers shown are 5.5% of the amount paid for STUDIO, less the portion going to utilities, etc (\$8,000 is actually \$5,000 for "rent" and \$3,000 for the rest).

CONTINGENCY is for unforeseen and general office expenses. It is calculated at 8% of:

STUDIO, MATERIALS, EQUIPMENT and PROMOTION.

DRAW, ASSISTANT and SPECIAL are NOT included in this calculation.

Sales or Value Added taxes were computed out of curiosity. It turns out, as noted, that both **same income** RENTER and SELLER collect close to the same amount(s) of each.

financial projections

Financial projections—@ median prices—for **same gross** variants—**erratic** and **stable**—follow on the next four pages. Then financial projections—@ median prices—for **same units**. While income numbers differ for low, median and high price ranges, expenses are (almost) the same regardless of price range.

financial projections ~ same gross | self financed @ median prices

EXPENSES are calculated in the top tables then replicated in the respective SUMMARIES below, beside the **INCOME** columns. This way **DRAW**, **ASSISTANT** and **SPECIAL** (the amounts which matter most) are shown separately. **INCOME** comes from **projections of income** which have their own sheets; one for each year. (Examples at the median price preceded this section.)

The main difference between the two same gross variants is the amount of work each requires. (These **numbers** are at the right, beside each **SALES ~ EXPENSES** table.) As can be seen, a RENTER with an erratic income requires slightly less work than a RENTER with a stable income. A SELLER, however, always requires the same number of pieces (units). And, both RENTERS require less work than the SELLER which is why RENTERS have more net income than SELLERS:

Less work means the RENTER's expenses are lower.

BALANCE is kept between “0” (zero) and 300; a negligible amount for calculating the artist’s income taxes. Blue cells in the SUMMARIES indicate an adjusted amount which is less than what is computed. For example, if the % amount for ASSISTANT is too high. **SPECIAL** amount is roughly 4% of **DRAW**.

financial projections ~ self financed

RENTALS ~ EXPENSES			STARTING FEES		\$18	\$50	\$82	SALES TAX		STG ↓
YR	STUDIO	MATERIALS	EQUIPMNT	PROMTN	BUS TAX	CNTNGNCY	TOTAL	TAX 1	TAX 2	INFLATION (both)
1	5,300	1,600	0	3,100	0	800	10,800	\$0	\$0	6%
2	5,600	1,700	0	3,300	0	800	11,400	\$0	\$0	CONTINGENCY (both)
3	5,900	1,900	2,000	3,700	0	1,100	14,600	\$1,687	\$0	8%
4	6,300	2,200	0	4,100	0	1,000	13,600	\$1,832	\$0	STG ↑ ↓
5	6,700	2,500	0	4,600	0	1,100	14,900	\$3,246	\$2,318	LOSS THRESHOLD (both)
6	7,800	2,800	2,100	5,200	0	1,400	19,300	\$4,364	\$3,117	-6,000
7	8,300	3,000	0	5,500	300	1,300	18,400	\$4,755	\$3,397	YEAR 6 to 10
8	8,800	3,200	0	5,800	300	1,400	19,500	\$6,607	\$4,719	-12,000
9	9,300	3,400	2,200	6,100	300	1,700	23,000	\$7,563	\$5,402	↑ Computed
10	9,900	3,600	0	6,500	300	1,600	21,900	\$7,894	\$5,639	
TTL	73,900	25,900	6,300	47,900	1,200	12,200	167,400	\$37,948	\$24,592	
63%		24,948	48,006 ✓	YEAR 10 FEES		\$22	\$63	\$104		
STUDIO START UP is "SPECIAL" in YEAR 1				15,400	5,000					
RENTALS ~ SUMMARY				STG ↑ START UP CAPITAL		CREDIT PAYMENT	5,000	CREDIT BALANCE	CREDIT START (both)	
YR	INCOME	EXPENSES	DRAW	ASSISTANT	SPECIAL		BALANCE		0	
1	6,720	-10,800	-400	0	-500	0	20	0	Set # here ↑	
2	16,930	-11,400	-5,500	0	0	0	50	0	CREDIT INTEREST (both)	
3	24,107	-14,600	-9,500	0	0	0	57	0	STG →	20%
4	26,169	-13,600	-11,400	0	-1,200	0	26	0	MAX CREDIT PAYMENT	
5	46,367	-14,900	-31,400	0	0	0	93	0	Computed	3,000
6	62,336	-19,300	-40,800	-2,300	0	0	29	0	DIVIDER	2
7	67,932	-18,400	-40,500	-4,400	-4,600	0	61	0	Set #s here ↑ ↓	
8	94,383	-19,500	-60,000	-14,900	0	0	44	0	ASSISTANT THRESHOLD*	
9	108,045	-23,000	-63,800	-21,100	0	0	189	0	@ \$50	40,000
10	112,772	-21,900	-63,200	-20,900	-6,900	0	61	0	Computed	40,000
TTL	565,761	-167,400	-326,500	-63,600	-13,200	0	61	-570,700 ✓	RATE	33%
										Set #s here ↑

financial projections ~ same gross | grant financed @ median prices

Were grants available for visual art practices these projections illustrate how they would give recipients a hand up. The main difference is the artist's DRAW in the first 3 years:

RENTER erratic; Years	1 – 3
grant financed	\$60,000
self financed	\$15,400

Increase ↑	\$44,600
SELLER erratic; Years	1 – 3
grant financed	\$84,900
self financed	\$40,400

Increase ↑	\$44,500
RENTER stable; Years	1 – 3
grant financed	\$53,300
self financed	\$8,300

Increase ↑	\$45,000
SELLER stable; Years	1 – 3
grant financed	\$78,500
self financed	\$34,000

Extra money in the first few years would allow the artist to spend more time creating work or attracting/ dealing with clients. This could speed the artist in going full-time. Grants are dispersed over the first 2 - 6 years depending on price range. Boost to INCOME is cells with a:

green background = \$25,000

yellow background = \$12,500

Each fee/price level is slightly different as per years of income boosts.

financial projections ~ grant financed								STG ↓		same gross	
RENTALS ~ EXPENSES			STARTING FEES		\$18	\$50	\$82	SALES TAX		STG ↓ INFLATION (both) 6% CONTINGENCY (both) 8% STG ↑ ↓ LOSS THRESHOLD (both) -6,000 YEAR 6 to 10 ↑ Computed	
YR	STUDIO	MATERIALS	EQUIPMNT	PROMTN	BUS TAX	CNTNGNCY	TOTAL	TAX 1	TAX 2		
1	5,300	1,600	0	3,100	0	800	10,800	\$0	\$0		
2	5,600	1,700	0	3,300	0	800	11,400	\$0	\$0		
3	5,900	1,900	2,400	3,700	0	1,100	15,000	\$1,687	\$0		
4	6,300	2,200	0	4,100	0	1,000	13,600	\$1,832	\$0		
5	6,700	2,500	0	4,600	0	1,100	14,900	\$3,246	\$2,318		
6	7,800	2,800	2,500	5,200	0	1,500	19,800	\$4,364	\$3,117		
7	8,300	3,000	0	5,500	300	1,300	18,400	\$4,755	\$3,397		
8	8,800	3,200	0	5,800	300	1,400	19,500	\$6,607	\$4,719		
9	9,300	3,400	2,700	6,100	300	1,700	23,500	\$7,563	\$5,402		
10	9,900	3,600	0	6,500	300	1,600	21,900	\$7,894	\$5,639		
TTL	73,900	25,900	7,600	47,900	1,200	12,300	168,800	\$37,948	\$24,592		
63%	24,948	48,006	✓	YEAR 10 FEES		\$22	\$63	\$104			

STUDIO START UP is "SPECIAL" in YEAR 1				60,000	50,000	disbursed:	25,000	12,500	CREDIT START (both)	
RENTALS ~ SUMMARY				STG ↑ START UP CAPITAL		CREDIT PAYMENT	25,000	CREDIT BALANCE	0	
YR	INCOME	EXPENSES	DRAW	ASSISTANT	SPECIAL		BALANCE		Set # here ↑	
1	31,720	-10,800	-20,400	0	-500	0	20	0	CREDIT INTEREST (both)	
2	29,430	-11,400	-18,000	0	0	0	50	0	STG → 20%	
3	36,607	-15,000	-21,600	0	0	0	57	0	MAX CREDIT PAYMENT	
4	26,169	-13,600	-11,200	0	-1,400	0	26	0	Computed	3,000
5	46,367	-14,900	-31,400	0	0	0	93	0	DIVIDER	2
6	62,336	-19,800	-40,300	-2,300	0	0	29	0	Set #s here ↑ ↓	
7	67,932	-18,400	-39,600	-4,300	-5,600	0	61	0	ASSISTANT THRESHOLD*	
8	94,383	-19,500	-60,000	-14,900	0	0	44	0	@ \$50	39,000
9	108,045	-23,500	-63,500	-21,000	0	0	89	0	Computed	39,000
10	112,772	-21,900	-62,800	-20,700	-7,400	0	61	0	RATE	33%
TTL	615,761	-168,800	-368,800	-63,200	-14,900	0	61	-615,700 ✓	Set #s here ↑	

financial projections ~ grant financed								STG ↓		same gross	
RENTALS ~ EXPENSES			STARTING FEES		\$18	\$50	\$82	SALES TAX		STG ↓ INFLATION (both) 6% CONTINGENCY (both) 8% STG ↑ ↓ LOSS THRESHOLD (both) -6,000 YEAR 6 to 10 ↑ Computed	
YR	STUDIO	MATERIALS	EQUIPMNT	PROMTN	BUS TAX	CNTNGNCY	TOTAL	TAX 1	TAX 2		
1	5,300	1,600	0	3,100	0	800	10,800	\$0	\$0		
2	5,600	1,700	0	3,300	0	800	11,400	\$0	\$0		
3	5,900	2,100	2,000	4,000	0	1,100	15,100	\$1,496	\$0		
4	6,300	2,400	0	4,700	0	1,100	14,500	\$2,105	\$1,503		
5	6,700	2,600	0	5,200	0	1,200	15,700	\$2,774	\$1,982		
6	7,800	2,800	2,100	5,500	0	1,500	19,700	\$3,844	\$2,746		
7	8,300	3,000	0	5,800	300	1,400	18,800	\$5,197	\$3,712		
8	8,800	3,200	0	6,100	300	1,400	19,800	\$6,384	\$4,560		
9	9,300	3,400	2,200	6,500	300	1,700	23,400	\$7,765	\$5,546		
10	9,900	3,600	0	6,900	300	1,600	22,300	\$8,619	\$6,156		
TTL	73,900	26,400	6,300	51,100	1,200	12,600	171,500	\$38,184	\$26,206		
67%	26,532	51,054	✓	YEAR 10 FEES		\$22	\$63	\$104			

STUDIO START UP is "SPECIAL" in YEAR 1				53,300	50,000	disbursed:	25,000	12,500	CREDIT START (both)	
RENTALS ~ SUMMARY				STG ↑ START UP CAPITAL		CREDIT PAYMENT	25,000	CREDIT BALANCE	0	
YR	INCOME	EXPENSES	DRAW	ASSISTANT	SPECIAL		BALANCE		Set # here ↑	
1	31,470	-10,800	-20,100	0	-500	0	70	0	CREDIT INTEREST (both)	
2	25,800	-11,400	-14,400	0	0	0	70	0	STG →	20%
3	33,865	-15,100	-18,800	0	0	0	35	0	MAX CREDIT PAYMENT	
4	30,066	-14,500	-14,300	0	-1,300	0	1	0	Computed	3,000
5	39,633	-15,700	-23,900	0	0	0	34	0	DIVIDER	2
6	54,920	-19,700	-35,200	0	0	0	54	0	Set #s here ↑ ↓	
7	74,246	-18,800	-45,900	-3,000	-6,500	0	100	0	ASSISTANT THRESHOLD*	
8	91,204	-19,800	-53,700	-17,700	0	0	104	0	@ \$50	39,500
9	110,922	-23,400	-65,900	-21,700	0	0	26	0	Computed	39,500
10	123,128	-22,300	-71,200	-23,500	-6,100	0	54	0	RATE	33%
TTL	615,254	-171,500	-363,400	-65,900	-14,400	0	54	-615,200 ✓	Set #s here ↑	

erratic

@ median prices

on renting versus selling visual artworks

SALES ~ EXPENSES			STARTING PRICES		\$700	\$2,200	\$3,700	SALES TAX		STG ↓	
YR	STUDIO	MATERIALS	EQUIPMNT	PROMTN	BUS TAX	CNTNGNCY	TOTAL	TAX 1	TAX 2	63%	
1	5,300	3,000	0	5,800	0	1,100	15,200	\$1,631	\$0	MATERIALS and PROMOTION are LESS for the RENTER.	
2	5,600	3,200	0	6,100	0	1,200	16,100	\$2,709	\$1,935		
3	5,900	3,400	2,400	6,500	0	1,500	19,700	\$1,711	\$1,222		
4	6,300	3,600	0	6,900	0	1,300	18,100	\$2,467	\$1,762		
5	6,700	3,800	0	7,300	0	1,400	19,200	\$4,451	\$3,179		
6	7,800	4,000	2,500	7,700	0	1,800	23,800	\$3,214	\$2,296		RENTALS
7	8,300	4,200	0	8,200	300	1,700	22,700	\$3,186	\$2,276		159
8	8,800	4,500	0	8,700	300	1,800	24,100	\$6,071	\$4,337		SALES
9	9,300	4,800	2,700	9,200	300	2,100	28,400	\$6,217	\$4,441		254
10	9,900	5,100	0	9,800	300	2,000	27,100	\$7,966	\$5,690		
TTL	73,900	39,600	7,600	76,200	1,200	15,900	214,400	\$39,624	\$27,138	studiofive.o	
←	63%	X	↑	↗	PRICES YEAR 10		\$880	\$2,700	\$4,600	© Robert G Mears, 202	

STUDIO START UP is "SPECIAL" in YEAR 1				84,900	50,000	disbursed:	25,000	12,500		
SALES ~ SUMMARY				STG ↑ START UP CAPITAL		CREDIT PAYMENT	25,000	CREDIT BALANCE	DRAW THRESHOLD*	
YR	INCOME	EXPENSES	DRAW	ASSISTANT	SPECIAL		BALANCE		@ \$50	
1	48,300	-15,200	-32,500	0	-500	0	100	0	Computed	2,200
2	38,700	-16,100	-22,600	0	0	0	100	0	Set # here ↑	
3	49,440	-19,700	-29,800	0	0	0	40	0	MAX CREDIT PAYMENT	
4	35,240	-18,100	-14,500	0	-2,600	0	80	0	Computed	3,000
5	63,580	-19,200	-39,700	-4,700	0	0	60	0	DIVIDER	2
6	45,920	-23,800	-22,100	0	0	0	80	0	Set #s here ↑ ↓	
7	45,520	-22,700	-18,700	0	-4,100	0	100	0	ASSISTANT THRESHOLD*	
8	86,730	-24,100	-47,100	-15,500	0	0	130	0	@ \$50	39,500
9	88,820	-28,400	-45,500	-15,000	0	0	50	0	Computed	39,500
10	113,800	-27,100	-60,400	-19,900	-6,400	0	50	0	RATE	33%
TTL	616,050	-214,400	-332,900	-55,100	-13,600	0	50	-616,000 ✓	Set #s here ↑	

financial projections ~ same gross | loan financed @ median prices

Were loans available for visual art practices these projections illustrate whether they would give recipients a hand up. Again, the difference is the artist’s DRAW at the outset:

RENTER erratic; Years	1 – 3
loan financed	\$38,700
self financed	\$15,400

Increase ↑	\$23,300
SELLER erratic; Years	1 – 3
loan financed	\$66,000
self financed	\$40,400

Increase ↑	\$25,600
RENTER stable; Years	1 – 3
loan financed	\$32,000
self financed	\$8,300

Increase ↑	\$23,700
SELLER stable; Years	1 – 3
loan financed	\$47,100
self financed	\$34,000
Increase ↑	\$13,100

Offset as it is by loan payments, extra money from a loan doesn’t help the artist much.

Loans are dispersed over the first 3 - 4 years depending on price range. Boost to INCOME is cells with a:

- green background = \$25,000
- yellow background = \$12,500
- red background = \$17,500
- grey background = \$12,500

For median and high prices this is in the first 3 years. For low prices it’s Years 1 - 4.

financial projections ~ 8% loan financed								same gross			
RENTALS ~ EXPENSES			STARTING FEES		\$18	\$50	\$82	SALES TAX		STG ↓	
YR	STUDIO	MATERIALS	EQUIPMNT	PROMTN	BUS TAX	CNTNGNCY	TOTAL	TAX 1	TAX 2	INFLATION (both)	
1	5,300	1,600	0	3,100	0	800	10,800	\$0	\$0	6%	
2	5,600	1,700	0	3,300	0	800	11,400	\$0	\$0	CONTINGENCY (both)	
3	5,900	1,900	2,400	3,700	0	1,100	15,000	\$1,687	\$0	8%	
4	6,300	2,200	0	4,100	0	1,000	13,600	\$1,832	\$0	STG ↑ ↓	
5	6,700	2,500	0	4,600	0	1,100	14,900	\$3,246	\$2,318	LOSS THRESHOLD (both)	
6	7,800	2,800	2,500	5,200	0	1,500	19,800	\$4,364	\$3,117	YEAR 6 to 10	
7	8,300	3,000	0	5,500	300	1,300	18,400	\$4,755	\$3,397	-50,000	
8	8,800	3,200	0	5,800	300	1,400	19,500	\$6,607	\$4,719	↑ Computed	
9	9,300	3,400	2,700	6,100	300	1,700	23,500	\$7,563	\$5,402		
10	9,900	3,600	0	6,500	300	1,600	21,900	\$7,894	\$5,639		
TTL	73,900	25,900	7,600	47,900	1,200	12,300	168,800	\$37,948	\$24,592		
63%		24,948	48,006	✓	YEAR 10 FEES		\$22	\$63	\$104		

STG ↓	
INFLATION (both)	
6%	
CONTINGENCY (both)	
8%	
STG ↑ ↓	
LOSS THRESHOLD (both)	
-50,000	
YEAR 6 to 10	
-62,500	
↑ Computed	

LOAN START									
RENTALS: cell H17									
SALES: cell U17									
LOAN INTEREST (both)									
from cell F1 8%									
MAX LOAN PAYMENT									
Computed 7,100									
DIVIDER 7.00									
Set #s here ↑ ↓									
ASSISTANT THRESHOLD*									
@ \$50 39,500									
Computed 39,500									
RATE 33%									
Set #s here ↑									

financial projections ~ 8% loan financed								same gross			
RENTALS ~ EXPENSES			STARTING FEES		\$18	\$50	\$82	SALES TAX		STG ↓	
YR	STUDIO	MATERIALS	EQUIPMNT	PROMTN	BUS TAX	CNTNGNCY	TOTAL	TAX 1	TAX 2	INFLATION (both)	
1	5,300	1,600	0	3,100	0	800	10,800	\$0	\$0	6%	
2	5,600	1,700	0	3,300	0	800	11,400	\$0	\$0	CONTINGENCY (both)	
3	5,900	2,100	2,000	4,000	0	1,100	15,100	\$1,496	\$0	8%	
4	6,300	2,400	0	4,700	0	1,100	14,500	\$2,105	\$1,503	STG ↑ ↓	
5	6,700	2,600	0	5,200	0	1,200	15,700	\$2,774	\$1,982	LOSS THRESHOLD (both)	
6	7,800	2,800	2,100	5,500	0	1,500	19,700	\$3,844	\$2,746	-50,000	
7	8,300	3,000	0	5,800	300	1,400	18,800	\$5,197	\$3,712	YEAR 6 to 10	
8	8,800	3,200	0	6,100	300	1,400	19,800	\$6,384	\$4,560		
9	9,300	3,400	2,200	6,500	300	1,700	23,400	\$7,765	\$5,546		
10	9,900	3,600	0	6,900	300	1,600	22,300	\$8,619	\$6,156		
TTL	73,900	26,400	6,300	51,100	1,200	12,600	171,500	\$38,184	\$26,206	-62,500	
67%		26,532	51,054	✓	YEAR 10 FEES		\$22	\$63	\$104	↑ Computed	

STG ↓	
INFLATION (both)	
6%	
CONTINGENCY (both)	
8%	
STG ↑ ↓	
LOSS THRESHOLD (both)	
-50,000	
YEAR 6 to 10	
-62,500	
↑ Computed	

LOAN START									
RENTALS: cell G17									
SALES: cell T17									
LOAN INTEREST (both)									
from cell F1 8%									
MAX LOAN PAYMENT									
Computed 7,100									
DIVIDER 7.00									
Set #s here ↑ ↓									
ASSISTANT THRESHOLD*									
@ \$50 39,500									
Computed 39,500									
RATE 33%									
Set #s here ↑									

erratic @ median prices on renting versus selling visual artworks									
SALES ~ EXPENSES			STARTING PRICES		\$700	\$2,200	\$3,700	SALES TAX	
YR	STUDIO	MATERIALS	EQUIPMNT	PROMTN	BUS TAX	CNTNGNCY	TOTAL	TAX 1	TAX 2
1	5,300	3,000	0	5,800	0	1,100	15,200	\$1,631	\$0
2	5,600	3,200	0	6,100	0	1,200	16,100	\$2,709	\$1,935
3	5,900	3,400	2,400	6,500	0	1,500	19,700	\$1,711	\$1,222
4	6,300	3,600	0	6,900	0	1,300	18,100	\$2,467	\$1,762
5	6,700	3,800	0	7,300	0	1,400	19,200	\$4,451	\$3,179
6	7,800	4,000	2,500	7,700	0	1,800	23,800	\$3,214	\$2,296
7	8,300	4,200	0	8,200	300	1,700	22,700	\$3,186	\$2,276
8	8,800	4,500	0	8,700	300	1,800	24,100	\$6,071	\$4,337
9	9,300	4,800	2,700	9,200	300	2,100	28,400	\$6,217	\$4,441
10	9,900	5,100	0	9,800	300	2,000	27,100	\$7,966	\$5,690
TTL	73,900	39,600	7,600	76,200	1,200	15,900	214,400	\$39,624	\$27,138
←	63% X ↑ ↗		PRICES YEAR 10		\$880	\$2,700	\$4,600	© Robert G Mears, 2020	

STG ↓

63%

MATERIALS and PROMOTION are LESS for the RENTER.

RENTALS

159

SALES

254

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financial projections ~ same gross | credit financed @ median prices

Were lines of credit available for visual art practices these projections illustrate whether they would help. Again, the difference is the artist’s DRAW at the outset:

RENTER erratic; Years	1 – 3
credit financed	\$22,600
self financed	\$15,400
Increase ↑	\$7,200
SELLER erratic; Years	1 – 3
credit financed	\$51,800
self financed	\$40,400
Increase ↑	\$11,400
RENTER stable; Years	1 – 3
credit financed	\$18,900
self financed	\$8,300

Increase ↑	\$10,600
SELLER stable; Years	1 – 3
credit financed	\$40,400
self financed	\$34,000
Increase ↑	\$6,400

Extra money from a line of credit is not helpful in the early years. And, since it doesn’t help much in the middle years either—not to mention the burden of carrying such a large debt—line of credit financing is not a recommended option.

financial projections for same units are next ...

financial projections ~ 8% credit financed								same gross	
RENTALS ~ EXPENSES			STARTING FEES		\$18	\$50	\$82	SALES TAX	
YR	STUDIO	MATERIALS	EQUIPMNT	PROMTN	BUS TAX	CNTNGNCY	TOTAL	TAX 1	TAX 2
1	5,300	1,600	0	3,100	0	800	10,800	\$0	\$0
2	5,600	1,700	0	3,300	0	800	11,400	\$0	\$0
3	5,900	1,900	2,400	3,700	0	1,100	15,000	\$1,687	\$0
4	6,300	2,200	0	4,100	0	1,000	13,600	\$1,832	\$0
5	6,700	2,500	0	4,600	0	1,100	14,900	\$3,246	\$2,318
6	7,800	2,800	2,500	5,200	0	1,500	19,800	\$4,364	\$3,117
7	8,300	3,000	0	5,500	300	1,300	18,400	\$4,755	\$3,397
8	8,800	3,200	0	5,800	300	1,400	19,500	\$6,607	\$4,719
9	9,300	3,400	2,700	6,100	300	1,700	23,500	\$7,563	\$5,402
10	9,900	3,600	0	6,500	300	1,600	21,900	\$7,894	\$5,639
TTL	73,900	25,900	7,600	47,900	1,200	12,300	168,800	\$37,948	\$24,592
63%		24,948	48,006 ✓	YEAR 10 FEES		\$22	\$63	\$104	
STUDIO START UP is "SPECIAL" in YEAR 1				22,600	5,000				
RENTALS ~ SUMMARY				STG ↑ START UP CAPITAL		CREDIT PAYMENT	5,000 BALANCE	CREDIT BALANCE	
YR	INCOME	EXPENSES	DRAW	ASSISTANT	SPECIAL				
1	6,720	-10,800	-6,200	0	-500	0	-5,780	6,242	
2	16,930	-11,400	-7,400	0	0	-499	-8,149	14,392	
3	24,107	-15,000	-9,000	0	0	-1,151	-9,194	23,586	
4	26,169	-13,600	-18,300	0	-1,900	-1,887	-18,712	42,297	
5	46,367	-14,900	-13,800	0	0	-3,384	-4,428	46,725	
6	62,336	-19,800	-25,600	0	0	-12,500	8	37,963	
7	67,932	-18,400	-34,100	0	-2,800	-12,500	140	28,501	
8	94,383	-19,500	-52,100	-10,300	0	-12,500	123	18,281	
9	108,045	-23,500	-54,100	-17,900	0	-12,500	168	7,243	
10	112,772	-21,900	-57,900	-19,100	-6,100	-7,823	117	0	
TTL	565,761	-168,800	-278,500	-47,300	-11,300	-64,744	117	-570,644 ✓	

financial projections ~ 8% credit financed								same gross			
RENTALS ~ EXPENSES			STARTING FEES		\$18	\$50	\$82	SALES TAX		STG ↓	
YR	STUDIO	MATERIALS	EQUIPMNT	PROMTN	BUS TAX	CNTNGNCY	TOTAL	TAX 1	TAX 2	INFLATION (both)	
1	5,300	1,600	0	3,100	0	800	10,800	\$0	\$0	6%	
2	5,600	1,700	0	3,300	0	800	11,400	\$0	\$0	CONTINGNCY (both)	
3	5,900	2,100	2,000	4,000	0	1,100	15,100	\$1,496	\$0	8%	
4	6,300	2,400	0	4,700	0	1,100	14,500	\$2,105	\$1,503	STG ↑ ↓	
5	6,700	2,600	0	5,200	0	1,200	15,700	\$2,774	\$1,982	LOSS THRESHOLD (both)	
6	7,800	2,800	2,100	5,500	0	1,500	19,700	\$3,844	\$2,746	-50,000	
7	8,300	3,000	0	5,800	300	1,400	18,800	\$5,197	\$3,712		
8	8,800	3,200	0	6,100	300	1,400	19,800	\$6,384	\$4,560		
9	9,300	3,400	2,200	6,500	300	1,700	23,400	\$7,765	\$5,546		
10	9,900	3,600	0	6,900	300	1,600	22,300	\$8,619	\$6,156		
TTL	73,900	26,400	6,300	51,100	1,200	12,600	171,500	\$38,184	\$26,206		
67%		26,532	51,054 ✓	YEAR 10 FEES		\$22	\$63	\$104			
STUDIO START UP is "SPECIAL" in YEAR 1				18,900	5,000						
RENTALS ~ SUMMARY					STG ↑ START UP CAPITAL		CREDIT PAYMENT	5,000 BALANCE	CREDIT BALANCE	CREDIT START UP	
YR	INCOME	EXPENSES	DRAW	ASSISTANT	SPECIAL					RENTALS: cell I17	
1	6,470	-10,800	-4,500	0	-500		0	-4,330	4,676	SALES: cell V17	
2	13,300	-11,400	-5,200	0	0		-374	-8,004	12,681	CREDIT INTEREST (both)	
3	21,365	-15,100	-9,200	0	0		-1,014	-11,954	24,634	from cell F1 8%	
4	30,066	-14,500	-11,600	0	-200		-1,971	-10,158	34,792	MAX CREDIT PAYMENT	
5	39,633	-15,700	-13,300	0	0		-2,783	-2,309	37,101	Computed 12,500	
6	54,920	-19,700	-20,400	0	0		-12,500	11	27,569	DIVIDER 4.00	
7	74,246	-18,800	-39,500	0	-3,400		-12,500	57	17,275	Set #s here ↑ ↓	
8	91,204	-19,800	-53,100	-5,800	0		-12,500	61	6,157	ASSISTANT THRESHOLD*	
9	110,922	-23,400	-60,800	-20,100	0		-6,649	34	0	@ \$50 40,000	
10	123,128	-22,300	-70,200	-23,100	-7,500		0	62	0	Computed 40,000	
TTL	565,254	-171,500	-287,800	-49,000	-11,600		-50,292	62	-570,192 ✓	RATE 33%	
										Set #s here ↑	

erratic

@ median prices

on renting versus selling visual artworks

SALES ~ EXPENSES			STARTING PRICES		\$700	\$2,200	\$3,700	SALES TAX		STG ↓
YR	STUDIO	MATERIALS	EQUIPMNT	PROMTN	BUS TAX	CNTNGNCY	TOTAL	TAX 1	TAX 2	63%
1	5,300	3,000	0	5,800	0	1,100	15,200	\$1,631	\$0	MATERIALS and PROMOTION are LESS for the RENTER.
2	5,600	3,200	0	6,100	0	1,200	16,100	\$2,709	\$1,935	
3	5,900	3,400	2,400	6,500	0	1,500	19,700	\$1,711	\$1,222	
4	6,300	3,600	0	6,900	0	1,300	18,100	\$2,467	\$1,762	
5	6,700	3,800	0	7,300	0	1,400	19,200	\$4,451	\$3,179	
6	7,800	4,000	2,500	7,700	0	1,800	23,800	\$3,214	\$2,296	
7	8,300	4,200	0	8,200	300	1,700	22,700	\$3,186	\$2,276	
8	8,800	4,500	0	8,700	300	1,800	24,100	\$6,071	\$4,337	
9	9,300	4,800	2,700	9,200	300	2,100	28,400	\$6,217	\$4,441	
10	9,900	5,100	0	9,800	300	2,000	27,100	\$7,966	\$5,690	
TTL	73,900	39,600	7,600	76,200	1,200	15,900	214,400	\$39,624	\$27,138	RENTALS
← 63% X ↑ ↗					PRICES YEAR 10	\$880	\$2,700	\$4,600	SALES	
STUDIO START UP IS "SPECIAL" in YEAR 1					51,800	5,000	studiofive.ca			
SALES ~ SUMMARY					STG ↑ START UP CAPITAL		CREDIT PAYMENT	5,000	CREDIT BALANCE	DRAW THRESHOLD*
YR	INCOME	EXPENSES	DRAW	ASSISTANT	SPECIAL		BALANCE		@ \$50	2,200
1	23,300	-15,200	-12,500	0	-500	0	100	0	Computed	2,200
2	38,700	-16,100	-22,600	0	0	0	100	0	Set # here ↑	
3	24,440	-19,700	-16,700	0	0	0	-11,960	11,960	MAX CREDIT PAYMENT	
4	35,240	-18,100	-20,200	0	-800	-957	-16,777	28,737	Computed	12,500
5	63,580	-19,200	-22,200	0	0	-5,288	116	25,748	DIVIDER	4.00
6	45,920	-23,800	-18,900	0	0	-12,500	-9,164	24,472	Set #s here ↑ ↓	
7	45,520	-22,700	-16,500	0	-2,700	-12,500	-18,044	31,975	ASSISTANT THRESHOLD*	
8	86,730	-24,100	-32,000	0	0	-12,500	86	22,033	@ \$50	39,000
9	88,820	-28,400	-41,700	-6,200	0	-12,500	106	11,295	Computed	39,000
10	113,800	-27,100	-55,700	-12,300	-6,500	-12,199	107	0	RATE	33%
TTL	565,950	-214,400	-259,000	-18,500	-10,500	-68,443	107	-570,843 ✓	Set #s here ↑	

Robert G Mears, 2020

financial projections ~ same units | self & grant financed @ median prices

... a same units RENTER's net income is higher than a same gross RENTER (erratic). Increases @ median prices are:

self financed:		
DRAW:		
same units		\$508,300
same gross	-	\$326,500
increase	+	\$181,800
ASSISTANT:		
same units		\$106,800
same gross	-	\$63,600
increase	+	\$43,200
SPECIAL:		
same units		\$20,600
same gross	-	\$13,200
increase	+	\$7,400
TOTAL self ↑	=	\$232,400

grant financed:		
DRAW:		
same units		\$549,700
same gross	-	\$368,800
increase	+	\$180,900
ASSISTANT:		
same units		\$108,900
same gross	-	\$63,200
increase	+	\$45,700
SPECIAL:		
same units		\$22,000
same gross	-	\$14,900
increase	+	\$7,100
TOTAL grant ↑	=	\$233,700

Grants are dispersed over the first 2 - 6 years depending on price range.

financial projections ~ self financed							STG ↓	same units		
RENTALS ~ EXPENSES			STARTING FEES		\$18	\$50	\$82	SALES TAX		STG ↓ INFLATION (both) 6% CONTINGENCY (both) 8% STG ↑ ↓ LOSS THRESHOLD (both) -6,000 YEAR 6 to 10 -12,000 ↑ Computed
YR	STUDIO	MATERIALS	EQUIPMNT	PROMTN	BUS TAX	CNTNGNCY	TOTAL	TAX 1	TAX 2	
1	5,300	2,300	0	4,400	0	1,000	13,000	\$0	\$0	
2	5,600	2,400	0	4,700	0	1,000	13,700	\$1,685	\$0	
3	5,900	2,600	2,000	5,100	0	1,200	16,800	\$2,456	\$1,754	
4	6,300	3,200	0	5,600	0	1,200	16,300	\$3,144	\$2,246	
5	6,700	4,000	0	6,800	0	1,400	18,900	\$5,014	\$3,581	
6	7,800	4,400	2,100	8,300	0	1,800	24,400	\$5,825	\$4,160	
7	8,300	4,700	0	8,800	300	1,700	23,800	\$6,602	\$4,716	
8	8,800	5,000	0	10,900	300	2,000	27,000	\$9,753	\$6,966	
9	9,300	5,300	2,200	11,600	300	2,300	31,000	\$11,730	\$8,379	
10	9,900	5,600	0	12,300	300	2,200	30,300	\$12,407	\$8,862	
TTL	73,900	39,500	6,300	78,500	1,200	15,800	215,200	\$58,615	\$40,664	
100%	39,600	76,200	✓	YEAR 10 FEES		\$22	\$63	\$104		
STUDIO START UP is "SPECIAL" expense in YEAR 1					5,000			-24	CREDIT START (both)	
RENTALS ~ SUMMARY					STG ↑ START UP CAPITAL		CREDIT PAYMENT	5,000	CREDIT BALANCE	0
YR	INCOME	EXPENSES	DRAW	ASSISTANT	SPECIAL		BALANCE			Set # here ↑
1	8,588	-13,000	0	0	-500	0	88	0	CREDIT INTEREST (both)	
2	24,076	-13,700	-10,400	0	0	0	64	0	STG → 20%	
3	35,086	-16,800	-18,300	0	0	0	50	0	MAX CREDIT PAYMENT	
4	44,912	-16,300	-26,500	0	-2,100	0	62	0	Computed 3,000	
5	71,624	-18,900	-47,500	-5,200	0	0	86	0	DIVIDER 2	
6	83,208	-24,400	-48,700	-5,300	-4,800	0	94	0	Set #s here ↑ ↓	
7	94,314	-23,800	-63,600	-6,900	0	0	108	0	ASSISTANT THRESHOLD*	
8	139,326	-27,000	-90,100	-22,300	0	0	34	0	@ \$50 40,000	
9	167,571	-31,000	-92,700	-30,600	-13,200	0	105	0	Computed 40,000	
10	177,239	-30,300	-110,500	-36,500	0	0	44	0	RATE 33%	
TTL	845,944	-215,200	-508,300	-106,800	-20,600	0	44	-850,900	✓	Set #s here ↑

financial projections ~ grant financed							STG ↓	same units		
RENTALS ~ EXPENSES			STARTING FEES		\$18	\$50	\$82	SALES TAX		STG ↓ INFLATION (both) 6% CONTINGENCY (both) 8% STG ↑ ↓ LOSS THRESHOLD (both) -6,000 YEAR 6 to 10 -12,000 ↑ Computed
YR	STUDIO	MATERIALS	EQUIPMNT	PROMTN	BUS TAX	CNTNGNCY	TOTAL	TAX 1	TAX 2	
1	5,300	2,300	0	4,400	0	1,000	13,000	\$0	\$0	
2	5,600	2,400	0	4,700	0	1,000	13,700	\$1,685	\$0	
3	5,900	2,600	2,000	5,100	0	1,200	16,800	\$2,456	\$1,754	
4	6,300	3,200	0	5,600	0	1,200	16,300	\$3,144	\$2,246	
5	6,700	4,000	0	6,800	0	1,400	18,900	\$5,014	\$3,581	
6	7,800	4,400	2,100	8,300	0	1,800	24,400	\$5,825	\$4,160	
7	8,300	4,700	0	8,800	300	1,700	23,800	\$6,602	\$4,716	
8	8,800	5,000	0	10,900	300	2,000	27,000	\$9,753	\$6,966	
9	9,300	5,300	2,200	11,600	300	2,300	31,000	\$11,730	\$8,379	
10	9,900	5,600	0	12,300	300	2,200	30,300	\$12,407	\$8,862	
TTL	73,900	39,500	6,300	78,500	1,200	15,800	215,200	\$58,615	\$40,664	
100%	39,600	76,200	✓	YEAR 10 FEES		\$22	\$63	\$104		
STUDIO START UP is "SPECIAL" expense in YEAR 1					50,000	disbursed:	25,000	12,500	CREDIT START (both)	
RENTALS ~ SUMMARY					STG ↑ START UP CAPITAL		25,000	CREDIT		0
YR	INCOME	EXPENSES	DRAW	ASSISTANT	SPECIAL	CREDIT PAYMENT	BALANCE	BALANCE		Set # here ↑
1	33,588	-13,000	-20,000	0	-500	0	88	0	CREDIT INTEREST (both)	
2	36,576	-13,700	-22,900	0	0	0	64	0	STG → 20%	
3	47,586	-16,800	-30,800	0	0	0	50	0	MAX CREDIT PAYMENT	
4	44,912	-16,300	-25,600	0	-3,000	0	62	0	Computed 3,000	
5	71,624	-18,900	-46,600	-6,100	0	0	86	0	DIVIDER 2	
6	83,208	-24,400	-55,600	-3,200	0	0	94	0	Set #s here ↑ ↓	
7	94,314	-23,800	-53,500	-9,700	-7,400	0	8	0	ASSISTANT THRESHOLD*	
8	139,326	-27,000	-89,900	-22,300	0	0	134	0	@ \$50 39,500	
9	167,571	-31,000	-102,800	-33,900	0	0	5	0	Computed 39,500	
10	177,239	-30,300	-102,000	-33,700	-11,100	0	144	0	RATE 33%	
TTL	895,944	-215,200	-549,700	-108,900	-22,000	0	144	-895,800	✓ Set #s here ↑	

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@ median prices

on renting versus selling visual artworks

SALES ~ EXPENSES					STARTING PRICES		\$700	\$2,200	\$3,700	SALES TAX	
YR	STUDIO	MATERIALS	EQUIPMNT	PROMTN	BUS TAX	CNTNGNCY	TOTAL	TAX 1	TAX 2		
1	5,300	3,000	0	5,800	0	1,100	15,200	\$1,631	\$0		
2	5,600	3,200	0	6,100	0	1,200	16,100	\$2,709	\$1,935		
3	5,900	3,400	2,000	6,500	0	1,400	19,200	\$1,711	\$1,222		
4	6,300	3,600	0	6,900	0	1,300	18,100	\$2,467	\$1,762		
5	6,700	3,800	0	7,300	0	1,400	19,200	\$4,451	\$3,179		
6	7,800	4,000	2,100	7,700	0	1,700	23,300	\$3,214	\$2,296		
7	8,300	4,200	0	8,200	300	1,700	22,700	\$3,186	\$2,276		
8	8,800	4,500	0	8,700	300	1,800	24,100	\$6,071	\$4,337		
9	9,300	4,800	2,200	9,200	300	2,000	27,800	\$6,217	\$4,441		
10	9,900	5,100	0	9,800	300	2,000	27,100	\$7,966	\$5,690		
TTL	73,900	39,600	6,300	76,200	1,200	15,600	212,800	\$39,624	\$27,138		
← 100% x ↑ ↗ PRICES YEAR 10					\$880	\$2,700	\$4,600				

STUDIO START UP is "SPECIAL" expense in YEAR 1

5,000

SALES ~ SUMMARY						STG ↑ START UP CAPITAL		CREDIT PAYMENT	5,000	CREDIT BALANCE
YR	INCOME	EXPENSES	DRAW	ASSISTANT	SPECIAL				BALANCE	
1	23,300	-15,200	-12,500	0	-500	0	100	0		
2	38,700	-16,100	-22,600	0	0	0	100	0		
3	24,440	-19,200	-5,300	0	0	0	40	0		
4	35,240	-18,100	-15,400	0	-1,700	0	80	0		
5	63,580	-19,200	-41,800	-2,600	0	0	60	0		
6	45,920	-23,300	-22,600	0	0	0	80	0		
7	45,520	-22,700	-20,000	0	-2,800	0	100	0		
8	86,730	-24,100	-47,100	-15,500	0	0	130	0		
9	88,820	-27,800	-45,900	-15,100	0	0	150	0		
10	113,800	-27,100	-60,100	-19,800	-6,900	0	50	0		
TTL	566,050	-212,800	-293,300	-53,000	-11,900	0	50	-571,000 ✓		

STG ↓

100%

MATERIALS and PROMOTION are higher for the SELLER.

RENTALS

254

SALES

254

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DRAW THRESHOLD*

@ \$50 1,200

Computed 1,200

Set # here ↑

MAX CREDIT PAYMENT

Computed 3,000

DIVIDER 2

Set #s here ↑ ↓

ASSISTANT THRESHOLD*

@ \$50 39,500

Computed 39,500

RATE 33%

Set #s here ↑

financial projections ~ same units | loan & credit financed @ median prices

Increases @ median prices are:

loan financed:

DRAW:	
same units	\$485,500
same gross	- \$310,800
increase	+ \$174,700
ASSISTANT:	
same units	\$109,000
same gross	- \$56,800
increase	+ \$54,100
SPECIAL:	
same units	\$19,500
same gross	- \$12,500
increase	+ \$7,100
TOTAL loan ↑	= \$235,900

line of credit financed:

DRAW:	
same units	\$459,600
same gross	- \$278,500
increase	+ \$181,100
ASSISTANT:	
same units	\$98,900
same gross	- \$47,300
increase	+ \$51,600
SPECIAL:	
same units	\$18,600
same gross	- \$11,300
increase	+ \$7,100
TOTAL credit ↑	= \$239,800

Loans are dispersed over the first 2 - 6 years depending on price range. loan and credit are added to income.

financial projections ~ 8% loan financed

RENTALS ~ EXPENSES				STARTING FEES		\$18	\$50	\$82	SALES TAX		STG ↓
YR	STUDIO	MATERIALS	EQUIPMNT	PROMTN	BUS TAX	CNTNGNCY	TOTAL	TAX 1	TAX 2	INFLATION (both)	
1	5,300	2,300	0	4,400	0	1,000	13,000	\$0	\$0		
2	5,600	2,400	0	4,700	0	1,000	13,700	\$1,685	\$0	6%	
3	5,900	2,600	2,000	5,100	0	1,200	16,800	\$2,456	\$1,754	CONTINGENCY (both)	
4	6,300	3,200	0	5,600	0	1,200	16,300	\$3,144	\$2,246		
5	6,700	4,000	0	6,800	0	1,400	18,900	\$5,014	\$3,581	8%	
6	7,800	4,400	2,100	8,300	0	1,800	24,400	\$5,825	\$4,160	STG ↑ ↓	
7	8,300	4,700	0	8,800	300	1,700	23,800	\$6,602	\$4,716	LOSS THRESHOLD (both)	
8	8,800	5,000	0	10,900	300	2,000	27,000	\$9,753	\$6,966		
9	9,300	5,300	2,200	11,600	300	2,300	31,000	\$11,730	\$8,379	-50,000	
10	9,900	5,600	0	12,300	300	2,200	30,300	\$12,407	\$8,862	YEAR 6 to 10	
TTL	73,900	39,500	6,300	78,500	1,200	15,800	215,200	\$58,615	\$40,664	-62,500	
100%		39,600	76,200 ✓	YEAR 10 FEES		\$22	\$63	\$104			↑ Computed
STUDIO START UP is "SPECIAL" expense in YEAR 1				50,000		disbursed:		25,000	12,500	LOAN START	
RENTALS ~ SUMMARY				STG ↑ START UP CAPITAL		25,000		LOAN		RENTALS: cell H17	
YR	INCOME	EXPENSES	DRAW	ASSISTANT	SPECIAL	LOAN PAYMENT	BALANCE	BALANCE		SALES: cell U17	
1	33,588	-13,000	-12,900	0	-500	-7,100	88	19,900		LOAN INTEREST (both)	
2	36,576	-13,700	-15,800	0	0	-7,100	64	26,892		from cell F1	8%
3	47,586	-16,800	-23,700	0	0	-7,100	50	34,443		MAX LOAN PAYMENT	
4	44,912	-16,300	-19,600	0	-1,900	-7,100	62	30,099		Computed	7,100
5	71,624	-18,900	-41,500	-4,100	0	-7,100	86	25,407		DIVIDER	7.00
6	83,208	-24,400	-41,500	-10,200	0	-7,100	94	20,339		Set #s here ↑ ↓	
7	94,314	-23,800	-51,000	-2,500	-10,000	-7,100	8	14,866		ASSISTANT THRESHOLD*	
8	139,326	-27,000	-79,100	-26,100	0	-7,100	34	8,956		@ \$50	39,500
9	167,571	-31,000	-97,400	-32,100	0	-7,100	5	2,572		Computed	39,500
10	177,239	-30,300	-103,000	-34,000	-7,100	-2,778	66	0		RATE	33%
TTL	895,944	-215,200	-485,500	-109,000	-19,500	-66,678	66	-895,878 ✓		Set #s here ↑	

charts & summaries for all income levels and variants are after this page ...

NOTE:

In charts extra money from a grant or loan accounts for the higher **INCOME** lines in Years 1 to 4.

In summaries extra money from a grant or loan is not included in the **basic INCOME** columns at the far left of the sheet. It is noted as **STARTUP** capital and added to respective **DRAW** entries in the grant and loan summaries.

loan and line of credit payments are included in **EXPENSES**.

purple numbers under **"ASSISTANT"** are:

TOTAL NET income (**DRAW** + **ASSISTANT** + **SPECIAL**)

EXPENSES	DRAW	ASSISTNT	SPECIAL	BALANCE
27,100	40,700	0	2,000	12
206,158	138,300	0	5,600	350,058

✓ = check sums:

TOTAL NET 143,900 12 350,058 ✓

grey numbers, under **"BALANCE"** are:

EXPENSES + **DRAW** + **ASSISTANT** + **SPECIAL** (from the summary)

& same from self, grant, loan or credit **financial projections** sheets.

blue numbers under **"SPECIAL"** (to the right) are:

INCOME + **START UP** - (**EXPENSES** + **TOTAL NET**)

= last **"BALANCE"** entry.

charts ~ same gross ~ erratic @ low prices ~ (\$ amounts are x 1,000)

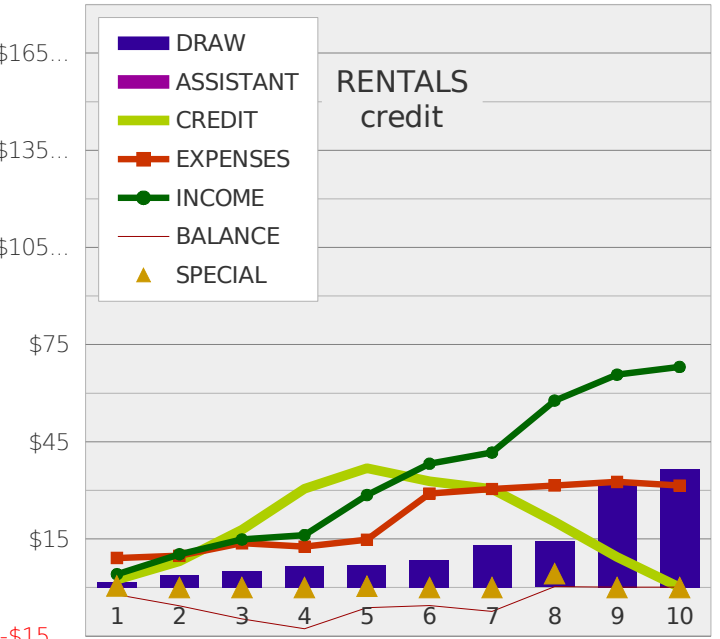
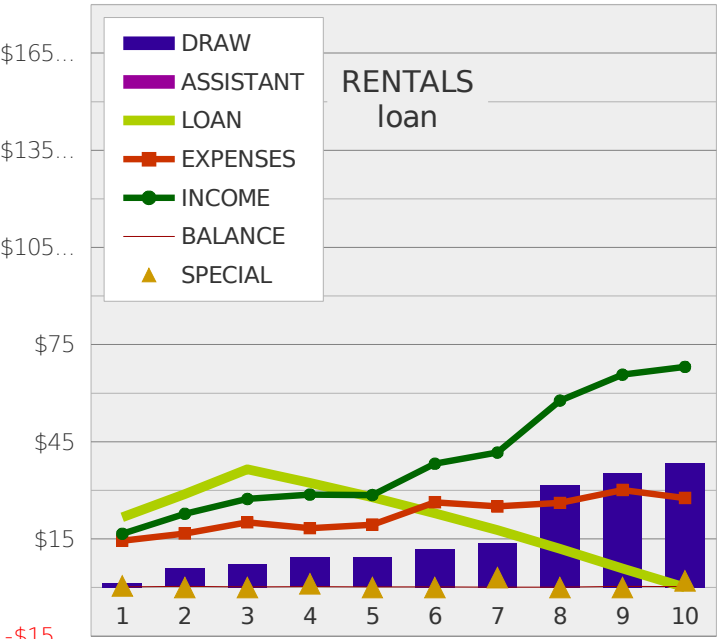
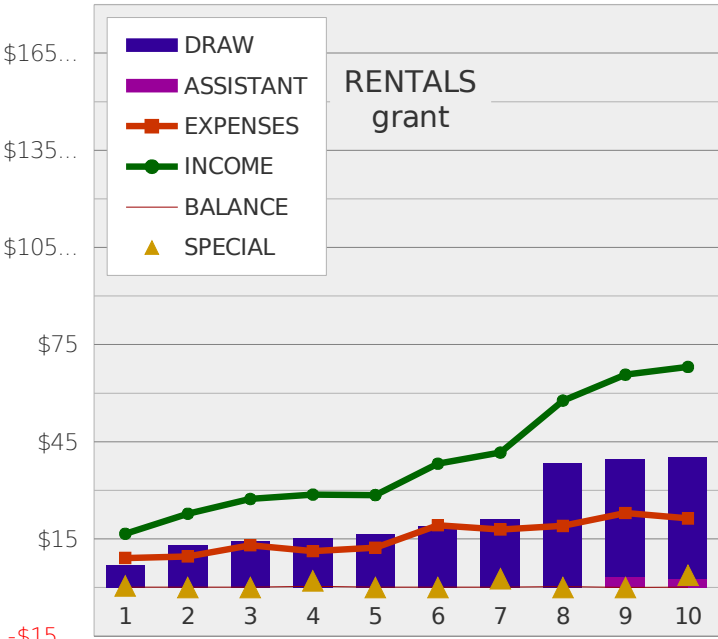
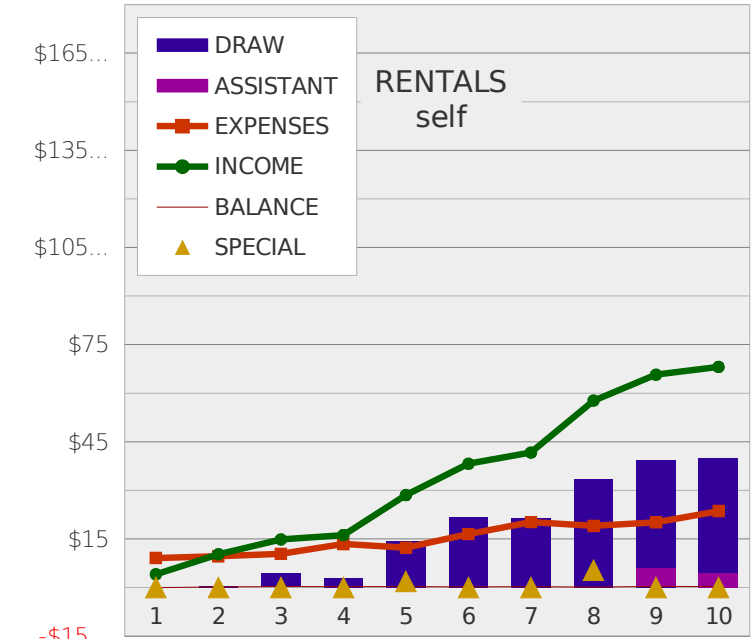
income & expenses

same gross erratic @ low prices

UNITS: 159 | 254

63%

on renting versus selling visual artworks

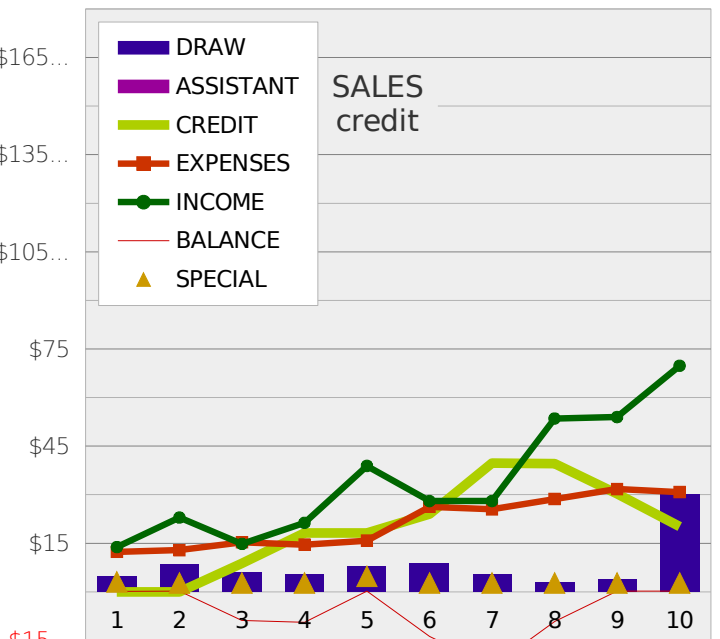
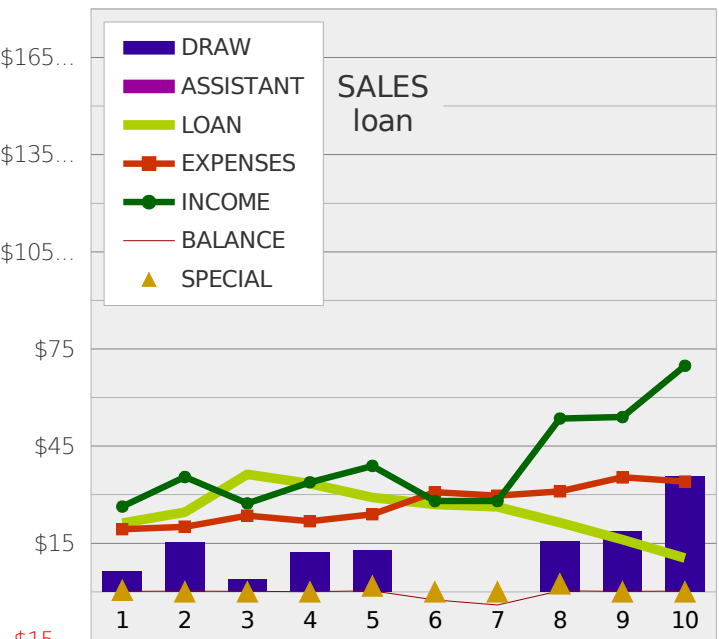
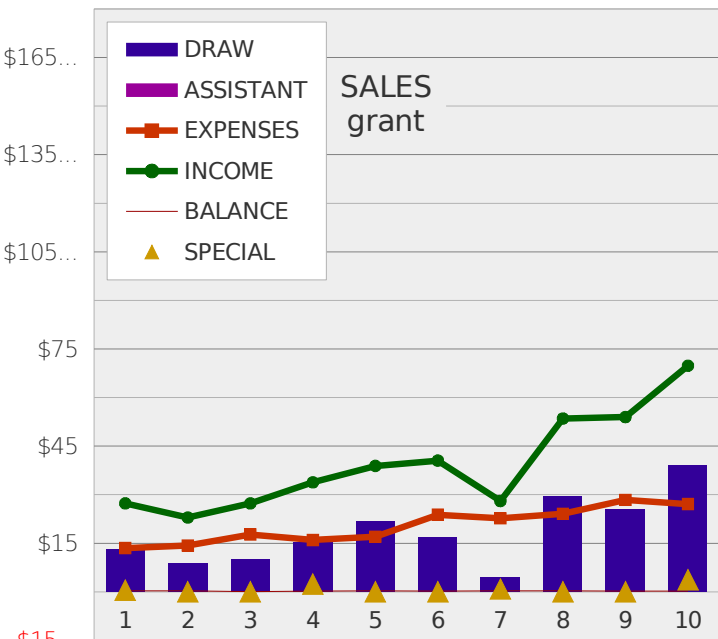
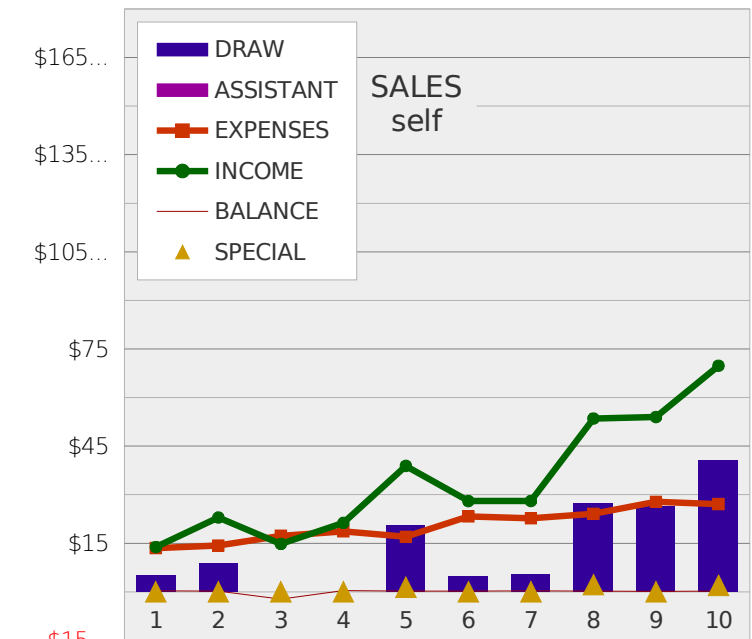


\$192,300
\$143,900 \$48,400 +/- NET
self RENTER \$236,200
\$190,400

\$45,800 +/- NET
grant RENTER RENTALS YR 1 \$12
SALES YR 1 \$420

\$30 \$48 \$167,700
\$1,300 \$2,200 \$125,400 \$42,300

+/- NET
loan RENTER \$126,900
\$84,800 \$42,100 +/- NET
credit RENTER



self = self financed (self and credit start with \$5,000 cash) **grant** = \$50,000 in 2 or 3 disbursements **loan** = \$50,000 @ 8% interest in 2 or 3 disbursements line of **credit** = \$50,000 limit @ 8% interest
NET income = DRAW+ASSISTANT+SPECIAL DRAW = amount artist pays her/himself ASSISTANT = helper, publicist, accountant, errand runner, etc SPECIAL = travel, training, extra equipment, etc Canadian \$
NET GRANT - NET SELF = GRANT to artist \$43,900 RENTER \$46,500 SELLER
© Robert G Mears, 2020 studiofive.ca

The **loan** financed SELLER would have to borrow even more money in Years 6 and 7.
The **loan** financed RENTER has paid off the loan in 10 years; the SELLER needs 11+ years.
The RENTER can manage to pay off a line of **credit** in 10 years; the SELLER needs 12+ years.

same gross income erratic @ low prices

159 | 254

UNITS

63%

for
RENTER

on renting versus selling visual artworks

\$44,650

AVG +/- NET RENTER

TOTAL NET = DRAW + ASSISTANT + SPECIAL

LOAN and CREDIT PAYMENTS (from financial projections) are added to EXPENSES on this sheet.

+/- RENTER	RENTALS	192,300		+/- NET RENTER	RENTALS	236,200		+/- NET RENTER	RENTALS	167,700		+/- NET RENTER	RENTALS	126,900		+/- NET RENTER
sales	SALES	143,900	\$48,400		SALES	190,400	\$45,800		SALES	125,400	\$42,300		SALES	84,800	\$42,100	

RENTALS 192,300

\$48,400

+/- NET

RENTALS 236,200

\$45,800

+/- NET

RENTALS **167,700**

\$42,300

+/- NET

RENTALS	126,900
---------	---------

\$42,100

© Robert G Mears, 2020	studiofive.ca	RENTER	GRANT to artist	SELLER	LOAN PAYMENTS: RENTER / SELLER	68,451	64,960	CREDIT PAYMENTS: RENTER / SELLER	64,244	60,534
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The RENTER can manage to pay off a line of **credit** in 10 years; the SELLER needs 12+ years.

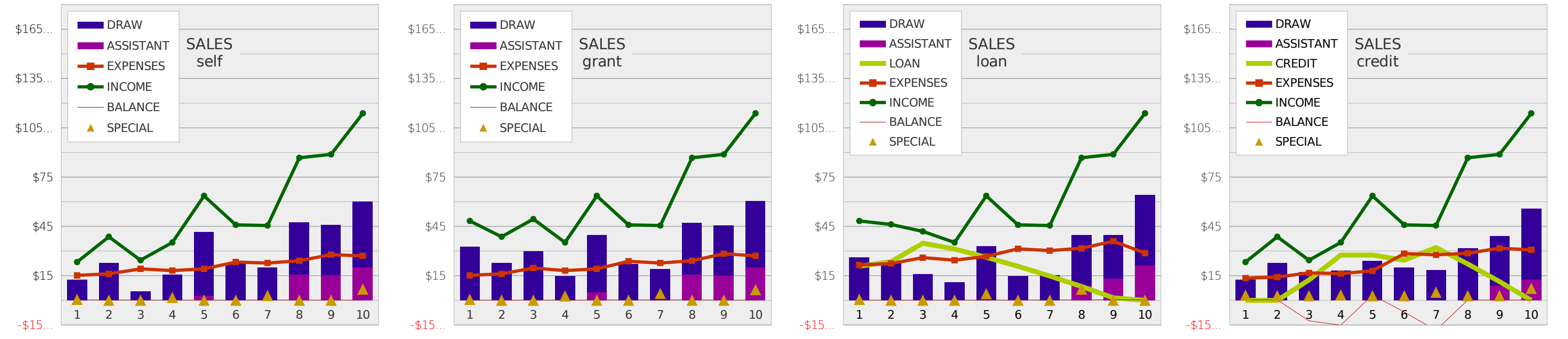
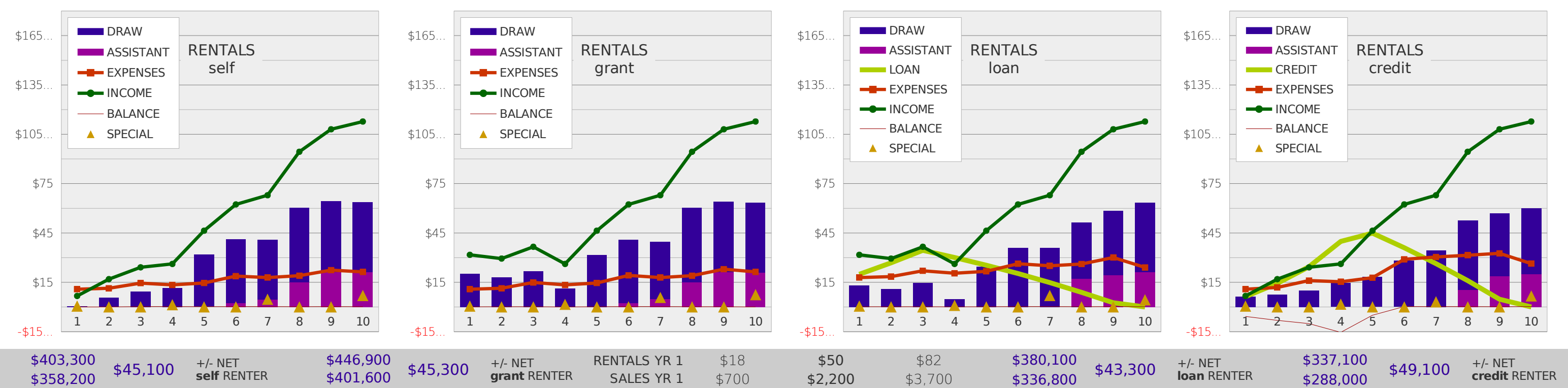
charts ~ same gross ~ erratic @ median prices ~ (\$ amounts are x 1,000)

income & expenses

same gross erratic @ median prices

UNITS: 159 | 254 63%

on renting versus selling visual artworks



self = self financed (self and credit start with \$5,000 cash) **grant** = \$50,000 in 2 or 3 disbursements **loan** = \$50,000 @ 8% interest in 2 or 3 disbursements line of **credit** = \$50,000 limit @ 8% interest

NET income = DRAW+ASSISTANT+SPECIAL DRAW = amount artist pays her/himself ASSISTANT = helper, publicist, accountant, errand runner, etc SPECIAL = travel, training, extra equipment, etc Canadian \$

NET GRANT - NET SELF = GRANT to artist \$43,600 RENTER \$43,400 SELLER

© Robert G Mears, 2020 studiofive.ca

The RENTER is **DRAW**ing over \$60,000 in Year 10 in all financing types, except line of **credit**.
The SELLER's **DRAW** peaks near or slightly above \$60,000, but in Year 11 will likely drop below that amount.
RENTER can go full time in Year 5 or 6, SELLER in Year 8.

summaries ~ same gross ~ erratic @ median prices

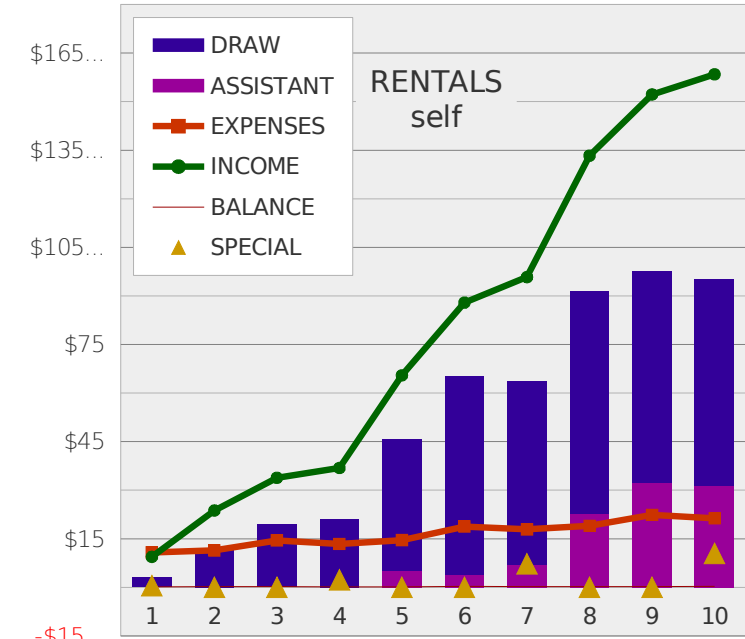
income & expenses ~ summary same gross income erratic @ median prices 159 | 254 UNITS 63% for RENTER on renting versus selling visual artworks

rentals		\$45,700					AVG +/- NET RENTER					TOTAL NET = DRAW + ASSISTANT + SPECIAL					LOAN and CREDIT PAYMENTS (from financial projections) are added to EXPENSES on this sheet.																																		
RENTALS INCOME	SELF financed						START UP \$5,000					GRANT financed					START UP \$50,000					LOAN financed					8%					START UP \$50,000					CREDIT financed					8%					START UP \$5,000				
	YR	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE															
	1	10,800	400	0	500	20	10,800	20,400	0	500	20	17,900	13,300	0	500	20	10,800	6,200	0	500	-5,780																														
	2	11,400	5,500	0	0	50	11,400	18,000	0	0	50	18,500	10,900	0	0	50	11,899	7,400	0	0	-8,149																														
	3	14,600	9,500	0	0	57	15,000	21,600	0	0	57	22,100	14,500	0	0	57	16,151	9,000	0	0	-9,194																														
	4	13,600	11,400	0	1,200	26	13,600	11,200	0	1,400	26	20,700	4,700	0	800	26	15,487	18,300	0	1,900	-18,712																														
	5	14,900	31,400	0	0	93	14,900	31,400	0	0	93	22,000	24,300	0	0	93	18,284	13,800	0	0	-4,428																														
	6	19,300	40,800	2,300	0	29	19,800	40,300	2,300	0	29	26,900	35,500	0	0	29	32,300	25,600	0	0	8																														
	7	18,400	40,500	4,400	4,600	61	18,400	39,600	4,300	5,600	61	25,500	35,500	0	6,900	61	30,900	34,100	0	2,800	140																														
	8	19,500	60,000	14,900	0	44	19,500	60,000	14,900	0	44	26,600	50,900	16,800	0	144	32,000	52,100	10,300	0	123																														
108,045	9	23,000	63,800	21,100	0	189	23,500	63,500	21,000	0	89	30,600	58,200	19,200	0	189	36,000	54,100	17,900	0	168																														
112,772	10	21,900	63,200	20,900	6,900	61	21,900	62,800	20,700	7,400	61	24,678	63,000	20,800	4,300	183	29,723	57,900	19,100	6,100	117																														
565,761	TTL	167,400	326,500	63,600	13,200	570,700	168,800	368,800	63,200	14,900	615,700	235,478	310,800	56,800	12,500	615,578	233,544	278,500	47,300	11,300	570,644																														
+/- RENTER		TOTAL NET					403,300	61	570,700	✓	TOTAL NET					446,900	61	615,700	✓	↓ LOAN	TOTAL NET	380,100	183	615,578	✓	↓ CREDIT	TOTAL NET	337,100	117	570,644																					
GROSS INCOME -\$289	STARTING FEES		\$18		\$50		\$82		STARTING PRICES		\$700		\$2,200		\$3,700		YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10																									
	YEAR 10 FEES		\$22		\$104		\$63		YEAR 10 PRICES		\$880		\$2,700		\$4,600		20,339	14,866	8,956	2,572	0	37,963	28,501	18,281	7,243	0																									
+/- RENTER		RENTALS					403,300	\$45,100					+/- NET RENTER	RENTALS					446,900	\$45,300					+/- NET RENTER	RENTALS					380,100	\$43,300					+/- NET RENTER	RENTALS					337,100	\$49,100							
SALES		SALES					358,200	sales					SALES					401,600	sales					SALES					336,800	sales					SALES					288,000	sales										
SALES INCOME	SELF financed						START UP \$5,000					GRANT financed					START UP \$50,000					LOAN financed					8%					START UP \$50,000					CREDIT financed					8%					START UP \$5,000				
	YR	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE															
	1	15,200	12,500	0	500	100	15,200	32,500	0	500	100	21,500	26,200	0	500	100	15,200	12,500	0	500	100																														
	2	16,100	22,600	0	0	100	16,100	22,600	0	0	100	22,400	23,800	0	0	100	16,100	22,600	0	0	100																														
	3	19,200	5,300	0	0	40	19,700	29,800	0	0	40	26,000	16,000	0	0	40	19,700	16,700	0	0	-11,960																														
	4	18,100	15,400	0	1,700	80	18,100	14,500	0	2,600	80	24,400	10,800	0	0	80	19,057	20,200	0	800	-16,777																														
	5	19,200	41,800	2,600	0	60	19,200	39,700	4,700	0	60	26,760	32,800	0	4,000	100	24,488	22,200	0	0	116																														
	6	23,300	22,600	0	0	80	23,800	22,100	0	0	80	31,360	14,600	0	0	60	36,300	18,900	0	0	-9,164																														
	45,520	7	22,700	20,000	0	2,800	100	22,700	18,700	0	4,100	100	30,260	15,200	0	0	130	35,200	16,500	0	2,700	-18,044																													
	86,730	8	24,100	47,100	15,500	0	130	24,100	47,100	15,500	0	130	31,660	39,900	8,300	6,800	200	36,600	32,000	0	0	86																													
88,820	9	27,800	45,900	15,100	0	150	28,400	45,500	15,000	0	50	35,960	39,800	13,100	0	160	40,900	41,700	6,200	0	106																														
113,800	10	27,100	60,100	19,800	6,900	50	27,100	60,400	19,900	6,400	50	28,769	63,900	21,100	0	181	39,299	55,700	12,300	6,500	107																														
566,050	TTL	212,800	293,300	53,000	11,900	571,000	214,400	332,900	55,100	13,600	616,000	279,069	283,000	42,500	11,300	615,869	282,843	259,000	18,500	10,500	570,843																														
↑ basic INCOME		TOTAL NET					358,200	50	571,000	✓	TOTAL NET					401,600	50	616,000	✓	↓ LOAN	TOTAL NET	336,800	181	615,869	✓	↓ CREDIT	TOTAL NET	288,000	107	570,843																					
GRANT and LOAN are \$50,000 added to DRAW In 2 or 3 disbursements (from the projections sheets).		NET GRANT - NET SELF		\$43,600		\$43,400		YEAR 6		YEAR 7		YEAR 8		YEAR 9		YEAR 10		YEAR 6		YEAR 7		YEAR 8		YEAR 9		YEAR 10																									
								20,709		14,806		8,431		1,545		0		24,472		31,975		22,033		11,295		0																									
© Robert G Mears, 2020		studiofive.ca		RENTER		GRANT to artist		SELLER		LOAN PAYMENTS: RENTER / SELLER		66,678		64,669		CREDIT PAYMENTS: RENTER / SELLER		64,744		68,443																															

The RENTER is DRAWing over \$60,000 in Year 10 in all financing types, except line of credit.
The SELLER's DRAW peaks near or slightly above \$60,000, but in Year 11 will likely drop below that amount.
RENTER can go full time in Year 5 or 6, SELLER in Year 8.

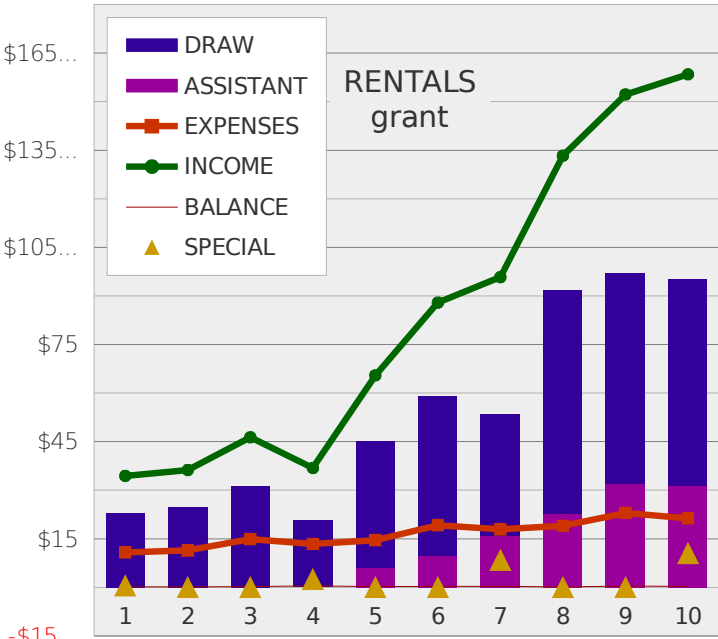
charts ~ same gross ~ erratic @ high prices ~ (\$ amounts are x 1,000)

income & expenses



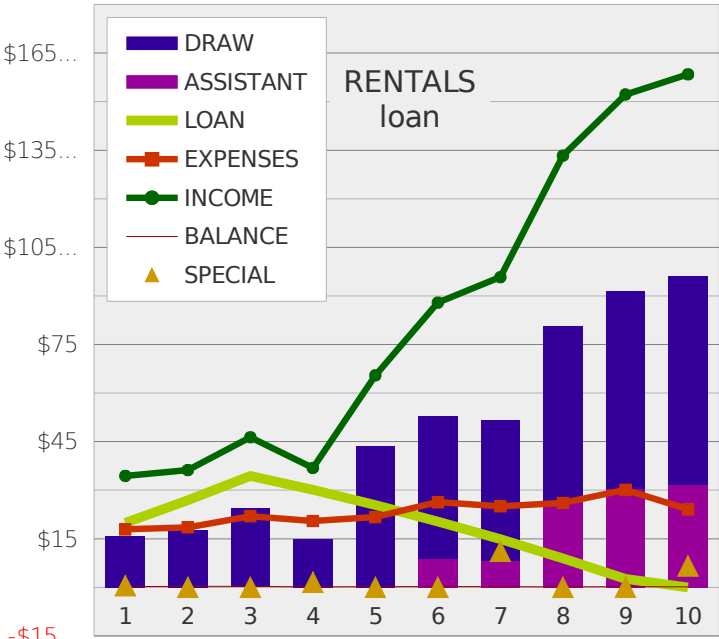
\$634,700
\$586,200
\$48,500
+/- NET self RENTER
\$678,200
\$629,700

same gross erratic @ high prices



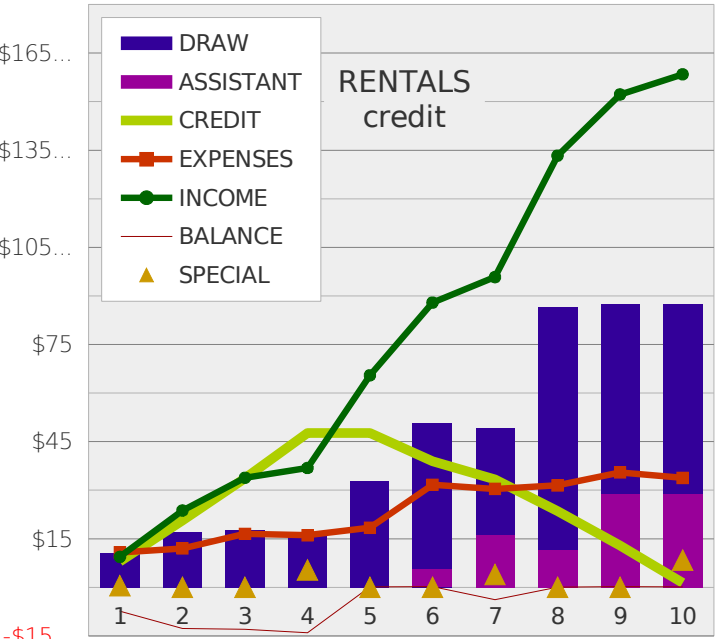
\$48,500
+/- NET grant RENTER
RENTALS YR 1
SALES YR 1
\$25
\$980

UNITS: 159 | 254 63%

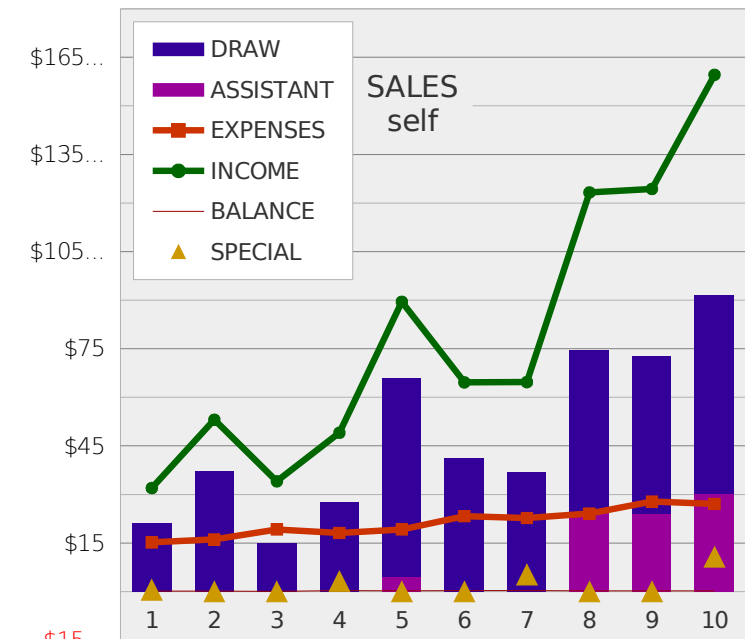


\$70
\$3,000
\$116
\$5,100
\$611,500
\$565,000
\$46,500

on renting versus selling visual artworks



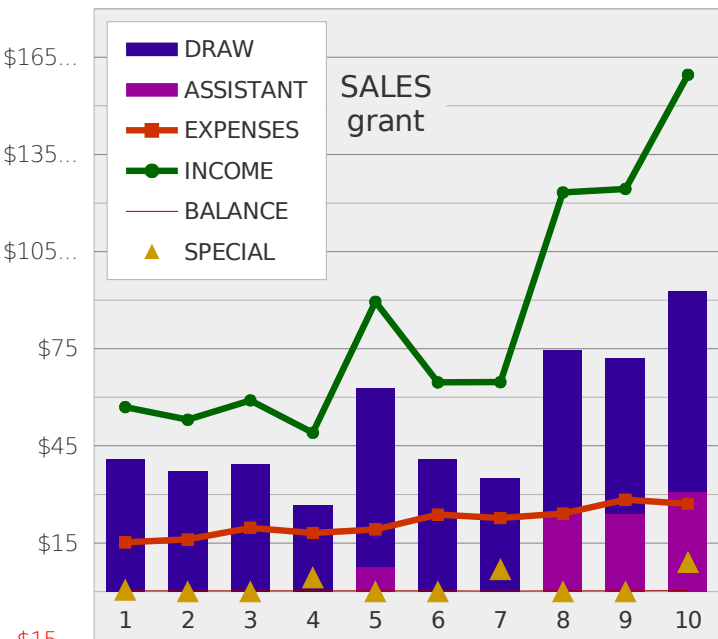
+/- NET loan RENTER
\$565,400
\$515,800
\$49,600
+/- NET credit RENTER



self = self financed (self and credit start with \$5,000 cash)

NET income = DRAW+ASSISTANT+SPECIAL

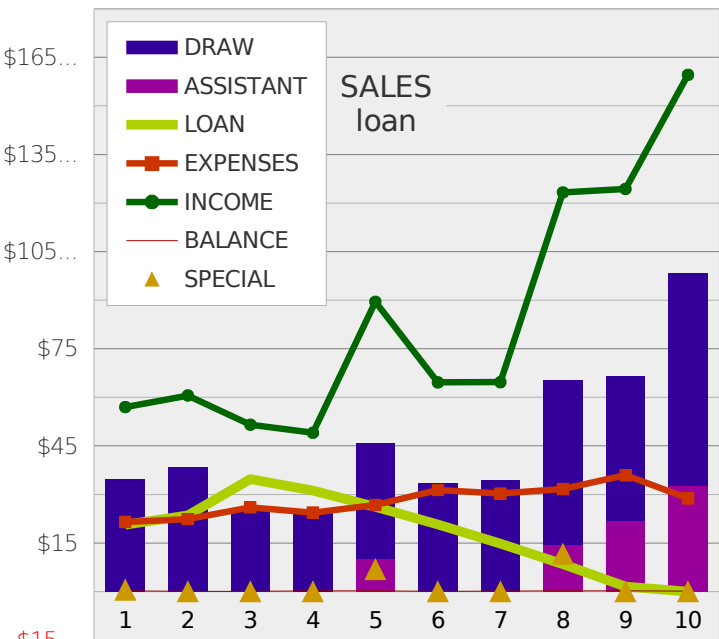
NET GRANT - NET SELF = GRANT to artist \$43,500 RENTER



grant = \$50,000 in 2 or 3 disbursements

DRAW = amount artist pays her/himself ASSISTANT = helper, publicist, accountant, errand runner, etc

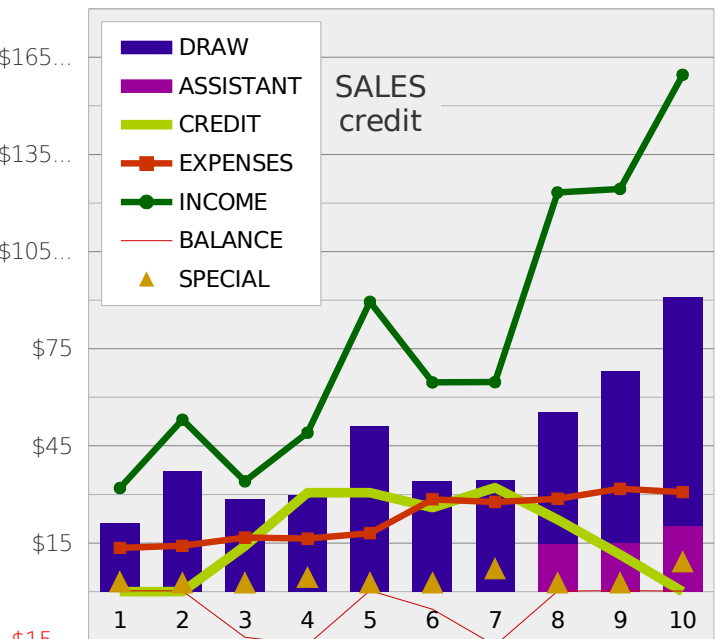
\$43,500 SELLER



loan = \$50,000 @ 8% interest in 2 or 3 disbursements

SPECIAL = travel, training, extra equipment, etc

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line of credit = \$50,000 limit @ 8% interest

Canadian \$

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Both RENTER and SELLER do well at the higher price range.

RENTERs have a DRAW in the mid to high \$90,000 range in Years 9 & 10; SELLERs are mostly in the low \$90,000 range in Year 10.

After 10 years the RENTER's income is likely ongoing. The SELLER's future is unknown.

summaries ~ same gross ~ erratic @ high prices

income & expenses ~ summary **same gross** income erratic @ high prices 159 | 254 UNITS 63% for RENTER on renting versus selling visual artworks

rentals		\$48,275					AVG +/- NET RENTER		TOTAL NET = DRAW + ASSISTANT + SPECIAL					LOAN and CREDIT PAYMENTS (from financial projections) are added to EXPENSES on this sheet.																															
RENTALS INCOME	SELF financed						START UP \$5,000					GRANT financed					START UP \$50,000					LOAN financed					8% START UP \$50,000					CREDIT financed					8% START UP \$5,000								
	YR	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE														
	1	10,800	3,100	0	500	23	10,800	23,100	0	500	23	17,900	16,000	0	500	23	10,800	10,500	0	500	-7,377																								
	2	11,400	12,300	0	0	57	11,400	24,800	0	0	57	18,500	17,700	0	0	57	12,037	17,000	0	0	-12,680																								
	3	14,600	19,300	0	0	7	15,000	31,400	0	0	7	22,100	24,300	0	0	7	16,652	17,400	0	0	-12,882																								
	4	13,600	20,900	0	2,300	69	13,600	20,600	0	2,500	169	20,700	14,500	0	1,600	69	16,282	16,200	0	5,500	-14,003																								
	5	14,900	45,500	5,000	0	143	14,900	44,700	5,900	0	143	22,000	43,400	0	0	143	18,703	32,700	0	0	69																								
	6	19,300	65,000	3,600	0	198	19,800	58,500	9,700	0	98	26,900	52,400	8,600	0	198	32,300	50,200	5,500	0	24																								
	7	18,400	63,300	6,900	7,300	122	18,400	62,200	6,800	8,400	122	25,500	51,200	8,100	11,100	122	30,900	50,700	10,000	4,100	148																								
	8	19,500	91,200	22,600	0	153	19,500	91,200	22,600	0	153	26,600	80,300	26,500	0	53	32,000	89,500	11,800	0	179																								
9	23,000	97,200	32,100	0	72	23,500	96,800	31,900	0	172	30,600	91,400	30,200	0	72	36,000	87,400	28,800	0	198																									
10	21,900	94,800	31,300	10,500	8	21,900	94,800	31,300	10,500	108	24,678	95,600	31,500	6,600	130	30,908	89,500	29,500	8,600	126																									
797,108	TTL	167,400	512,600	101,500	20,600	802,100	168,800	548,100	108,200	21,900	847,000	235,478	486,800	104,900	19,800	846,978	236,582	461,100	85,600	18,700	801,982																								
+/- RENTER		TOTAL NET					634,700	8	802,100	✓		TOTAL NET					678,200	108	847,000	✓		↓ LOAN	TOTAL NET					611,500	130	846,978	✓		↓ CREDIT	TOTAL NET					565,400	126	801,982	✓			
GROSS INCOME \$2,978	STARTING FEES					\$25	\$70	\$116	STARTING PRICES					\$980	\$3,000	\$5,100	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10																			
	YEAR 10 FEES					\$33	\$146	\$88	YEAR 10 PRICES					\$1,240	\$3,800	\$6,400	20,339	14,866	8,956	2,572	0	38,835	29,442	19,297	8,341	0																			
+/- RENTER		RENTALS					634,700	+/- NET RENTER					RENTALS	678,200	+/- NET RENTER					RENTALS	611,500	+/- NET RENTER					RENTALS	565,400	+/- NET RENTER					RENTALS	515,800	+/- NET RENTER									
sales		SALES					586,200	\$48,500					SALES					629,700	\$48,500					SALES					565,000	\$46,500					SALES					515,800	\$49,600				
SALES INCOME	SELF financed						START UP \$5,000					GRANT financed					START UP \$50,000					LOAN financed					8% START UP \$50,000					CREDIT financed					8% START UP \$5,000								
	YR	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE														
	1	15,200	21,200	0	500	80	15,200	41,200	0	500	80	21,500	34,900	0	500	80	15,200	21,200	0	500	80																								
	2	16,100	37,000	0	0	40	16,100	37,000	0	0	40	22,400	38,200	0	0	40	16,100	37,000	0	0	40																								
	3	19,200	14,800	0	0	80	19,700	39,300	0	0	80	26,000	25,500	0	0	80	19,700	26,700	0	0	-12,360																								
	4	18,100	27,700	0	3,200	120	18,100	26,600	0	4,300	120	24,400	24,700	0	0	20	19,089	33,100	0	2,600	-18,109																								
	5	19,200	66,200	4,200	0	20	19,200	62,800	7,500	0	120	26,760	45,700	10,100	6,900	60	24,806	46,300	6,100	0	-5,815																								
	6	23,300	41,300	0	0	20	23,800	40,800	0	0	120	31,360	33,200	0	0	100	36,300	27,200	0	0	-4,715																								
	7	22,700	36,700	0	5,200	100	22,700	35,000	0	7,000	100	30,260	34,500	0	0	30	35,200	32,900	0	6,100	-14,235																								
	8	24,100	74,600	24,600	0	70	24,100	74,500	24,600	0	170	31,660	66,100	13,700	11,700	140	36,600	57,300	15,100	0	35																								
9	27,800	72,600	24,000	0	30	28,400	72,200	23,800	0	130	35,960	66,500	21,900	0	140	40,900	72,600	10,800	0	95																									
10	27,100	91,600	30,200	10,600	130	27,100	92,800	30,600	9,200	30	28,769	98,400	32,500	0	61	39,271	91,200	20,200	8,900	124																									
794,130	TTL	212,800	483,700	83,000	19,500	799,000	214,400	522,200	86,500	21,000	844,100	279,069	467,700	78,200	19,100	844,069	283,166	445,500	52,200	18,100	798,966																								
↑ basic INCOME		TOTAL NET					586,200	130	799,000	✓		TOTAL NET					629,700	30	844,100	✓		↓ LOAN	TOTAL NET					565,000	61	844,069	✓		↓ CREDIT	TOTAL NET					515,800	124	798,966	✓			
GRANT and LOAN are \$50,000 added to DRAW In 2 or 3 disbursements (from the projections sheets).							NET GRANT - NET SELF		\$43,500					\$43,500					YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10																	
									\$43,500										20,709	14,806	8,431	1,545	0	27,979	31,953	22,009	11,270	0																	
© Robert G Mears, 2020							studiofive.ca		RENTER		GRANT to artist					SELLER		LOAN PAYMENTS: RENTER / SELLER			66,678	64,669	CREDIT PAYMENTS: RENTER / SELLER			67,782	68,766																		

Both RENTER and SELLER do well at the **higher price** range. RENTERS have a DRAW in the mid to high \$90,000 range in Years 9 & 10; SELLERS are mostly in the low \$90,000 range in Year 10. After 10 years the RENTER's income is likely ongoing. The SELLER's future is unknown.

↖ end same gross ~ erratic ↗
↙ begin same gross ~ stable ↘

charts ~ same gross ~ stable @ low prices ~ (\$ amounts are x 1,000)

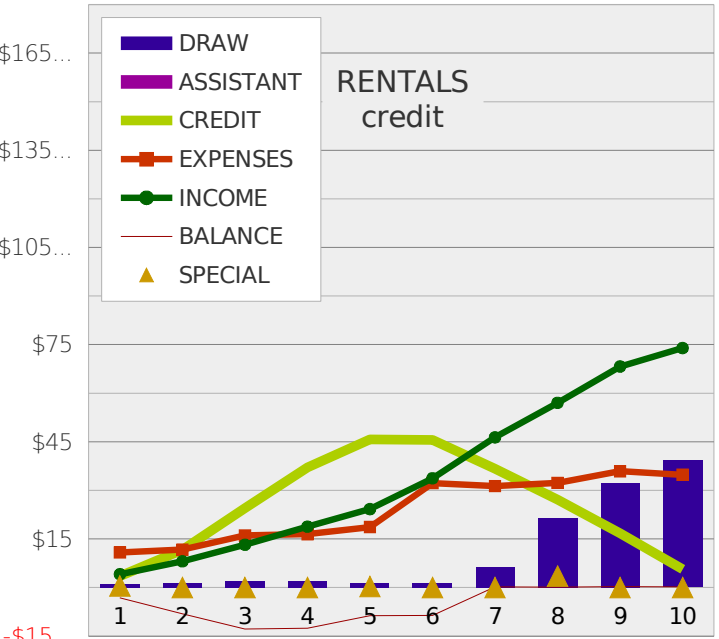
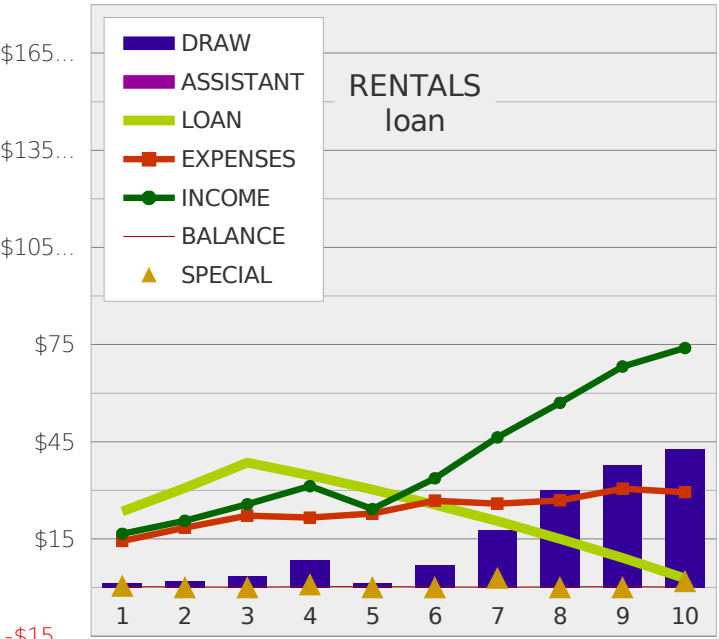
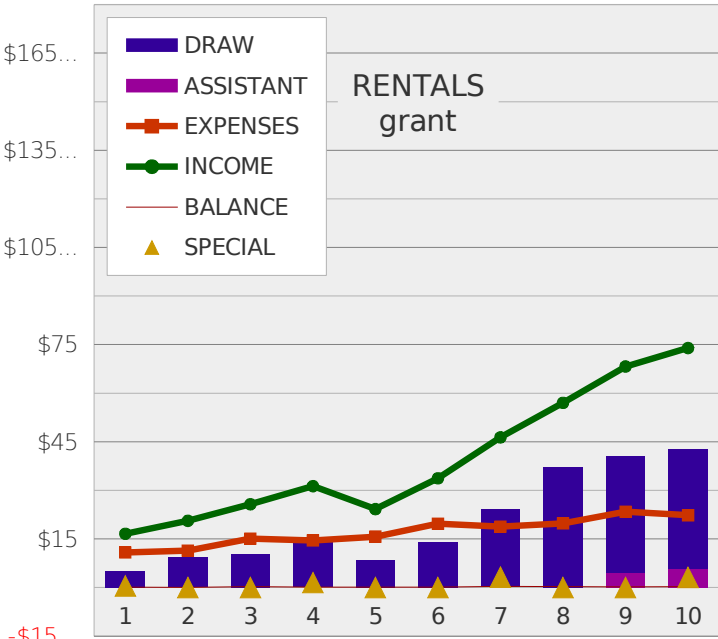
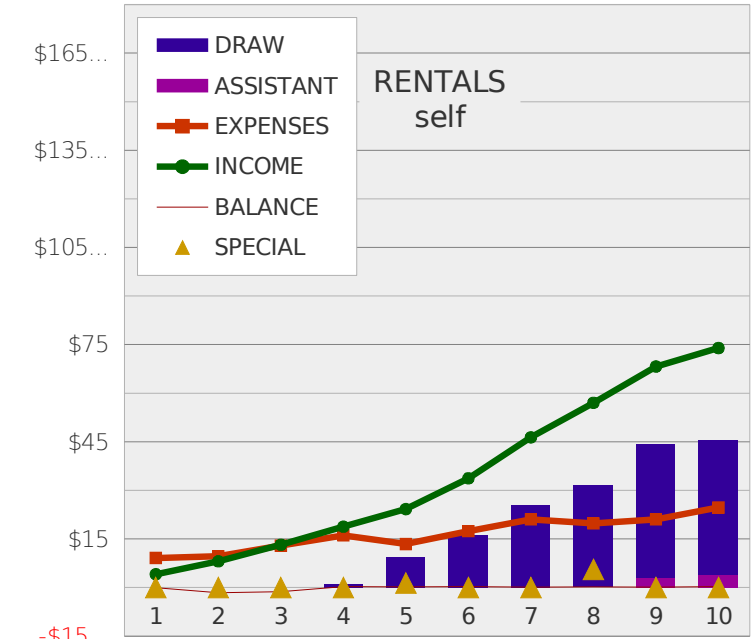
income & expenses

same gross stable @ low prices

UNITS: 169 | 254

67%

on renting versus selling visual artworks

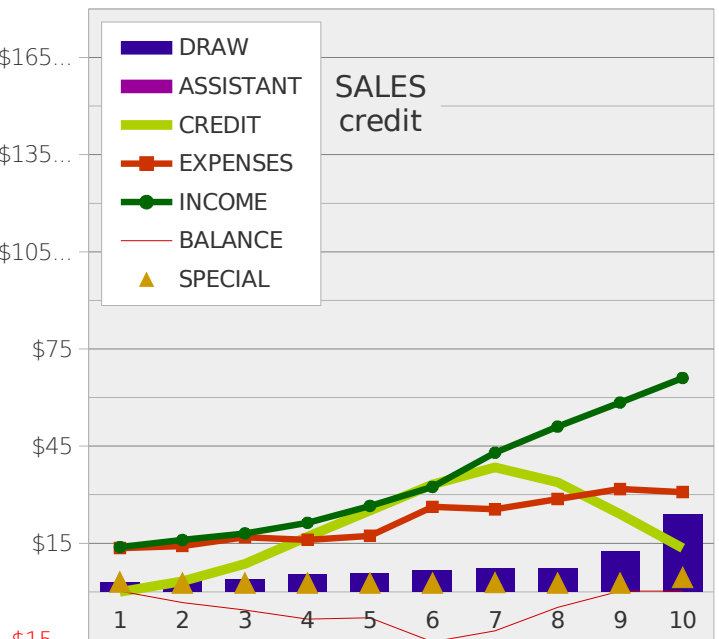
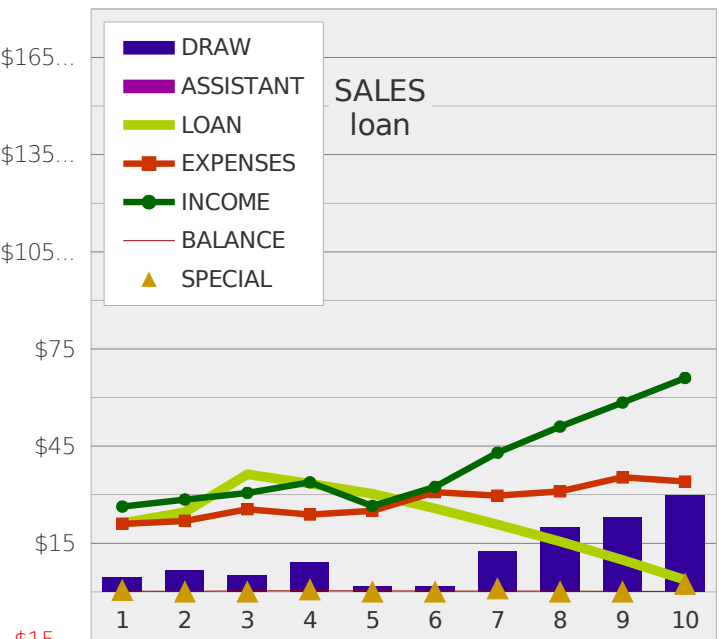
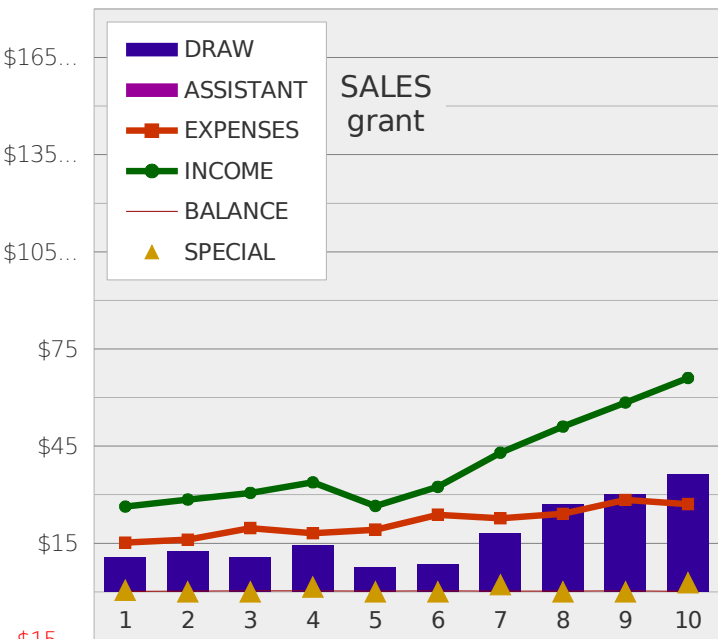
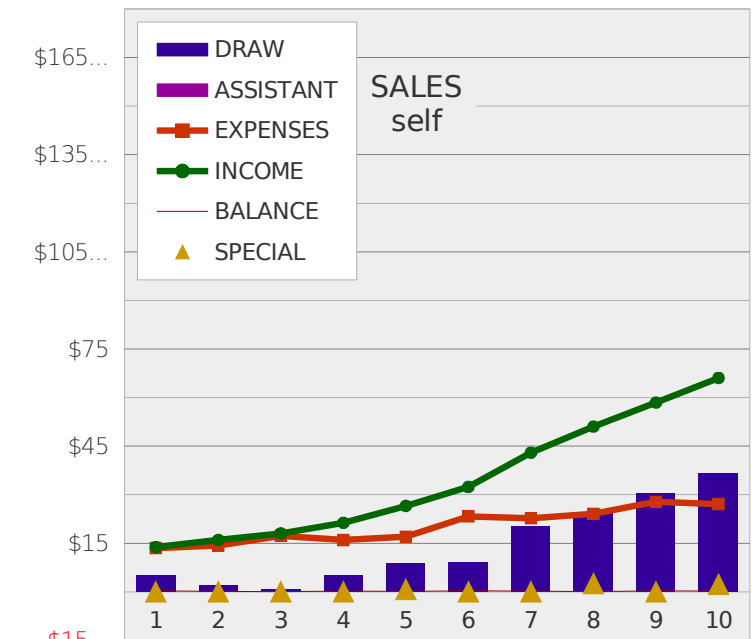


\$182,800
\$148,400 \$34,400 +/- NET
self RENTER \$224,200
\$182,100

\$42,100 +/- NET
grant RENTER RENTALS YR 1
SALES YR 1 \$12
\$420

\$30 \$48 \$156,800
\$1,300 \$2,200 \$118,300 \$38,500

+/- NET
loan RENTER \$114,300
\$84,300 \$30,000 +/- NET
credit RENTER



self = self financed (self and credit start with \$5,000 cash) **grant** = \$50,000 in 2 or 3 disbursements **loan** = \$50,000 @ 8% interest in 2 or 3 disbursements line of **credit** = \$50,000 limit @ 8% interest
NET income = DRAW+ASSISTANT+SPECIAL DRAW = amount artist pays her/himself ASSISTANT = helper, publicist, accountant, errand runner, etc SPECIAL = travel, training, extra equipment, etc Canadian \$
NET GRANT - NET SELF = GRANT to artist \$41,400 RENTER \$33,700 SELLER
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Slow going though it is, **self** and **grant** financed RENTERS can obtain an almost full-time INCOME (\$40,000 +) by Year 10/9. SELLERS cannot.

summaries ~ same gross ~ stable @ low prices

income & expenses ~ summary same gross stable @ low prices UNITS 169 | 254 67% on renting versus selling visual artworks

rentals		\$36,250					AVG +/- NET RENTER					TOTAL NET = DRAW + ASSISTANT + SPECIAL					LOAN and CREDIT PAYMENTS (from financial projections) are added to EXPENSES on this sheet.																																							
RENTALS INCOME	SELF financed						START UP \$5,000					GRANT financed					START UP \$50,000					LOAN financed					8% START UP \$50,000					CREDIT financed					8% START UP \$5,000																			
	YR	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE																									
	1	9,110	0	0	0	-180	10,800	5,100	0	500	30	14,350	1,500	0	500	80	10,800	900	0	500	-3,270																																			
	2	9,816	0	0	0	-1,926	11,400	9,100	0	0	100	18,500	2,100	0	0	50	11,683	1,000	0	0	-7,883																																			
	3	13,311	0	0	0	-2,208	15,100	10,500	0	0	29	22,200	3,300	0	0	79	16,013	1,200	0	0	-12,067																																			
	4	17,150	0	0	0	-1,046	14,500	14,900	0	1,400	41	21,600	8,100	0	1,100	91	16,378	1,000	0	0	-11,133																																			
	5	14,655	7,100	0	1,200	97	15,700	8,400	0	0	39	22,800	1,300	0	0	89	18,469	1,000	0	200	-6,704																																			
	6	17,400	16,300	0	0	31	19,700	13,900	0	0	73	26,800	6,900	0	0	23	32,200	1,500	0	0	-6,770																																			
	7	21,000	24,900	0	0	75	18,800	24,000	0	3,200	17	25,900	18,100	0	1,900	67	31,300	7,800	0	0	74																																			
	8	19,800	31,200	0	5,500	53	19,800	36,600	0	0	95	26,900	29,600	0	0	45	32,300	20,500	0	3,700	52																																			
9	21,000	44,600	2,300	0	45	23,400	40,400	4,100	0	87	30,500	37,400	0	0	37	35,900	32,000	0	0	44																																				
10	24,700	45,900	3,800	0	41	22,300	43,200	5,700	3,200	83	29,400	42,300	0	2,700	33	31,388	43,000	0	0	52																																				
345,783	TTL	167,942	170,000	6,100	6,700	350,742	171,500	206,100	9,800	8,300	395,700	238,950	150,600	0	6,200	395,750	236,431	109,900	0	4,400	350,731																																			
		TOTAL NET 182,800					41 350,742 ✓					TOTAL NET 224,200					83 395,700 ✓					↓ LOAN TOTAL NET 156,800					33 395,750 ✓					↓ CREDIT TOTAL NET 114,300					52 350,731 ✓																			
GROSS INCOME -\$737	STARTING FEES		\$12	\$30	#NAME?	STARTING PRICES		\$420	\$1,300	\$2,200	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10																																				
	YEAR 10 FEES		\$16	\$60	#NAME?	YEAR 10 PRICES		\$540	\$1,700	\$2,700	25,555	20,500	15,040	9,143	2,774	38,894	29,505	19,366	8,415	0																																				
+/- RENTER		RENTALS 182,800					\$34,400					+/- NET RENTER					RENTALS 224,200					\$42,100					+/- NET RENTER					RENTALS 156,800					\$38,500					+/- NET RENTER					RENTALS 114,300					\$30,000				
sales		SALES 148,400					SALES 182,100					SALES 118,300					SALES 84,300																																							
SALES INCOME	SELF financed						START UP \$5,000					GRANT financed					START UP \$50,000					LOAN financed					8% START UP \$50,000					CREDIT financed					8% START UP \$5,000																			
	YR	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE																									
	1	13,510	5,300	0	0	10	15,200	10,600	0	500	20	21,000	4,800	0	500	20	15,200	3,100	0	500	20																																			
	2	14,300	1,700	0	0	10	16,100	12,400	0	0	20	21,900	6,600	0	0	20	16,100	2,400	0	0	-2,480																																			
	3	17,300	700	0	0	60	19,700	10,800	0	0	70	25,500	5,000	0	0	70	19,898	2,200	0	0	-6,528																																			
	4	16,000	5,300	0	0	60	18,100	14,300	0	1,400	70	23,900	9,000	0	900	70	18,805	2,600	0	0	-6,633																																			
	5	17,000	8,700	0	800	80	19,200	7,300	0	0	90	25,000	1,500	0	0	90	22,042	3,000	0	100	-5,255																																			
	6	23,300	9,100	0	0	80	23,800	8,600	0	0	90	30,760	1,700	0	0	30	33,175	4,600	0	0	-10,630																																			
	7	22,700	20,300	0	0	40	22,700	18,100	0	2,200	50	29,660	11,900	0	1,400	40	32,075	4,600	0	0	-4,345																																			
	8	24,100	24,300	0	2,600	50	24,100	26,900	0	0	60	31,060	19,900	0	0	90	36,600	11,500	0	2,700	-4,135																																			
9	27,800	30,600	0	0	90	28,400	30,000	0	0	100	35,360	23,100	0	0	70	40,900	18,100	0	0	-4,695																																				
10	27,100	36,700	0	2,300	10	27,100	36,200	0	2,800	20	34,060	30,200	0	1,800	20	32,336	28,900	0	0	90																																				
346,520	TTL	203,110	142,700	0	5,700	351,510	214,400	175,200	0	6,900	396,500	278,200	113,700	0	4,600	396,500	267,130	81,000	0	3,300	351,430																																			
		TOTAL NET 148,400					10 351,510 ✓					TOTAL NET 182,100					20 396,500 ✓					↓ LOAN TOTAL NET 118,300					20 396,500 ✓					↓ CREDIT TOTAL NET 84,300					90 351,430 ✓																			
↑ basic INCOME	GRANT and LOAN are \$50,000 added to DRAW		NET GRANT		\$41,400		\$33,700		YEAR 6		YEAR 7	YEAR 8	YEAR 9	YEAR 10	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10																																					
	In 2 or 3 disbursements (from the projections sheets).		- NET SELF						25,733		20,832	15,539	9,822	3,647	21,874		18,594	11,716	4,848	0																																				
© Robert G Mears, 2020		studiofive.ca					RENTER					GRANT to artist					SELLER					LOAN PAYMENTS: RENTER / SELLER					67,450					63,800					CREDIT PAYMENTS: RENTER / SELLER					64,931					52,730									

At the low price range both RENTALS and SALES, self financed artists have no SPECIAL expense for STUDIO SET UP.

Slow going though it is, self and grant financed RENTERs can obtain an almost full-time INCOME (\$40,000 +) by Year 10/9. SELLERs cannot.

charts ~ same gross ~ stable @ median prices ~ (\$ amounts are x 1,000)

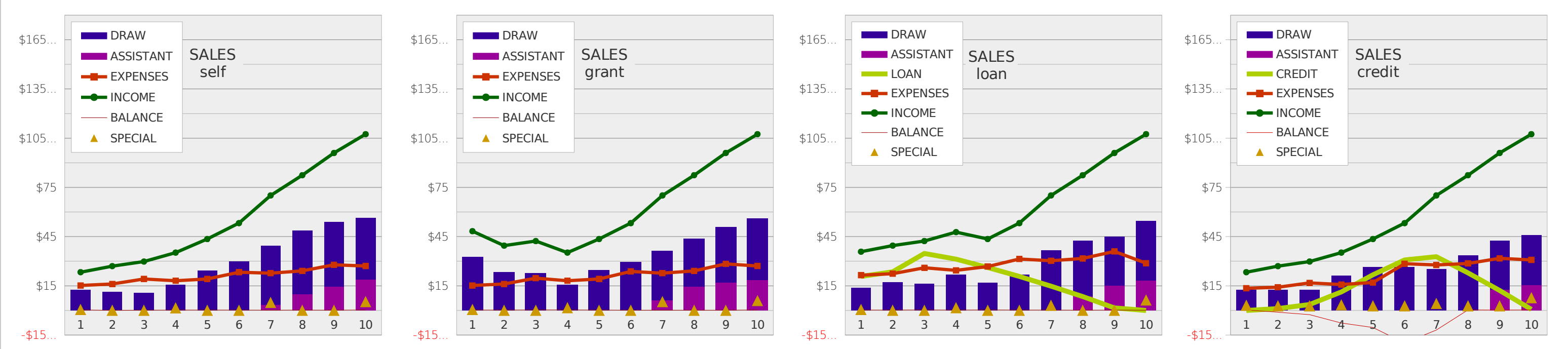
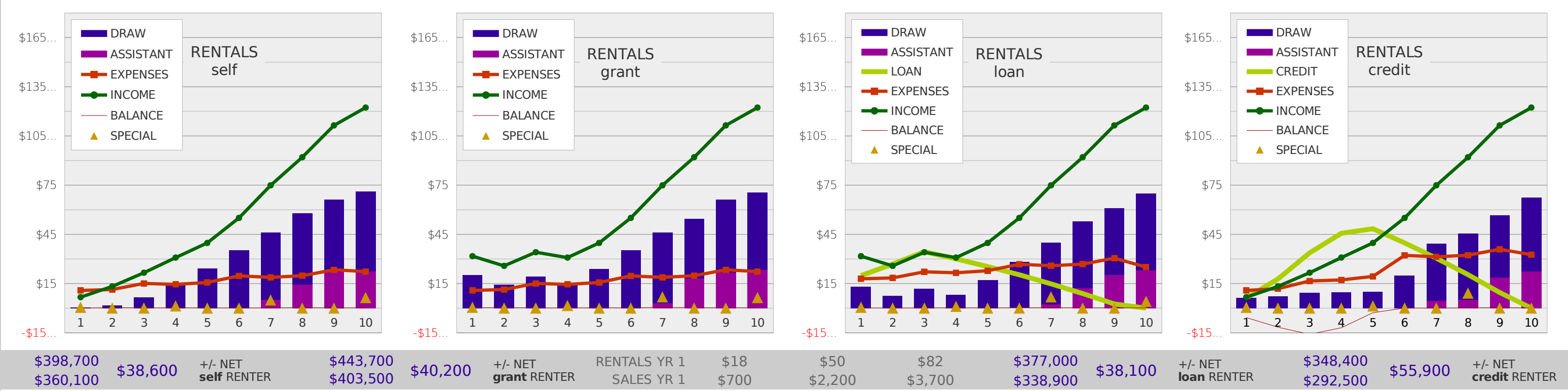
income & expenses

same gross stable @ median prices

UNITS: 169 | 254

67%

on renting versus selling visual artworks



self = self financed (self and credit start with \$5,000 cash) **grant** = \$50,000 in 2 or 3 disbursements **loan** = \$50,000 @ 8% interest in 2 or 3 disbursements line of **credit** = \$50,000 limit @ 8% interest
NET income = DRAW+ASSISTANT+SPECIAL DRAW = amount artist pays her/himself ASSISTANT = helper, publicist, accountant, errand runner, etc SPECIAL = travel, training, extra equipment, etc Canadian \$
NET GRANT - NET SELF = GRANT to artist \$45,000 RENTER \$43,400 SELLER
© Robert G Mears, 2020 studiofive.ca

Both RENTER and SELLER do well with a stable income.
The RENTER has a **DRAW**, in Year 10, around \$70,000 while the SELLER has a **DRAW** around \$55,000.

summaries ~ same gross ~ stable @ median prices

income & expenses ~ summary same gross stable @ median prices UNITS 169 | 254 67% on renting versus selling visual artworks

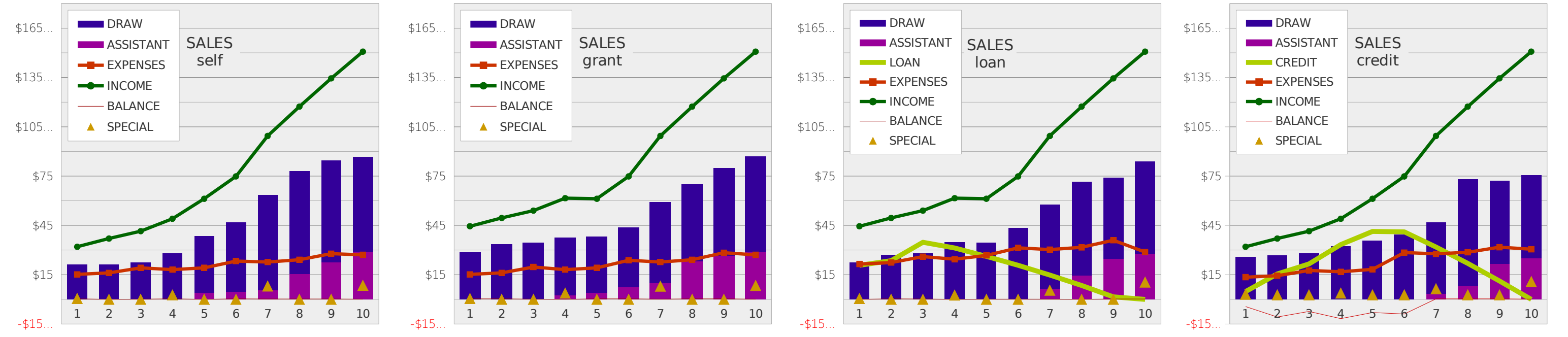
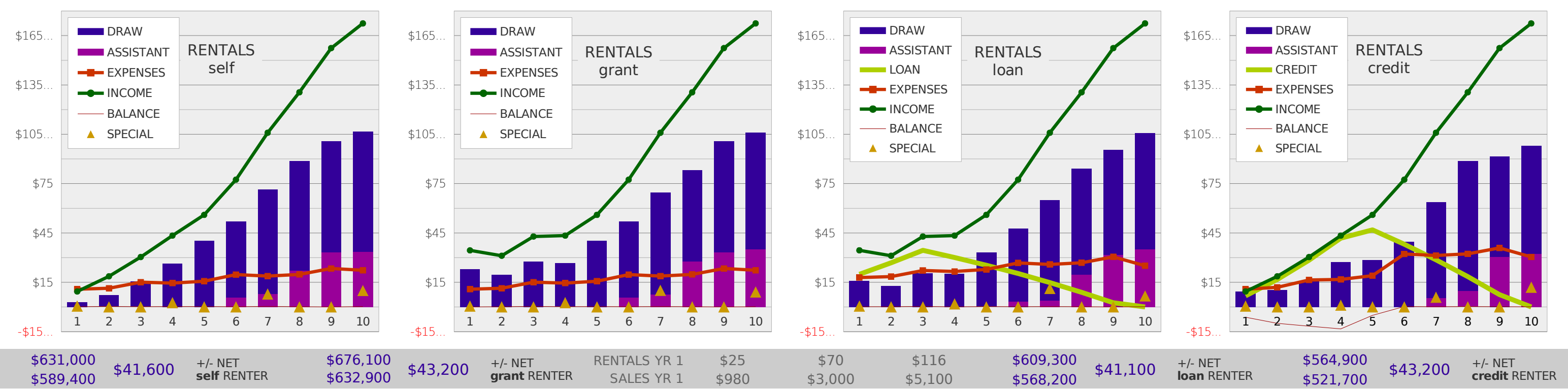
rentals		\$43,200					AVG +/- NET RENTER					TOTAL NET = DRAW + ASSISTANT + SPECIAL					LOAN and CREDIT PAYMENTS (from financial projections) are added to EXPENSES on this sheet.																																																																		
RENTALS INCOME	SELF financed						START UP \$5,000					GRANT financed					START UP \$50,000					LOAN financed					8% START UP \$50,000					CREDIT financed					8% START UP \$5,000																																														
	YR	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE																																																				
	1	10,800	100	0	500	70	10,800	20,100	0	500	70	17,900	13,000	0	500	70	10,800	4,500	0	500	-4,330																																																														
	2	11,400	1,900	0	0	70	11,400	14,400	0	0	70	18,500	7,300	0	0	70	11,774	5,200	0	0	-8,004																																																														
	3	15,100	6,300	0	0	35	15,100	18,800	0	0	35	22,200	11,700	0	0	35	16,114	9,200	0	0	-11,954																																																														
	4	14,500	14,300	0	1,300	1	14,500	14,300	0	1,300	1	21,600	7,300	0	1,200	1	16,471	11,600	0	200	-10,158																																																														
	5	15,700	23,900	0	0	34	15,700	23,900	0	0	34	22,800	16,800	0	0	34	18,483	13,300	0	0	-2,309																																																														
	6	19,700	35,200	0	0	54	19,700	35,200	0	0	54	26,800	28,100	0	0	54	32,200	20,400	0	0	11																																																														
	7	18,800	46,000	4,600	4,800	100	18,800	45,900	3,000	6,500	100	25,900	41,300	2,400	4,600	100	31,300	39,500	0	3,400	57																																																														
	8	19,800	57,300	14,200	0	4	19,800	53,700	17,700	0	104	26,900	52,300	12,100	0	4	32,300	53,100	5,800	0	61																																																														
9	23,400	65,800	21,700	0	26	23,400	65,900	21,700	0	26	30,500	60,500	19,900	0	26	30,049	60,800	20,100	0	34																																																															
10	22,300	71,900	22,500	6,400	54	22,300	71,200	23,500	6,100	54	25,078	69,000	22,800	6,200	76	22,300	70,200	23,100	7,500	62																																																															
565,254	TTL	171,500	322,700	63,000	13,000	570,200	171,500	363,400	65,900	14,400	615,200	238,178	307,300	57,200	12,500	615,178	221,792	287,800	49,000	11,600	570,192																																																														
TOTAL NET		398,700					54					570,200					✓		TOTAL NET		443,700					54					615,200					✓		↓ LOAN		TOTAL NET					377,000					76					615,178					✓		↓ CREDIT		TOTAL NET					348,400					62					570,192				
GROSS INCOME	STARTING FEES		\$18		\$50		#NAME?		STARTING PRICES		\$700		\$2,200		\$3,700		YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10																																																									
	YEAR 10 FEES		\$22		\$104		#NAME?		YEAR 10 PRICES		\$880		\$2,700		\$4,600		20,339	14,866	8,956	2,572	0	27,569	17,275	6,157	0	0																																																									
+/- RENTER		RENTALS		398,700		\$38,600		+/- NET RENTER		RENTALS		443,700		\$40,200		+/- NET RENTER		RENTALS		377,000		\$38,100		+/- NET RENTER		RENTALS		348,400		\$55,900																																																					
sales		SALES		360,100		SALES		403,500		SALES		338,900		SALES		338,900		SALES		292,500		SALES		292,500		SALES		292,500		SALES																																																					
SALES INCOME	SELF financed						START UP \$5,000					GRANT financed					START UP \$50,000					LOAN financed					8% START UP \$50,000					CREDIT financed					8% START UP \$5,000																																														
	YR	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE																																																				
	1	15,200	12,500	0	500	100	15,200	32,500	0	500	100	21,500	13,700	0	500	100	15,200	12,500	0	500	100																																																														
	2	16,100	10,900	0	0	100	16,100	23,400	0	0	100	22,400	17,100	0	0	100	16,100	10,900	0	0	100																																																														
	3	19,200	10,600	0	0	80	19,700	22,600	0	0	80	26,000	16,300	0	0	80	19,700	17,000	0	0	-6,820																																																														
	4	18,100	15,700	0	1,500	20	18,100	15,600	0	1,600	20	24,400	21,200	0	2,200	20	18,646	18,200	0	600	-9,026																																																														
	5	19,200	24,300	0	0	40	19,200	24,300	0	0	40	26,760	16,700	0	0	80	22,116	22,900	0	0	-10,521																																																														
	6	23,300	29,900	0	0	40	23,800	29,400	0	0	40	31,360	21,900	0	0	20	36,300	24,500	0	0	-18,121																																																														
	7	22,700	39,800	2,800	4,800	20	22,700	39,600	2,400	5,400	20	30,260	35,600	0	4,200	50	35,200	27,800	0	2,100	-13,141																																																														
	8	24,100	48,700	9,600	0	50	24,100	43,800	14,500	0	50	31,660	42,400	8,400	0	20	36,600	32,600	0	0	89																																																														
9	27,800	54,100	14,100	0	30	28,400	50,800	16,800	0	30	35,960	45,100	14,900	0	40	40,900	42,500	12,600	0	69																																																															
10	27,100	56,400	18,600	5,300	70	27,100	55,900	18,400	6,000	70	28,769	55,700	18,300	4,700	1	39,600	45,700	15,100	7,000	109																																																															
567,970	TTL	212,800	302,900	45,100	12,100	572,900	214,400	337,900	52,100	13,500	617,900	279,069	285,700	41,600	11,600	617,969	280,361	254,600	27,700	10,200	572,861																																																														
TOTAL NET		360,100					70					572,900					✓		TOTAL NET		403,500					70					617,900					✓		↓ LOAN		TOTAL NET					338,900					1					617,969					✓		↓ CREDIT		TOTAL NET					292,500					109					572,861				
↑ basic INCOME	GRANT and LOAN are \$50,000 added to DRAW										NET GRANT - NET SELF		\$45,000		\$43,400		YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10																																																									
	In 2 or 3 disbursements (from the projections sheets).																20,709	14,806	8,431	1,545	0	32,318	35,544	25,888	15,459	4,195																																																									
© Robert G Mears, 2020		studiofive.ca		RENTER		GRANT to artist		SELLER		LOAN PAYMENTS: RENTER / SELLER		66,678	64,669	CREDIT PAYMENTS: RENTER / SELLER		50,292	65,961																																																																		

Both RENTER and SELLER do well with a stable income.
The RENTER has a DRAW, in Year 10, around \$70,000 while the SELLER has a DRAW around \$55,0000.

income & expenses

same gross stable @ high prices

UNITS: 169 | 254 67% on renting versus selling visual artworks



self = self financed (self and credit start with \$5,000 cash) **grant** = \$50,000 in 2 or 3 disbursements **loan** = \$50,000 @ 8% interest in 2 or 3 disbursements line of **credit** = \$50,000 limit @ 8% interest
NET income = DRAW+ASSISTANT+SPECIAL DRAW = amount artist pays her/himself ASSISTANT = helper, publicist, accountant, errand runner, etc SPECIAL = travel, training, extra equipment, etc Canadian \$
NET GRANT - NET SELF = GRANT to artist \$45,100 RENTER \$43,500 SELLER
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Both RENTER and SELLER do well with a stable income.
The RENTER has a **DRAW** in Year 10 of (mostly) over \$100,000 while the SELLER's **DRAW** is between \$75,000 and \$87,0000.

summaries ~ same gross ~ stable @ high prices

income & expenses ~ summary same gross stable @ high prices UNITS 169 | 254 67% on renting versus selling visual artworks

rentals		\$42,275		AVG +/- NET RENTER		TOTAL NET = DRAW + ASSISTANT + SPECIAL					LOAN and CREDIT PAYMENTS (from financial projections) are added to EXPENSES on this sheet.																														
RENTALS INCOME	SELF financed						START UP \$5,000					GRANT financed					START UP \$50,000					LOAN financed					8% START UP \$50,000					CREDIT financed					8% START UP \$5,000				
	YR	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE										
	1	10,800	2,700	0	500	73	10,800	22,700	0	500	73	17,900	15,600	0	500	73	10,800	8,500	0	500	-5,727																				
	2	11,400	7,300	0	0	8	11,400	19,800	0	0	8	18,500	12,700	0	0	8	11,895	16,300	0	0	-15,287																				
	3	15,100	14,800	0	0	86	15,100	27,300	0	0	86	22,200	20,200	0	0	86	16,818	1,200	0	0	-3,327																				
	4	14,500	25,400	0	2,400	74	14,500	25,400	0	2,400	74	21,600	18,400	0	2,300	74	16,484	38,800	0	1,300	-17,622																				
	5	15,700	40,100	0	0	68	15,700	40,100	0	0	68	22,800	33,000	0	0	68	19,094	23,900	0	0	-4,822																				
	6	19,700	51,900	5,700	0	18	19,700	51,900	5,700	0	18	26,800	47,500	3,000	0	18	32,200	40,200	0	0	28																				
	7	18,800	71,300	7,100	7,700	138	18,800	68,800	7,500	9,900	38	25,900	67,600	3,900	7,600	38	31,300	62,700	5,300	5,600	148																				
	8	19,800	87,800	21,700	0	176	19,800	82,300	27,200	0	76	26,900	83,200	19,200	0	76	32,300	87,600	9,500	0	86																				
9	23,400	100,300	33,100	0	40	23,400	100,200	33,100	0	40	30,500	94,900	31,200	0	140	35,900	90,800	30,000	0	50																					
10	22,300	107,500	33,700	10,000	114	22,300	106,900	35,300	9,100	14	25,078	104,200	34,400	9,900	136	30,883	98,600	32,400	11,700	41																					
797,614	TTL	171,500	509,100	101,300	20,600	802,500	171,500	545,400	108,800	21,900	847,600	238,178	497,300	91,700	20,300	847,478	237,673	468,600	77,200	19,100	802,573																				
TOTAL NET		631,000		114		802,500	TOTAL NET		676,100		14		847,600	↓ LOAN TOTAL NET		609,300		136		847,478	↓ CREDIT TOTAL NET		564,900		41		802,573														
GROSS INCOME \$264	STARTING FEES		\$25		\$70		#NAME?		STARTING PRICES		\$980		\$3,000		\$5,100		YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10															
	YEAR 10 FEES		\$33		\$146		#NAME?		YEAR 10 PRICES		\$1,240		\$3,800		\$6,400		20,339	14,866	8,956	2,572	0	38,523	29,104	18,933	7,947	0															
+/- RENTER		RENTALS 631,000		\$41,600		+/- NET RENTER		RENTALS 676,100		\$43,200		+/- NET RENTER		RENTALS 609,300		\$41,100		+/- NET RENTER		RENTALS 564,900		\$43,200																			
SALES		589,400						SALES 632,900						SALES 568,200						SALES 521,700																					
SALES INCOME	SELF financed						START UP \$5,000					GRANT financed					START UP \$50,000					LOAN financed					8% START UP \$50,000					CREDIT financed					8% START UP \$5,000				
	YR	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE										
	1	15,200	21,200	0	500	80	15,200	28,700	0	500	80	21,500	22,400	0	500	80	15,200	21,200	0	500	80																				
	2	16,100	20,900	0	0	80	16,100	33,400	0	0	80	22,400	27,100	0	0	80	16,100	23,100	0	0	-2,120																				
	3	19,200	22,300	0	0	60	19,700	34,300	0	0	60	26,000	28,000	0	0	60	19,870	24,100	0	0	-4,610																				
	4	18,100	28,200	0	2,700	100	18,100	39,500	0	3,900	100	24,400	33,500	0	3,600	100	18,625	33,900	0	1,700	-9,794																				
	5	19,200	39,500	2,500	0	100	19,200	42,000	0	0	100	26,760	34,500	0	0	40	22,209	39,600	0	0	-10,404																				
	6	23,300	46,900	4,600	0	100	23,800	45,200	5,800	0	100	31,360	43,400	0	0	80	36,300	46,100	1,700	0	-19,704																				
	7	22,700	64,200	4,400	8,100	120	22,700	64,700	3,800	8,300	20	30,260	55,600	6,100	7,500	50	35,200	51,100	3,400	4,400	-14,384																				
	8	24,100	77,800	15,400	0	90	24,100	70,000	23,100	0	90	31,660	71,400	14,100	0	160	36,600	59,700	6,500	0	86																				
9	27,800	84,600	22,100	0	30	28,400	79,800	26,300	0	30	35,960	74,100	24,500	0	40	40,900	72,100	21,400	0	126																					
10	27,100	86,500	28,500	8,500	150	27,100	86,400	28,500	8,700	50	28,769	85,800	28,200	7,900	81	39,600	75,000	24,800	11,400	46																					
797,350	TTL	212,800	492,100	77,500	19,800	802,200	214,400	524,000	87,500	21,400	847,300	279,069	475,800	72,900	19,500	847,269	280,604	445,900	57,800	18,000	802,304																				
TOTAL NET		589,400		150		802,200	TOTAL NET		632,900		50		847,300	↓ LOAN TOTAL NET		568,200		81		847,269	↓ CREDIT TOTAL NET		521,700		46		802,304														
↑ basic INCOME		GRANT and LOAN are \$50,000 added to DRAW						NET GRANT - NET SELF		\$45,100		\$43,500		YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10																		
		In 2 or 3 disbursements (from the projections sheets).												20,709	14,806	8,431	1,545	0	34,265	38,890	29,501	19,361	8,410																		
© Robert G Mears, 2020		studiofive.ca						RENTER		GRANT to artist		SELLER		LOAN PAYMENTS: RENTER / SELLER		66,678	64,669	CREDIT PAYMENTS: RENTER / SELLER		66,173	66,204																				

Both RENTER and SELLER do well with a stable income.

The RENTER has a DRAW in Year 10 of (mostly) over \$100,000 while the SELLER's DRAW is between \$75,000 and \$87,0000.

↖ end same gross stable ↗

↙ begin same units erratic ↘

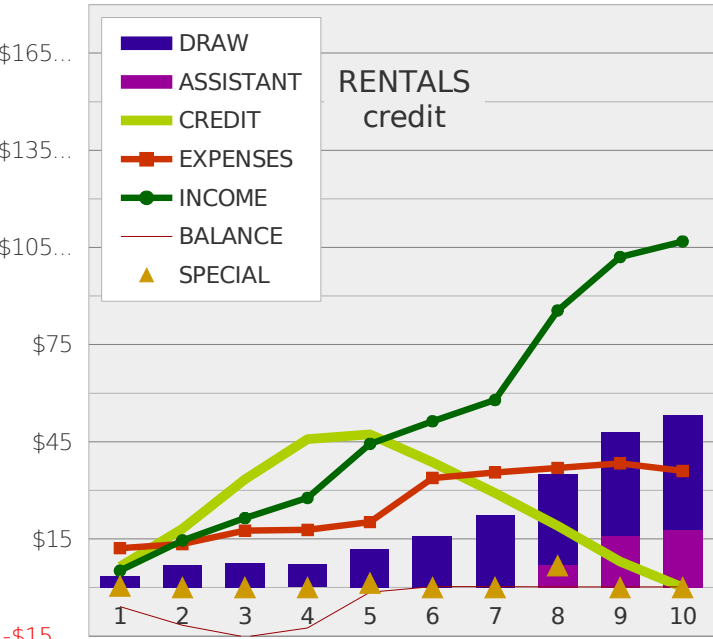
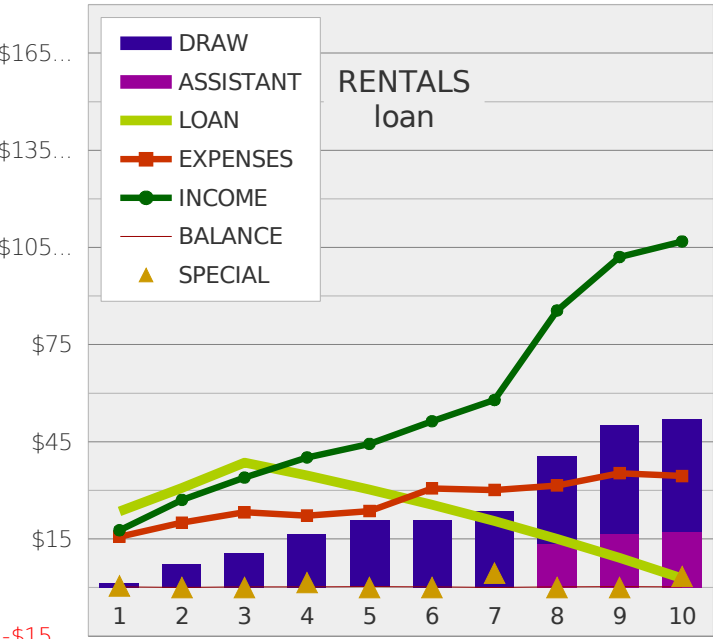
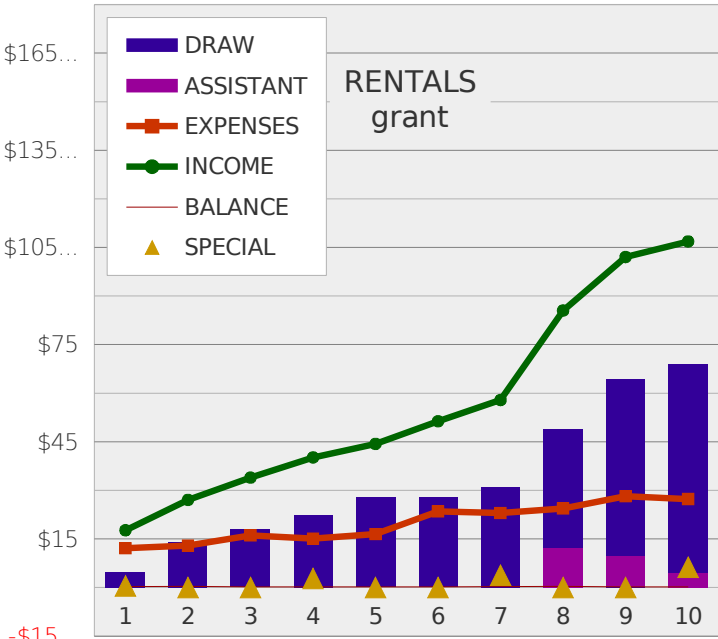
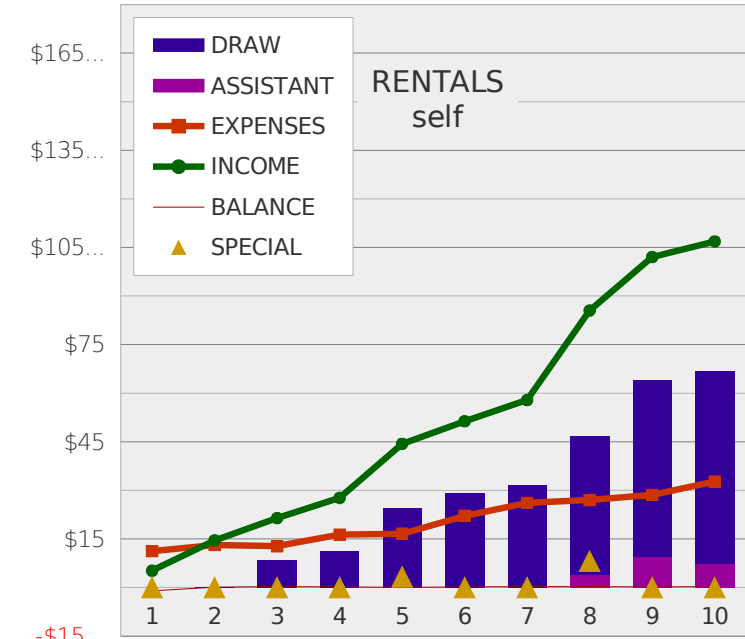
charts ~ same units ~ erratic @ low prices ~ (\$ amounts are x 1,000)

income & expenses

same units erratic @ low prices

UNITS: 254 | 254 100%

on renting versus selling visual artworks

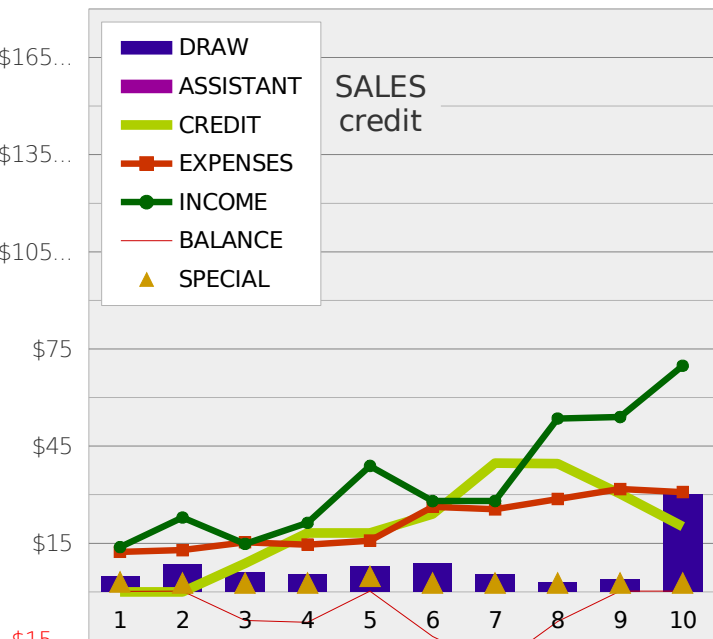
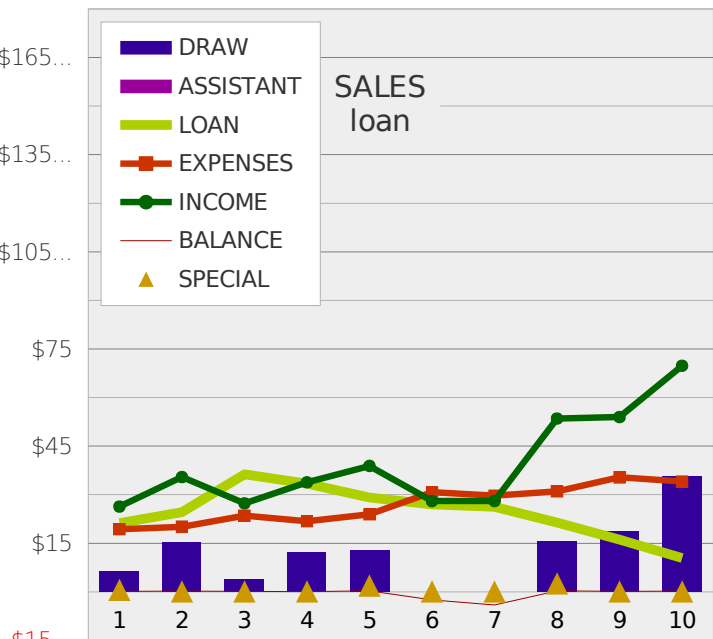
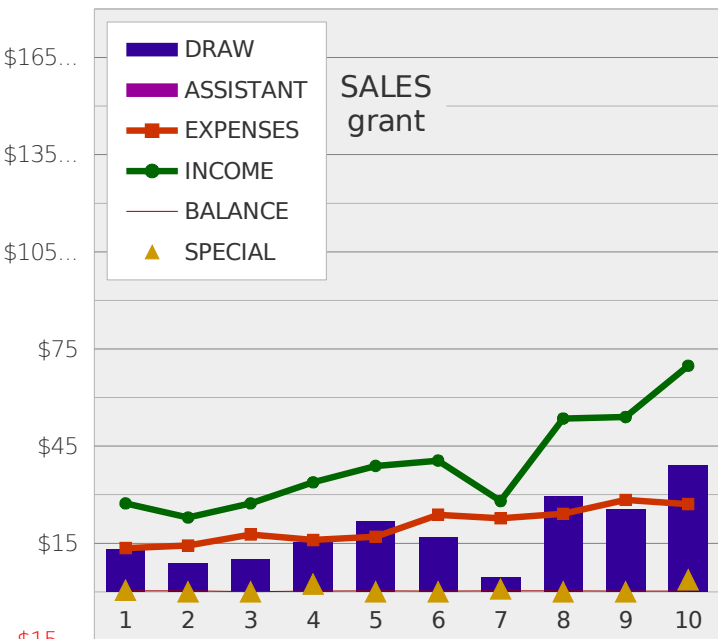
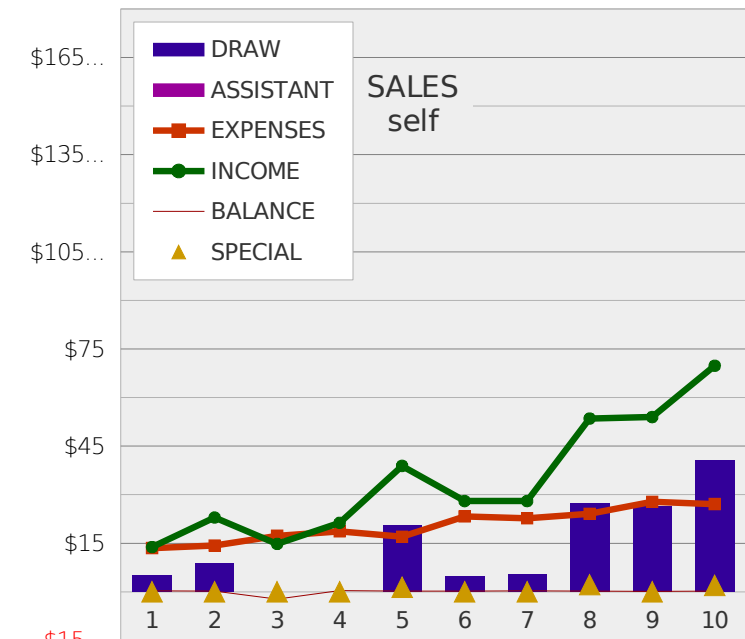


\$315,200
\$143,900 \$171,300 +/- NET
self RENTER

\$361,400
\$190,300 \$171,100 +/- NET
grant RENTER

RENTALS YR 1 \$12
SALES YR 1 \$420

\$294,000
\$125,400 \$168,600 +/- NET
loan RENTER



self = self financed (self and credit start with \$5,000 cash) **grant** = \$50,000 in 2 or 3 disbursements **loan** = \$50,000 @ 8% interest in 2 or 3 disbursements line of **credit** = \$50,000 limit @ 8% interest
NET income = DRAW+ASSISTANT+SPECIAL DRAW = amount artist pays her/himself ASSISTANT = helper, publicist, accountant, errand runner, etc SPECIAL = travel, training, extra equipment, etc Canadian \$
NET GRANT - NET SELF = GRANT to artist \$46,200 RENTER \$46,400 SELLER
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The RENTER has over \$170,000 more net income and can go full-time in Year 8. The SELLER cannot go full-time.
The **loan** financed RENTER has almost paid off the loan in 10 years; the SELLER needs 11+ years.

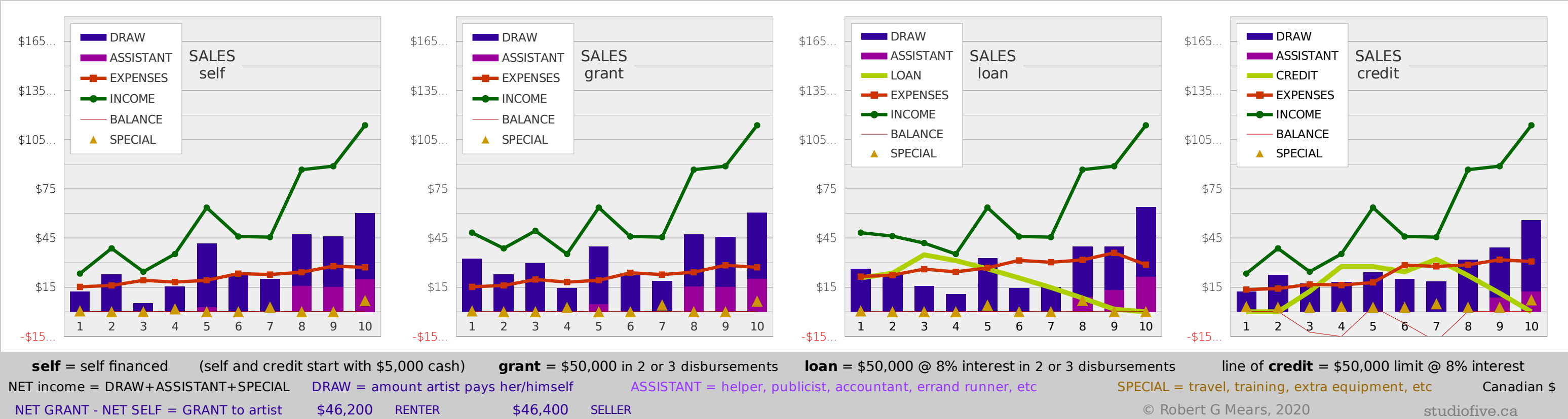
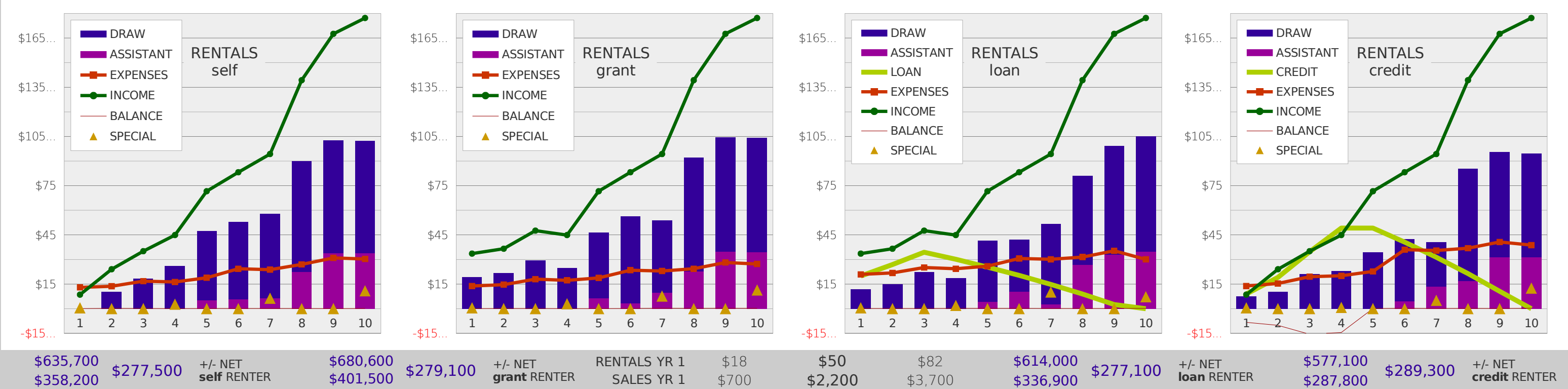
summaries ~ same units ~ erratic @ low prices

income & expenses ~ summary same units erratic @ low prices 254 | 254 UNITS 100% for RENTER on renting versus selling visual artworks

rentals		\$172,450					AVG +/- NET RENTER					TOTAL NET = DRAW + ASSISTANT + SPECIAL					LOAN and CREDIT PAYMENTS (from financial projections) are added to EXPENSES on this sheet.																																																																		
RENTALS INCOME	SELF financed						START UP \$5,000					GRANT financed					START UP \$50,000					LOAN financed					8% START UP \$50,000					CREDIT financed					8% START UP \$5,000																																														
	YR	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE																																																				
	1	11,210	0	0	0	-1,038	11,210	5,900	0	500	62	14,760	2,400	0	500	12	12,110	2,800	0	500	-5,238																																																														
	2	13,100	400	0	0	6	11,900	15,200	0	0	6	19,000	8,000	0	0	56	13,353	5,800	0	0	-9,847																																																														
	3	12,750	8,600	0	0	73	14,900	19,000	0	0	23	22,000	11,900	0	0	73	17,340	4,700	0	0	-10,470																																																														
	4	16,310	11,400	0	0	10	14,100	23,100	0	2,900	70	21,200	17,400	0	1,600	20	17,178	12,200	0	200	-12,401																																																														
	5	16,600	24,400	0	3,300	48	16,600	27,800	0	0	8	23,700	20,600	0	0	58	19,870	11,900	0	0	167																																																														
	6	22,100	29,200	0	0	62	24,400	26,900	0	0	22	31,500	19,800	0	0	72	36,600	14,700	0	0	181																																																														
	7	26,100	31,800	0	0	34	23,800	30,300	0	3,700	94	30,900	22,700	0	4,300	44	36,000	19,900	0	2,100	53																																																														
	8	27,000	46,500	3,800	8,200	58	27,000	47,000	11,600	0	18	34,100	38,700	12,800	0	-32	38,400	39,300	7,800	0	77																																																														
102,031	9	28,600	63,900	9,500	89	31,000	61,800	9,200	0	49	38,100	48,000	15,800	0	99	38,181	48,000	15,800	0	127																																																															
106,846	10	32,700	66,900	7,300	35	30,300	66,100	4,400	6,000	95	37,400	49,800	16,400	3,300	45	29,000	54,300	17,900	5,700	73																																																															
516,705	TTL	206,470	283,100	20,600	11,500	521,670	205,210	323,100	25,200	13,100	566,610	272,660	239,300	45,000	9,700	566,660	258,032	213,600	41,500	8,500	521,632																																																														
TOTAL NET		315,200					35					521,670					✓		TOTAL NET		361,400					95					566,610					✓		↓ LOAN		TOTAL NET					294,000					45					566,660					✓		↓ CREDIT		TOTAL NET					263,600					73					521,632				
GROSS INCOME	STARTING FEES		\$12		\$30		\$48		STARTING PRICES		\$420		\$1,300		\$2,200		YEAR 6		YEAR 7		YEAR 8		YEAR 9		YEAR 10		YEAR 6		YEAR 7		YEAR 8		YEAR 9		YEAR 10																																																
	YEAR 10 FEES		\$16		\$60		\$38		YEAR 10 PRICES		\$540		\$1,700		\$2,700		25,555		20,500		15,072		9,178		2,812		28,944		18,760		7,760		0		0																																																
+/- RENTER		RENTALS					315,200					\$171,300					+/- NET RENTER					RENTALS					361,400					\$171,100					+/- NET RENTER					RENTALS					294,000					\$168,600					+/- NET RENTER					RENTALS					263,600					\$178,800											
SALES		143,900					sales					190,300					SALES					125,400					SALES					84,800																																																			
SALES INCOME	SELF financed						START UP \$5,000					GRANT financed					START UP \$50,000					LOAN financed					8% START UP \$50,000					CREDIT financed					8% START UP \$5,000																																														
	YR	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE																																																				
	1	13,510	5,300	0	0	10	13,510	12,300	0	500	10	19,310	6,500	0	500	10	13,510	4,800	0	500	10																																																														
	2	14,300	8,600	0	0	50	14,300	8,600	0	0	50	20,100	15,300	0	0	50	14,300	8,600	0	0	50																																																														
	3	17,300	0	0	0	-2,450	17,700	9,600	0	0	50	23,500	3,800	0	0	50	17,700	6,000	0	0	-8,900																																																														
	4	18,940	0	0	0	-90	16,000	15,400	0	2,400	50	21,800	12,000	0	0	50	16,712	6,200	0	0	-10,512																																																														
	5	17,108	20,200	0	1,400	82	17,000	21,900	0	0	30	23,960	13,000	0	1,900	70	20,572	6,000	0	2,700	-904																																																														
	6	23,300	4,800	0	0	2	23,800	16,700	0	0	50	30,760	0	0	0	-2,670	33,175	5,300	0	0	-11,359																																																														
	28,040	7	22,700	5,300	0	42	22,700	4,500	0	800	90	29,660	0	0	0	-4,280	32,075	5,400	0	0	-20,794																																																														
	53,510	8	24,100	27,200	0	2,200	52	24,100	29,400	0	0	100	31,060	15,600	0	2,500	70	36,600	5,000	0	0	-8,884																																																													
53,960	9	27,800	26,200	0	0	12	28,400	25,600	0	0	60	35,360	18,600	0	0	70	40,900	4,100	0	0	76																																																														
69,800	10	27,100	40,700	0	2,000	12	27,100	39,000	0	3,600	160	34,060	35,700	0	0	100	39,600	30,200	0	0	76																																																														
345,070	TTL	206,158	138,300	0	5,600	350,058	204,610	183,000	0	7,300	394,910	269,570	120,500	0	4,900	394,970	265,144	81,600	0	3,200	349,944																																																														
TOTAL NET		143,900					12					350,058					✓		TOTAL NET		190,300					160					394,910					✓		↓ LOAN		TOTAL NET					125,400					100					394,970					✓		↓ CREDIT		TOTAL NET					84,800					76					349,944				
↑ basic INCOME	GRANT and LOAN are \$50,000 added to DRAW												YEAR 6		YEAR 7		YEAR 8		YEAR 9		YEAR 10		YEAR 6		YEAR 7		YEAR 8		YEAR 9		YEAR 10																																																				
	In 2 or 3 disbursements (from the projections sheets).												27,151		26,643		21,814		16,599		10,967		21,745		34,903		34,079		24,305		13,750																																																				
© Robert G Mears, 2020		studiofive.ca					RENTER					GRANT to artist					SELLER					LOAN PAYMENTS: RENTER / SELLER					67,450					64,960					CREDIT PAYMENTS: RENTER / SELLER					52,722					60,534																																				

charts ~ same units ~ erratic @ median prices ~ (\$ amounts are x 1,000)

income & expenses



The RENTER has almost \$280,000 more net income than the SELLER.
The RENTER can go full-time in Year 5/6. The SELLER must wait until Year 8.
90% of a **grant** goes to the RENTER. 87% to the SELLER.

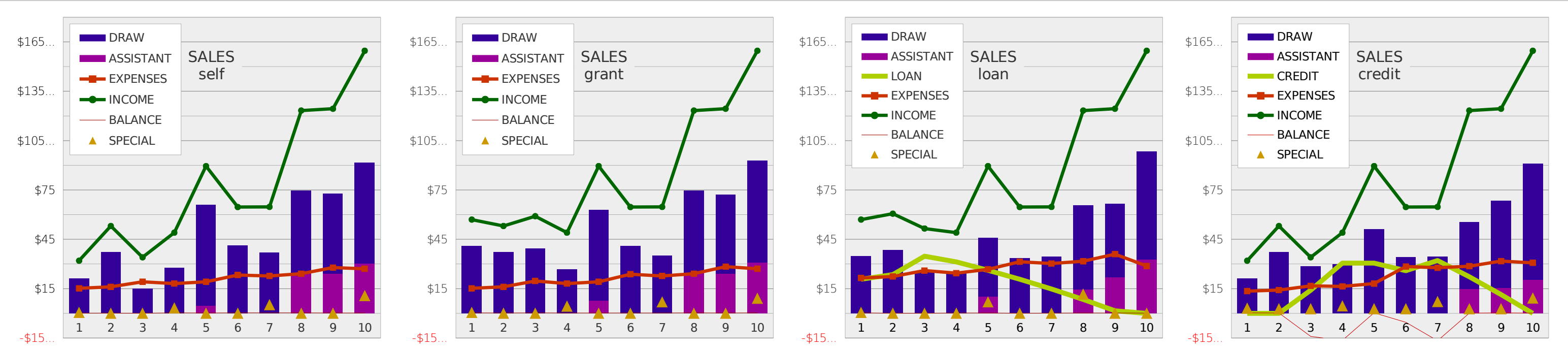
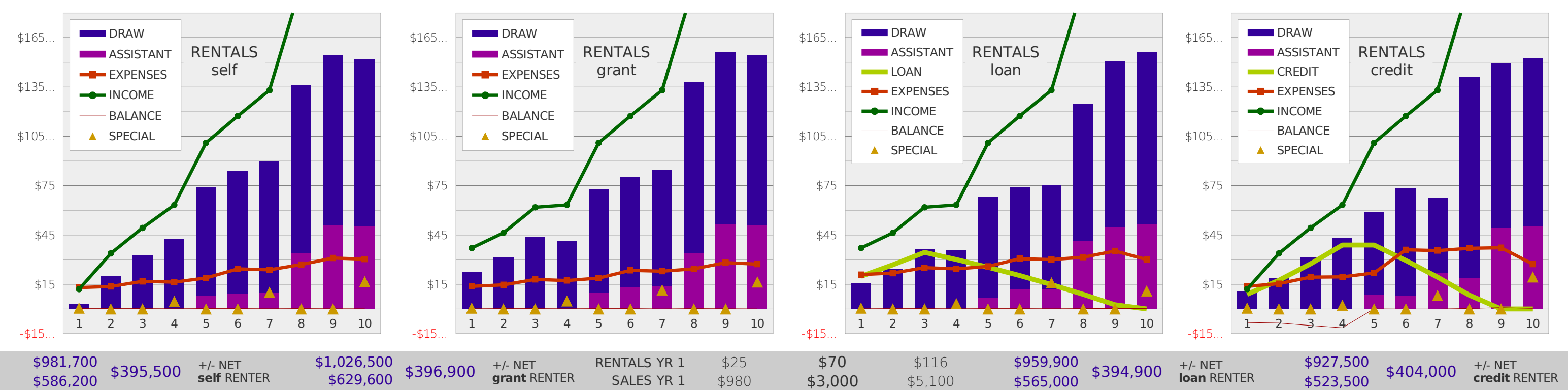
summaries ~ same units ~ erratic @ median prices

income & expenses ~ summary same units erratic @ median prices 254 | 254 UNITS 100% for RENTER on renting versus selling visual artworks

rentals		\$280,750					AVG +/- NET RENTER					TOTAL NET = DRAW + ASSISTANT + SPECIAL					LOAN and CREDIT PAYMENTS (from financial projections) are added to EXPENSES on this sheet.																																																																		
RENTALS INCOME	SELF financed						START UP \$5,000					GRANT financed					START UP \$50,000					LOAN financed					8% START UP \$50,000					CREDIT financed					8% START UP \$5,000																																														
	YR	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE																																																				
	1	13,000	0	0	500	88	13,000	20,000	0	500	88	20,100	12,900	0	500	88	13,800	9,700	0	500	-10,412																																																														
	2	13,700	10,400	0	0	64	13,700	22,900	0	0	64	20,800	15,800	0	0	64	15,600	7,700	0	0	-9,636																																																														
	3	16,800	18,300	0	0	50	16,800	30,800	0	0	50	23,900	23,700	0	0	50	19,670	14,800	0	0	-9,020																																																														
	4	16,300	26,500	0	2,100	62	16,300	25,600	0	3,000	62	23,400	19,600	0	1,900	62	19,692	26,800	0	1,100	-11,700																																																														
	5	18,900	47,500	5,200	0	86	18,900	46,600	6,100	0	86	26,000	41,500	4,100	0	86	22,428	37,400	0	0	96																																																														
	6	24,400	48,700	5,300	4,800	94	24,400	55,600	3,200	0	94	31,500	41,500	10,200	0	94	36,600	42,500	4,200	0	4																																																														
	7	23,800	63,600	6,900	0	108	23,800	53,500	9,700	7,400	8	30,900	51,000	2,500	10,000	8	36,000	40,200	13,200	4,900	18																																																														
	8	27,000	90,100	22,300	0	34	27,000	89,900	22,300	0	134	34,100	79,100	26,100	0	34	38,400	84,100	16,700	0	144																																																														
9	31,000	92,700	30,600	13,200	105	31,000	102,800	33,900	0	5	38,100	97,400	32,100	0	5	42,300	94,200	31,100	0	115																																																															
10	30,300	110,500	36,500	0	44	30,300	102,000	33,700	11,100	144	33,078	103,000	34,000	7,100	66	29,293	102,200	33,700	12,100	61																																																															
845,944	TTL	215,200	508,300	106,800	20,600	850,900	215,200	549,700	108,900	22,000	895,800	281,878	485,500	109,000	19,500	895,878	273,783	459,600	98,900	18,600	850,883																																																														
TOTAL NET		635,700					44					850,900					✓		TOTAL NET		680,600					144					895,800					✓		↓ LOAN		TOTAL NET					614,000					66					895,878					✓		↓ CREDIT		TOTAL NET					577,100					61					850,883				
GROSS INCOME \$279,894	STARTING FEES		\$18		\$50		\$82		STARTING PRICES		\$700		\$2,200		\$3,700		YEAR 6		YEAR 7		YEAR 8		YEAR 9		YEAR 10		YEAR 6		YEAR 7		YEAR 8		YEAR 9		YEAR 10																																																
	YEAR 10 FEES		\$22		\$104		\$63		YEAR 10 PRICES		\$880		\$2,700		\$4,600		20,339		14,866		8,956		2,572		0		32,429		22,523		11,825		271		0																																																
+/- RENTER		RENTALS 635,700					\$277,500					+/- NET RENTER		RENTALS 680,600					\$279,100					+/- NET RENTER		RENTALS 614,000					\$277,100					+/- NET RENTER		RENTALS 577,100					\$289,300																																								
sales		SALES 358,200										SALES 401,500										SALES 336,900										SALES 287,800																																																			
SALES INCOME	SELF financed						START UP \$5,000					GRANT financed					START UP \$50,000					LOAN financed					8% START UP \$50,000					CREDIT financed					8% START UP \$5,000																																														
	YR	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE																																																				
	1	15,200	12,500	0	500	100	15,200	32,500	0	500	100	21,500	26,200	0	500	100	15,200	12,500	0	500	100																																																														
	2	16,100	22,600	0	0	100	16,100	22,600	0	0	100	22,400	23,800	0	0	100	16,100	22,600	0	0	100																																																														
	3	19,200	5,300	0	0	40	19,700	29,800	0	0	40	26,000	16,000	0	0	40	19,700	16,700	0	0	-11,960																																																														
	4	18,100	15,400	0	1,700	80	18,100	14,600	0	2,500	80	24,400	10,800	0	0	80	19,057	20,200	0	800	-16,777																																																														
	5	19,200	41,800	2,600	0	60	19,200	39,600	4,800	0	60	26,760	32,800	0	4,000	100	24,488	22,200	0	0	116																																																														
	6	23,300	22,600	0	0	80	23,800	22,100	0	0	80	31,360	14,600	0	0	60	36,300	19,000	0	0	-9,264																																																														
	7	22,700	20,000	0	2,800	100	22,700	18,800	0	4,000	100	30,260	15,300	0	0	30	35,200	17,300	0	2,600	-18,844																																																														
	8	24,100	47,100	15,500	0	130	24,100	47,100	15,500	0	130	31,660	39,600	8,600	6,800	100	36,600	31,200	0	0	86																																																														
9	27,800	45,900	15,100	0	150	28,400	45,400	15,000	0	150	35,960	39,800	13,100	0	60	40,900	41,800	6,200	0	6																																																															
10	27,100	60,100	19,800	6,900	50	27,100	60,400	19,900	6,400	150	28,769	63,900	21,100	0	81	39,600	55,500	12,300	6,400	6																																																															
566,050	TTL	212,800	293,300	53,000	11,900	571,000	214,400	332,900	55,200	13,400	615,900	279,069	282,800	42,800	11,300	615,969	283,144	259,000	18,500	10,300	570,944																																																														
TOTAL NET		358,200					50					571,000					✓		TOTAL NET		401,500					150					615,900					✓		↓ LOAN		TOTAL NET					336,900					81					615,969					✓		↓ CREDIT		TOTAL NET					287,800					6					570,944				
↑ basic INCOME	GRANT and LOAN are \$50,000 added to DRAW						NET GRANT		\$44,900		\$43,300		YEAR 6		YEAR 7		YEAR 8		YEAR 9		YEAR 10		YEAR 6		YEAR 7		YEAR 8		YEAR 9		YEAR 10																																																				
	In 2 or 3 disbursements (from the projections sheets).						- NET SELF						20,709		14,806		8,431		1,545		0		24,572		32,883		23,013		12,354		843																																																				
© Robert G Mears, 2020		studiofive.ca					RENTER					GRANT to artist					SELLER					LOAN PAYMENTS: RENTER / SELLER					66,678					64,669					CREDIT PAYMENTS: RENTER / SELLER					58,583					68,744																																				

charts ~ same units ~ erratic @ high prices ~ (\$ amounts are x 1,000)

income & expenses



self = self financed (self and credit start with \$5,000 cash) **grant** = \$50,000 in 2 or 3 disbursements **loan** = \$50,000 @ 8% interest in 2 or 3 disbursements line of **credit** = \$50,000 limit @ 8% interest

NET income = DRAW+ASSISTANT+SPECIAL DRAW = amount artist pays her/himself ASSISTANT = helper, publicist, accountant, errand runner, etc SPECIAL = travel, training, extra equipment, etc Canadian \$

NET GRANT - NET SELF = GRANT to artist \$46,200 RENTER \$46,400 SELLER

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The RENTER has almost \$400,000 more net income than the SELLER.

The **self** financed RENTER can go full-time in Year 4; the **grant** financed RENTER in Year 3. It's Year 5 for the SELLER.

90% of a **grant** goes to the RENTER. 87% to the SELLER.

summaries ~ same units ~ erratic @ high prices

income & expenses ~ summary same units erratic @ high prices 254 | 254 UNITS 100% for RENTER on renting versus selling visual artworks

rentals \$397,825 AVG +/- NET RENTER TOTAL NET = DRAW + ASSISTANT + SPECIAL LOAN and CREDIT PAYMENTS (from financial projections) are added to EXPENSES on this sheet.

RENTALS INCOME	SELF financed						GRANT financed					LOAN financed					CREDIT financed				
	YR	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE
12,067	1	13,000	3,500	0	500	67	13,000	23,500	0	500	67	20,100	16,400	0	500	67	13,800	11,000	0	500	-8,233
33,791	2	13,700	20,100	0	0	58	13,700	32,600	0	0	58	20,800	25,500	0	0	58	15,411	18,700	0	0	-8,553
49,316	3	16,800	32,500	0	0	74	16,800	45,000	0	0	74	23,900	37,900	0	0	74	19,396	31,400	0	0	-10,033
63,243	4	16,300	43,400	0	3,500	117	16,300	42,000	0	5,000	17	23,400	36,500	0	3,300	117	19,498	42,900	0	2,200	-11,388
101,033	5	18,900	74,100	8,100	0	50	18,900	72,600	9,400	0	150	26,000	68,200	6,800	0	150	22,209	58,700	8,700	0	36
117,319	6	24,400	76,700	8,400	7,800	69	24,400	79,800	13,200	0	69	31,500	73,700	12,200	0	69	36,600	73,400	7,300	0	55
133,039	7	23,800	98,600	10,700	0	8	23,800	84,100	13,900	11,300	8	30,900	74,500	11,800	15,800	108	36,000	66,900	22,000	8,000	194
197,016	8	27,000	136,200	33,700	0	124	27,000	136,200	33,700	0	124	34,100	122,500	40,400	0	124	38,400	140,300	18,500	0	10
236,087	9	31,000	138,800	45,800	20,400	211	31,000	154,100	50,900	0	211	38,100	148,900	49,100	0	111	38,850	148,200	48,900	0	146
248,998	10	30,300	164,600	54,300	0	9	30,300	152,100	50,200	16,400	209	33,078	154,200	50,900	10,800	131	29,000	150,900	49,800	19,200	244
1,191,909	TTL	215,200	788,500	161,000	32,200	1,196,900	215,200	822,000	171,300	33,200	1,241,700	281,878	758,300	171,200	30,400	1,241,778	269,165	742,400	155,200	29,900	1,196,665
TOTAL NET 981,700 9 1,196,900 ✓ TOTAL NET 1,026,500 209 1,241,700 ✓ ↓LOAN TOTAL NET 959,900 131 1,241,778 ✓ ↓CREDIT TOTAL NET 927,500 244 1,196,665																					
GROSS INCOME \$397,779	STARTING FEES		\$25	\$70	\$116	STARTING PRICES		\$980	\$3,000	\$5,100	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10	
	YEAR 10 FEES		\$33	\$146	\$88	YEAR 10 PRICES		\$1,240	\$3,800	\$6,400	20,339	14,866	8,956	2,572	0	29,475	19,333	8,380	0	0	

+/- RENTER RENTALS 981,700 \$395,500 +/- NET RENTER RENTALS 1,026,500 \$396,900 +/- NET RENTER RENTALS 959,900 \$394,900 +/- NET RENTER RENTALS 927,500 \$404,000 +/- NET RENTER

sales

SALES INCOME	SELF financed						START UP \$5,000					GRANT financed					START UP \$50,000					LOAN financed					8% START UP \$50,000					CREDIT financed					8% START UP \$5,000				
	YR	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE	EXPENSES	DRAW	ASSISTANT	SPECIAL	BALANCE										
31,980	1	15,200	21,200	0	500	80	15,200	41,200	0	500	80	21,500	34,900	0	500	80	15,200	21,200	0	500	80	15,200	21,200	0	500	80	15,200	21,200	0	500	80										
53,060	2	16,100	37,000	0	0	40	16,100	37,000	0	0	40	22,400	38,200	0	0	40	16,100	37,000	0	0	40	16,100	37,000	0	0	40	16,100	37,000	0	0	40										
34,040	3	19,200	14,800	0	0	80	19,700	39,300	0	0	80	26,000	25,500	0	0	80	19,700	26,700	0	0	80	19,700	26,700	0	0	80	19,700	26,700	0	0	-12,360										
49,040	4	18,100	27,900	0	3,100	20	18,100	26,600	0	4,300	120	24,400	24,600	0	0	120	19,089	33,100	0	2,600	-18,109	19,089	33,100	0	2,600	-18,109	19,089	33,100	0	2,600	-18,109										
89,500	5	19,200	66,100	4,100	0	120	19,200	62,700	7,600	0	120	26,760	45,900	10,100	6,800	60	24,806	47,200	0	0	-615	24,806	47,200	0	0	-615	24,806	47,200	0	0	-615										
64,600	6	23,300	41,400	0	0	20	23,800	40,800	0	0	120	31,360	33,200	0	0	100	36,300	31,800	0	0	-4,115	36,300	31,800	0	0	-4,115	36,300	31,800	0	0	-4,115										
64,680	7	22,700	36,700	0	5,200	100	22,700	35,000	0	7,000	100	30,260	34,400	0	0	130	35,200	34,000	0	6,200	-14,835	35,200	34,000	0	6,200	-14,835	35,200	34,000	0	6,200	-14,835										
123,270	8	24,100	74,600	24,600	0	70	24,100	74,500	24,600	0	170	31,660	65,800	14,300	11,500	140	36,600	56,700	15,000	0	135	36,600	56,700	15,000	0	135	36,600	56,700	15,000	0	135										
124,360	9	27,800	72,500	23,900	0	230	28,400	72,200	23,800	0	130	35,960	66,500	21,900	0	140	40,900	72,600	10,800	0	195	40,900	72,600	10,800	0	195	40,900	72,600	10,800	0	195										
159,600	10	27,100	91,600	30,200	10,800	130	27,100	92,700	30,600	9,200	130	28,769	98,400	32,500	0	61	31,570	97,100	21,500	9,500	125	31,570	97,100	21,500	9,500	125	31,570	97,100	21,500	9,500	125										
794,130	TTL	212,800	483,800	82,800	19,600	799,000	214,400	522,000	86,600	21,000	844,000	279,069	467,400	78,800	18,800	844,069	275,465	457,400	47,300	18,800	798,965	275,465	457,400	47,300	18,800	798,965	275,465	457,400	47,300	18,800	798,965										
↑ basic INCOME	TOTAL NET 586,200 130 799,000 ✓						TOTAL NET 629,600 130 844,000 ✓						↓ LOAN TOTAL NET 565,000 61 844,069 ✓						↓ CREDIT TOTAL NET 523,500 125 798,965																						
	GRANT and LOAN are \$50,000 added to DRAW						NET GRANT - NET SELF \$44,800 \$43,400						YEAR 6 YEAR 7 YEAR 8 YEAR 9 YEAR 10						YEAR 6 YEAR 7 YEAR 8 YEAR 9 YEAR 10																						
	In 2 or 3 disbursements (from the projections sheets).												20,709 14,806 8,431 1,545 0						21,763 25,840 15,407 4,139 0																						

© Robert G Mears, 2020 studiofive.ca RENTER GRANT to artist SELLER LOAN PAYMENTS: RENTER / SELLER 66,678 64,669 CREDIT PAYMENTS: RENTER / SELLER 53,965 61,065

The RENTER has almost \$400,000 more net income than the SELLER.
The self financed RENTER can go full-time in Year 4; the grant financed RENTER in Year 3. It's Year 5 for the SELLER.
90% of a grant goes to the RENTER. 87% to the SELLER.

↖ end same units erratic ↗
↙ last word(s) ↘

There are, of course, many variables here:

Perhaps a lower %/year of the SALES price would be a more viable RENTALS fee.
(That also works the other way. If a piece can be rented for X/year,
how much times X is a piece worth for sale?)
Materials and studio expenses could be higher. Or lower.
While alternatives to the numbers used here were explored,
the pattern was the same: **RENTERS fare better economically.**
Perhaps most importantly, though, is the likelihood of
an ongoing income from RENTALS.
It's not there for SALES, except by producing more work.
Which is not to say that RENTERS will stop producing work.
Quite the contrary. **RENTERS can go on working *and* augment their incomes.**

At the outset, RENTALS would most likely be local;
which ties in with "BUY LOCAL" movements across the country.
Visual art clients spending time with artworks of local artists underscores that.
Meanwhile, libraries, across the country, have inter-library lending programs.
***A modus operandi* for moving returnable items around is already in place.**

One thing that the numbers cannot say is the way in which art use will change.
A client may want a piece primarily for *decor* purposes.
But **rented artworks can serve two purposes.**
Work with any depth already does.
Regarding pieces that "work" for them, most art aficionados say the same thing,
"Each time I look at a piece I see something more (or different) in it."
Of course, that finding something more has a limit.
No matter how much a piece has, at some point it will have
nothing more to give. The viewer has seen it all, if you will.
Rather than being stuck with pieces,
renting lends itself to spending time with fresh artworks.

RENTALS have something SALES don't. **More client contact equals feedback.**
Receiving such should improve the work.

RENTING VISUAL ARTWORKS BENEFITS EVERYONE.