FEATURE:
FIDUCIARY PROFESSIONS

By **Barry W. Finkelstein**

What to Do When Collections Outlive Their Owners

The cars don't care about the will, and neither does the market

Peter gets the call on Tuesday evening. His friend, an 82-year-old Silicon Valley executive, died three days ago. In addition to owning 26 vehicles along with assorted automobilia stored at his house and in two climate-controlled garages, he had a ski lodge, an apartment building, a pied-à-terre in the south of France, artwork, other collections and three semi-functional adult children. Now Peter must step up as the successor trustee for an estate he never fully understood and wasn't looking forward to administering.

He doesn't know where to start. The attorney needs a death certificate before Peter can start acting as trustee. The accountant needs the cost basis and fair market value of everything for the federal estate tax return (Form 706), which is due in nine months. The heirs want to know when they'll get their money. Peter has his own business to run and a family. At this point, his level of overwhelm and grief is starting to rise with no end in sight, and nothing is even on fire yet.

This scenario isn't unusual for large estates with collector vehicles and other assets.

Collector cars are having a demographic moment. The Baby Boomer generation, roughly 20% of the U.S. population,[1] assembled the largest concentration of private collector vehicles in history during decades of expanding personal wealth, cheap industrial space and deep cultural identification with postwar American steel and European racing pedigree. That generation is now in its late 70s and early 80s. As mortality accelerates, those collections are moving to estate administrators and heirs who don't know what to do with them and into markets that respond to timing and narrative, not sentiment.[2]

This isn't an automotive story. It's a fiduciary story. Collector vehicles are simply the most operationally demanding, physically vulnerable and emotionally charged version of a problem that appears across every complex estate: specialized assets requiring specialized expertise, arriving in the hands of trustees and executors who have neither.

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The Mismatch

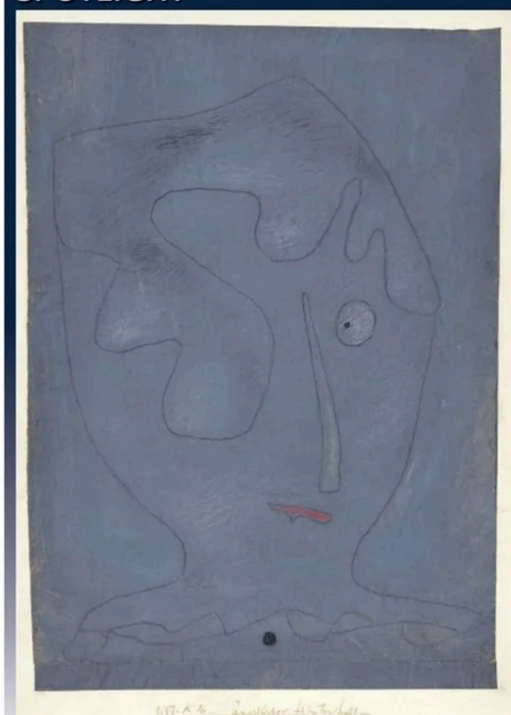
Most serious collectors don't stop at cars. The same passion that fills a garage often extends to fine art, watches, movie memorabilia, wine, firearms, coins, stamps or vintage trains. These collections share a common profile: assembled over decades through personal expertise, dependent on specialized maintenance, storage and relationships and almost entirely undocumented in any form a successor trustee can act on. The ecosystem that sustained these collections, including trusted dealers, specialized restorers and agreed-value insurers, lives entirely in the collector's head. None of it transfers automatically with the title or authority.

Estate-planning documents address who gets the assets. Very few address what happens operationally between death and disposition, and for collector vehicles, that gap can span years, cost hundreds of thousands of dollars and destroy value along with familial relationships that no amount of careful drafting can recover.

The disconnect is generational. Heirs, typically Gen X or Millennial children now in their 50s and 60s, operate within a framework that prioritizes liquidity, mobility and convenience. An antique vehicle requiring storage, insurance and specialist mechanics isn't heritage to many of them. It's a carrying cost. The same is true of a cellar of aging Burgundy, a cabinet of rare firearms or a basement full of vintage Lionel trains. Sentiment alone rarely justifies maintaining a prior generation's passion.

This creates a successor trustee with full legal authority and almost no operational knowledge, administering assets they don't understand, in markets they've never navigated, while managing grief and their own family dynamics.

SPOTLIGHT



Peeking Out

Ängstlicher Hinterhalt by Paul Klee sold for £41,280 at Phillips Modern & Contemporary Art auction on April 16, 2026, in London. Klee was a Swiss-born artist who created over 9,000 works of art during his lifetime. He was also an accomplished violinist and incorporated musical theory into his visual compositions.

Two Markets

The collector vehicle market is bifurcating in ways with direct fiduciary implications.

At the top end, what the market calls "Blue Chip" vehicles, historically significant racing cars, rare European marques and coachbuilt classics, are drawing global institutional buyers and international capital. These assets are anchored in cultural and historical significance that transcends generational nostalgia. When the Indianapolis Motor Speedway Museum deaccessioned 11 vehicles in early 2025, RM Sotheby's sequenced the sales across Stuttgart, Paris and Miami, matching each car to the geography where demand was strongest. The result was more than $123 million. That's not an auction result; that's market architecture.[3]

Below that tier, the picture is more complicated. Many mid-century American collector vehicles, for example, muscle cars, postwar Fords and Chevrolets, derive much of their market value from generational affinity. As the generation that collected them ages out of the buyer pool, supply is increasing while demand growth lags. The market isn't crashing; it's bifurcating. A 1962 Ferrari GTO and a 1969 Chevrolet Camaro SS aren't comparable assets in terms of market dynamics, auction venue or sale sequencing. Fiduciaries who treat them identically leave money on the table.

Auction market structure reflects this. The leading international houses, Bonhams, RM Sotheby's and Gooding Christie's, function as curators and market-makers for Blue Chip assets, offering global reach, provenance research and international capital access. High volume platforms like Mecum and Barrett-Jackson prioritize liquidity. Mid-market specialists like Bring a Trailer serve enthusiast communities efficiently. Matching asset to platform is crucial.

Where Value Goes

Collections rarely lose value all at once. It happens quietly through failures so consistent they've become predictable.

The first is liquidity. Collectors pay ongoing storage, insurance, maintenance and restoration costs, often thousands of dollars a month, without treating it as estate administration. When the collector dies, those obligations don't pause. A trustee without

planned operating cash flow is forced into disposition decisions driven by financial pressure rather than strategic timing. Rushed estate sales consistently underperform; the market reads urgency as distress.

The second is documentation. A collector vehicle's value is inseparable from its provenance. Documented ownership history, restoration records, competition history and component originality can represent a material premium over an otherwise identical vehicle. When documentation is incomplete or not included with the vehicle, that premium evaporates. Appraisers work with what they have and discount what they don't have. The same principle applies to watches with original boxes and papers and artwork with intact provenance chains.

The third is supply timing. Large collections arrive in concentrated waves driven by beneficiary pressure, estate taxes or storage costs. The collector vehicle market is thin, and multiple estates liquidating similar vehicles simultaneously compress prices for months. Significant collections are segmented and sold over time precisely to avoid that effect. An estate forced to liquidate everything at once forfeits that advantage entirely.

Then there are the institutional realities. Many collectors assume museums will accept their vehicles. In practice, institutions maintain formal acquisition committees, and there are far more museum-quality vehicles in private hands than institutional capacity to house them. When donation assumptions fail during estate administration, and they often do, trustees must pivot to liquidation without preparation.

The Tax Dimension

Collector vehicles raise tax issues that are straightforward in concept but frequently mishandled in execution.

Basis planning at death centers on the step-up under Internal Revenue Code Section 1014,[4] which generally resets basis to fair market value as of the date of death. Immediate post-death sales often minimize or eliminate capital gains exposure when sale prices approximate that stepped-up basis. The timing window matters: If sales occur within six months of death and the estate elects alternate valuation under IRC Section 2032,[5] the sale price can establish basis. Sales occurring later typically require a qualified appraisal to substantiate the date-of-death value. Taxable estates filing Form 706 generally require formal appraisals regardless.

Trust-level taxation creates complexity that's frequently overlooked. After the grantor's death, revocable trusts become irrevocable. Irrevocable trusts reach the maximum federal capital gains rate at income thresholds far below those applicable to individual beneficiaries. The better strategy is often to distribute vehicles and other collection assets to beneficiaries before the sale rather than liquidate at the trust level. Importantly, the title can be transferred to different beneficiaries for tax purposes while the assets are still presented and marketed to the public as a unified estate collection. The collection's narrative and provenance value are preserved; the tax benefit is captured. That determination requires coordination among heirs, estate counsel and the CPA before any sale is initiated. Without it, the default, selling at the trust level because it's administratively simpler, can be materially more expensive.

Limited liability companies (LLCs) present their own pitfall. Collector assets are frequently planned to be held in LLCs for liability protection and estate tax purposes, with fractionalized ownership interests supporting valuation discounts. But assets acquired over time often remain titled in the collector's individual name. The LLC was formed; the assets were never transferred into it. The benefit is lost. Practitioners should confirm that entities are properly funded, and basis adjustment treatment available through direct or community property ownership isn't inadvertently forfeited.

What Works

Effective transition planning doesn't require unusual structures. It requires alignment among ownership, documentation, institutional relationships, operational logistics and good communication, all established before they're needed.

Revocable living trusts remain the foundation. They provide continuity during incapacity, avoid probate and allow operational instructions to be embedded alongside distribution provisions. The benchmark question every estate-planning attorney should ask a collector client: If you died tomorrow, could your successor trustee locate every asset, confirm insurance status, access documentation, contact the right professionals and begin a rational disposition process within 72 hours? If the answer is no, the plan is incomplete regardless of how well the transfer mechanics are drafted.

Pre-death institutional conversations matter more than most collectors realize. Museum donation discussions begun during the collector's lifetime allow institutions to evaluate suitability and plan logistics. Starting that conversation under post-death time pressure is a different negotiation entirely. Similarly, establishing relationships with auction specialists, not commitments, just relationships, reduces friction substantially. Early engagement improves marketing readiness and supports better sequencing.

Liquidity planning is the most consistently overlooked element. A dedicated operating reserve, sized to cover storage, insurance, maintenance and professional fees for 12 to 18 months, changes the character of an estate administration entirely. A trustee with adequate operating cash makes strategic decisions. A trustee without it makes survival decisions.

Transparent communication during the collector's lifetime matters too, not because heirs carry fiduciary duties, but because heirs who understand what's coming make better decisions and generate less conflict. Family meetings after death, where all beneficiaries receive the same information at the same time, reduce the information asymmetries that breed sibling disputes. That kind of transparency is something no trust document can manufacture after the fact.

The Coordination Problem

Even when all the right professionals are engaged, complex estates face structural challenges that planning documents don't resolve. Estate attorneys draft documents. CPAs advise on taxation. Insurance brokers manage coverage. Auction specialists conduct sales. Appraisers establish value. Storage operators hold physical assets. Each operates within its domain. Nobody manages the interdependencies between them, and in complex estates, those interdependencies determine outcomes.

Successor trustees bear full legal and fiduciary responsibility for that coordination. They can be held personally liable if beneficiaries believe they mismanaged the estate, and with complex, high value assets, the financial stakes make litigation a real possibility. Yet successor trustees are typically chosen for integrity and organizational capability, not for fluency in collector vehicle markets, auction platforms, museum acquisition policies or the operational requirements of a multi-collection estate. They're fully responsible for outcomes in domains where they have no expertise.

This is the gap estate transition coordinators

SPOTLIGHT

Flawless

Brigitte Bardot, Spain by Terry O'Neill sold for £36,120 at Phillips Modern & Contemporary Art auction on April 16, 2026, in London. O'Neill was a British photographer who captured iconic images of the 20th century's most famous celebrities. He was married to actress Faye Dunaway and famously photographed her in the iconic morning-after-the-Oscars shot at the Beverly Hills Hotel pool in 1977.

fill. The role sits between the fiduciary and the specialist network, not replacing them, but ensuring all allied professionals work in sequence rather than in parallel. The administrator always has a defined next step, that information flows among all parties and operational tasks, such as family meetings, liquidity management, securing facilities, confirming insurance, organizing documentation and managing vendor relationships, don't fall through the cracks. For large, complex estates, particularly those with international components, multiple collection categories or fractured beneficiary interests, professional coordination isn't optional. The fee is a legitimate fiduciary expense and is less than the cost of the errors it prevents.

The Last Act

Three weeks passed before the death certificates arrived, and the attorney prepared the Trustee Certification so Peter could act. By then, he had taken his family on the two week vacation that had been planned for months, which was reasonable and cost the estate nothing directly, but which meant no one was securing storage access, confirming insurance or initiating appraisals. When Peter returned, his son was leaving for college. Another two weeks slipped by. The estate had been open for nearly six weeks before Peter made his first substantive decision. By that point, one storage facility had placed a lien on two vehicles for unpaid monthly fees, insurance on three cars had lapsed without anyone noticing and the mechanic who held the only key to the second garage had stopped answering calls.

None of this was negligence. Peter was doing what any reasonable person does when life doesn't pause for estate administration. But estates don't pause either. By the time the collection was properly inventoried, two of the collector's children had hired separate attorneys after concluding, correctly, that they were receiving no information. The legal fees generated by that conflict exceeded $60,000 before a single vehicle was sold. A museum that had informally expressed interest in three historically significant cars during the collector's lifetime declined to re-engage once the estate signaled it needed to move on a compressed timeline. Four vehicles were sold through a regional platform because it was available, not because it was appropriate. In the end, 19 months after the collector died, the estate closed. It worked out. But three of the Blue Chip vehicles sold for prices their market never justified, documentation gaps on four cars erased provenance premiums that existed on paper and Peter's relationship with one sibling hasn't recovered. He acted in complete good faith. He was never told there was another way.

Doing it Right

The coming decade will bring the largest wave of collector asset transition in modern American history. Whether those collections are preserved, placed thoughtfully or quietly discounted into an indifferent market will depend not on the quality of the assets, most of which are extraordinary, but on whether the people responsible for transitioning them had the tools, the team and the time to do it right.

For estate-planning attorneys and trust administrators, the lesson extends well beyond garages and wine cellars. Any estate containing specialized assets faces the same fundamental challenge: The expertise required to steward them during transition is almost never present in the fiduciary charged with the task. Building solutions for that gap through planning, institutional relationships and coordinated professional support is increasingly the difference between an estate that reaches its intended outcome and one that merely closes.

Collecting preserves history in the present. Transition planning preserves it for the future. The two are inseparable, and in a generation from now, the collections that survive intact will be the ones whose owners understood that stewardship doesn't end until the last transfer is complete. ■

Endnotes

1. *www.pewresearch.org/short-reads/2026/01/09/the-oldest-baby-boomers-turn-80-in-2026/*.
2. U.S. Census Bureau Population Estimates Program, 2024 demographic estimates.
3. RM Sotheby's, Indianapolis Motor Speedway Museum Collection—Stuttgart (Mercedes-Benz Museum, Feb. 1, 2025); Paris (Rétromobile Week, Feb. 4-5, 2025); Miami (ModaMiami, Feb. 27-28, 2025).
4. Internal Revenue Code Section 1014, Basis of Property Acquired From a Decedent.
5. IRC Section 2032, Alternate Valuation Date for Estate Tax Purposes.