



**DOERR DALLAS
VALUATIONS**

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RECENT CLASSIC AND COLLECTOR CAR MARKET TRENDS MEAN YOU'RE PROBABLY UNDER-INSURED

Since the full force of the coronavirus pandemic hit in the spring of 2020, we have all experienced unforeseen ups and downs in many aspects of our lives.

Whilst it doesn't begin to compare to what many people have suffered over the last three years, the classic and collector car market has also experienced significant turbulence and unpredictability in relation to values.

As a result, many classic car owners are very likely to be under-insured with out-of-date valuations and would find themselves heavily out-of-pocket in the event of a claim.

What has been happening in the market?

Having experienced something of a dip towards the end of 2019, classic and collector car market values spiked considerably not long after the first lockdown came into force at the end of March 2020 - according to recently released price index data from the insurer Hagerty.

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Stuck at home with little to do and unable to go away on holiday, buyers spent significant amounts of money on classic cars; with the increasing demand pushing values sharply upwards. With physical dealerships closed, online classic car auction platforms with detailed photographs and thorough descriptions provided a low risk route to purchase.

These digital-only outlets, such as The Market by Bonhams in the UK and Bring a Trailer in the US, reported record sales figures during 2020.

As the world went back to work during 2021, average market values cooled a little but the rising cost of living and then the invasion of Ukraine in early 2022 caused higher fuel prices and a more significant dip.

Where are we now?

The first data points of 2023 show that average values in most classic car categories are now well above where they were pre-pandemic.

The category that has performed the best over that period is what Hagerty tracks as their Gold Index. This segment includes top-end collector cars such as the Mercedes-Benz 300SL Gullwing, Ferrari F40 and Ford GT40, and shows an average market value increase of 21.4% since late 2019.



Gold - Mercedes Benz Gullwing



Hot Hatch - Ford Escort XR3i

Not far behind on a 17.4% increase is the Hot Hatch grouping. These are the cars that Generation X-ers wanted to buy in their late teens and twenties but couldn't afford. Now in their middle-age with a greater disposable income, fast Fords and GTIs are being snapped up in waves of nostalgia.



Best of British - Jensen Interceptor



Everyman - Jaguar Mk2

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Less than a percent adrift are the Best of British cars at +16.6% and at an 11.4% increase is the Classic category which represents the “everyman” classic cars and by far the biggest slice of the market.

Is your car under-valued?

Based on these findings, there is a very good chance that unless you've had your car valued recently, it will be under-insured.

Indices such as those from Hagerty are based on market value averages across a range of models, so it is important to get a valuation not just on the make, model and year of cars that you own but for your actual cars in their current condition and with any particular history or provenance.

Market valuations - what you could expect to sell the car for - are most appropriate for valuing assets for probate, inheritance tax or division of chattels, but you need to value cars differently for insurance purposes.

An insurance valuation assesses what it would cost to replace a car if it were stolen or badly damaged and could include all manner of additional expenses beyond the purchase price of a similar car or just the cost of repair - particularly if the car is a hard-to-find model or requires specialist parts and extensive labour to restore it to your particular specification.

Get an up to date valuation

At Doerr Dallas Valuations, we usually recommend revaluation at least every 2-3 years to incorporate market trends. Never has this been more important than now due to the heavily fluctuating classic and collector car market.

Get in touch with us to discuss how our independent team of specialist valuers can help to make sure your cherished vehicles are properly covered.

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