Fancy owning a classic car?

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If you find driving a modern vehicle packed with all the latest gadgetry and gizmos a little dull then you might find the retro styling and old-school driving experience offered by a classic car just what you want.

What makes a car a classic?

That's difficult to answer, as there isn't a single definition of what is a classic car. Her Majesty's Revenue and Customs has a definition for tax purposes, which is any car that

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Another rule of thumb is if a car's value has risen since 'bottoming out' – its price as a used car has hit its lowest point, meaning any appreciation is the result of it being sought after by collectors.

You could say that a classic car is, like beauty – in the eye of the beholder. If enough people think a particular model is worth owning one then it's probably on its way to becoming a modern classic.

Are classic cars a good investment?

Yes, classic cars have been the best investment of any collectible over the past 40 years[3], outperforming art, books, stamps or fine wine, meaning they could offer a good alternative bet after stocks and shares.

The classic car market slowed in 2018 however, after years of strong growth. Only just over half of the UK's 50 most collectible models increased in value, while a quarter of them fell. Some of the most prestigious cars, like the Aston Martin Lagonda Series 1 and the Ferrari 308 GTB, saw their value slump by over 10%.[4] But this cooling market could offer an opportunity for true enthusiasts to get good deals on the cars of their dreams.

The model whose value rose the highest last year was the humble but sporty Mazda MX-5. With the 1.6i version made in the early 1990s up by 8.5%[5], showing what a good investment modern classic cars can be. Legends from the '80s and '90s, like the Ford Sierra Cosworth or Vauxhall Lotus Carlton, have seen their values soar, with good examples fetching well over £50,000.

What should I buy?

A car's collectability is often driven by nostalgia, as buyers tend to look for the cars they saw and dreamed of owning when they were young. That could be an E Type Jaguar or Aston Martin DB4 if you were brought up in the '60s, a Jensen Interceptor if you were a child of the '70s or a Ford Capri if you grew up in the Thatcher era.

Prestige marques, like Ferraris, Porsches or Lamborghinis, will set you back a lot, but you don't need to have won the lottery to afford a classic car. British cars harking back to the heyday of this country's car industry won't necessarily burn a big hole in your pocket.

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greater demand than the hard tops, but a good example can be picked up for less than £7,000.

If you prefer something more modern than a 1980s 'hot hatch' like a Volkswagen Golf GTI or a 90s roadster like the Audi TT Mk1 will set you back about £10,000 but could prove to be a smart investment.

But, no matter how much money you have to spend, do your homework first. It's a good idea to join the owners' club for the make and model you're looking to buy, to give you an idea of how much one would set you back and what are the potential pitfalls to avoid – many old cars suffer badly with rust, temperamental electrics or fragile suspensions which can be very expensive to put right.

Make sure it's properly covered

Once you've bought the car of your dreams, you want to ensure a dustsheet in a garage isn't its only protection.

Specialist classic car insurance offers a host of additional features not included in run-of-the-mill policies. For example, whereas an ordinary runaround's value is likely to depreciate over time a classic car's could well increase, so it's important to have a policy that allows you to agree a value for your pride and joy in case it's stolen or written off. It will also cover your vehicle, including any spare parts and accessories, while it is laid up in storage or undergoing restoration. And it can offer flexible cover if you only occasionally take your vehicle out on the road.

Classic cars can be a good investment as well as being objects of passion that give you endless enjoyment. With a bit of research and bags of enthusiasm you could soon be driving a four-wheeled icon that makes your pulse race without giving you a headache.

Classic cars to watch in 2019

Saab 96

X300 Jaguar/Daimler Double Six

Fiat Panda 4x4

Land Rover Discovery Series 1

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Sources:

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