

Cars that best hold their value

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Morgan Plus Four.

Sports cars, large SUVs and premium hatchbacks tend to hold their value well... Robin Roberts (and WheelsWithinWales) reports...

Cars that keep their value: sports cars top the list of the best car types for resale

• Sports cars, large SUVs and premium hatchbacks are best at holding their value



- Models by Alpine, Morgan and Lotus are among those which lose the least value over time
- Family hatchbacks and large family cars are among those which retain the least value A new study has revealed that sports cars retain more of their value than any other type of car when resold. According to the latest car valuation data looking at prices for cars after three years and 36,000 miles of use, sports cars boast an average retained value of 52.38% more than any other vehicle type.[1]

The research comes from <u>Auto Express</u>, which analysed figures from used car market experts VIP Data. It divided every mainstream new car currently on sale into vehicle types and compared the average retained value figure for each vehicle type category. This gave a detailed picture of the varying depreciation performance of different car types on the UK market, highlighting that some kinds of car hold their value significantly better than others.

The retained values in the sports car sector were propped up by models from the three top performing car brands for depreciation – Alpine, Morgan, and Lotus. Each of these brands recorded an average retained value of more than 57%.

While sports cars top the list, SUVs and premium hatchbacks aren't too far behind, as both also hold more than 50% of their value on average after three years and 36,000 miles. It means that, for those able to afford them, these vehicle types make a cost-effective choice for drivers who intend to sell up once their cars reach a few years old.

Microcars and MPVs also made it into the top five, retaining an average of 50.23% and 49.16% of their values, respectively. The figures for the top five vehicle types can be found below:

Car type

Average 36-month, 36k-mile Average OTR price part-ex value 36-month, 36k-mile % of OTR

retained



1Sports car	£96,375.08	£51,837.40	52.38%
2Large SUV	£96,909.17	£50,570.45	52.05%
3Microcar	£18,458.80	£9,627.50	50.23%
4Premium hatch£41,078.25		£20,729.21	50.04%
5MPV	£49,719.00	£25,453.97	49.16%

At the other end of the scale, the data found that luxury cars lose the most value, retaining only 42.73% after three years. However, it's not just high-end cars that tend to retain less value, as family hatchbacks and large family cars also come towards the bottom of the list. Large family cars only retain around 45.6% of their value after three years, while family hatchbacks hold on to just 43.76%.

This poor performance of family hatchbacks, including well-known models like the Ford Focus and Vauxhall Astra, is in contrast to the strong showing from premium hatch models like the BMW 1 Series and Audi A3. It indicates that drivers who can pay a little more for a premium badge should get more back when the time comes to sell.

Paul Barker, Editor of Auto Express, said: "Our latest analysis shows that sports cars are currently top of the pile for retained value. It's a trend we feel is partly driven by a diminishing number of such models available to buy new. This, together with the high prices of sports cars, is pushing up prices for used cars that hit the market a few years down the line, meaning sellers could get a better price.

When it comes to luxury cars, the worst-performing category for depreciation, it's a case of the big luxury saloon falling firmly out of favour with private buyers. While the luxury SUV market has grown, and we see these large SUVs with premium badges holding onto their value strongly, models like the Audi A8 and BMW 7 Series are less sought-after. This results



in a lower return when owners go to sell."

More information about which car types retain the most value can be found on <u>Auto Express' website</u>.

About the data

[1] The value retained by each brand and vehicle type over three years is based on figures from VIP Data. The analysis takes the on-the-road price for mainstream new cars currently on sale and compares this to their average value after three years and 36,000 miles of use. The percentage of value retained was calculated based on these two figures.

The vehicles were then split by manufacturer and car type, before calculating the average percentage of value retained for each. All figures in this release are based on this data.

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