



## Losing Value Slowly

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Buying a new car is not an investment; that shiny new vehicle that you just purchased plunges in value the minute you drive it off the lot—which is probably not what you hope will happen with your retirement portfolio. But some cars lose value less rapidly than others.

Take, for example, the Toyota Tundra. Kelly Blue Book's latest release estimates that after five years of ownership and reasonable care, you will be able to sell your Toyota Tundra for 73.3% of what you paid for it. (Yes, calculating such a thing down to a decimal point is ridiculous, but that's how the publication lists it.)

The next best cars, in terms of five-year resale value, are the Toyota Tacoma and the Tesla Model X, which will normally fetch about 66% of what you paid five years ago. The recent report breaks down the resale rankings by type of car: SUVs, autos, trucks, electric vehicles, and minivans. Among cars, the Chevrolet Corvette stands out, with a 65.3% estimated 5-year resale value, followed by the Honda Civic (62.5%). Less notable, surprisingly, is the Lexus LS, which will only retain 44% of its value upon a 5-year resale. The truck with the highest resale value, according to Kelly Blue Book, is the aforementioned Tundra, followed by the Tacoma, and in general trucks seem to hold their value better than cars.

There's a lot more that goes into car buying than resale value, and in general, the more expensive cars and trucks seem to do a better job of holding their value. The value investor will take into account how much their new car will be worth if they decide to sell it down the (proverbial) road.

**Source:**

<https://www.kbb.com/awards/best-resale-value-cars-trucks-suvs/>

If you have any questions about this article or want to discuss your family finances, investment portfolio, or financial planning advice, please call on me anytime at my number [\(215\) 325-1595](tel:2153251595) or you can [click here to schedule a meeting](#).

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