

Appraiser Blog

The Top 10 Fastest Depreciating Cars in the US



By Tony Rached

The Top 10 Fastest Depreciating Cars in the US

Monday, December 18, 2023

Navigating the intricate world of automotive depreciation, where the value of vehicles often takes a considerable hit post-dealership departure, is an inescapable reality. Delving into the intricate details, our exploration relies on comprehensive data analyzed by iSeeCars, unraveling the enigma of which cars bear the brunt of depreciation most intensely.

Our spotlight is on the top 10 cars that undergo the highest depreciation rates over a five-year span, centering on models from the 2018 edition, deliberately excluding those gracefully retired from production as of 2022. Join us as we dissect the vehicular landscape, uncovering the mysteries of value erosion in the automotive realm.

The Top 10 Fastest Depreciating Cars in the US



1. Maserati Quattroporte



2. BMW 7 Series



3. Maserati Ghibli



4. BMW 5 Series (Hybrid)



5. Cadillac Escalade ESV



6. BMW X5



7. INFINITI QX80



8. Maserati Levante



9. Jaguar XF



10. Audi A7



Luxury Cars Struggle to Hold Their Value

Leading the pack is the Maserati Quattroporte, which astonishingly loses nearly two-thirds of its value after five years. Introduced in 1963, the Quattroporte is Maserati's flagship, boasting a high-performance Ferrari-made V6 or V8 engine.

The 2018 model, with a retail price ranging between \$109,000 and \$140,000, experienced an average depreciation of 65%, equating to a staggering \$90,588 difference from its Manufacturer Suggested Retail Price (MSRP).

Rank	Model	Average 5-Yr Depreciation	Average Difference from MSRP
1	Maserati Quattroporte	65%	\$90,588
2	BMW 7 Series	62%	\$72,444
3	Maserati Ghibli	61%	\$58,623
4	BMW 5 Series (Hybrid)	59%	\$37,975
5	Cadillac Escalade ESV	59%	\$63,885
6	BMW X5	58%	\$44,828
7	INFINITI QX80	58%	\$47,399
8	Maserati Levante	58%	\$55,858
9	Jaguar XF	58%	\$39,720
10	Audi A7	57%	\$48,917

Note: MSRP values from 2018 were inflation-adjusted to 2023 dollars.

BMW's 7 Series and 5 Series also experienced rapid depreciation, losing nearly 60% of their retail price. The Maserati Ghibli takes the third spot with a depreciation rate of 61%, and the Cadillac Escalade ESV follows closely in fifth place with a 59% depreciation.

Electric Vehicles: Fast Depreciators

While luxury sedans dominate the list of fastest-depreciating cars, another segment that experiences a rapid drop in value is electric vehicles (EVs). EVs lose approximately 49% of their value over five years, marking the highest depreciation rate among specified categories.

Rank	Segment	Average 5-Yr Depreciation (%)
1	EVs	49%
2	SUVs	41%
3	Hybrids	37%
4	Trucks	35%

This accelerated depreciation in the EV market could be attributed to a combination of limited demand and numerous government incentives encouraging consumers to purchase new electric vehicles. In contrast, trucks stand out as the slowest depreciating segment among all vehicles in the U.S.

What Makes a Car Depreciate Fast?

As expected, the slowest depreciating cars are those in high demand, boasting reputable badges, and renowned for reliability, quality, and safety. These models are often discounted less when new and retain their value better at resale time.

Conversely, the worst depreciators tend to have coveted badges, but their exorbitant new prices result in a substantial plummet in value when seeking a second owner.

Appraiser Blog

Mainstream models from well-established brands, lacking aspirational value in their badges and not matching the performance or quality of 'in-demand' brands, can also suffer from accelerated depreciation.

In conclusion, understanding the factors influencing a car's depreciation can empower consumers to make informed decisions about their vehicle investments, whether opting for a luxury sedan, an electric vehicle, or a more robust and enduring truck.