

Muscle in Monterey

The consensus among buyers is that they want the best, and “almost” cars are having a tough time finding homes



1965 GT350 R at Russo and Steele, \$660,000

Gloom and doom predictions can end up as self-fulfilling prophecies if the panic spreads. A case in point is the highly publicized muscle car market “crash” going on now. As this is the Monterey auctions recap issue, let’s take a look at what happened there, and see how it relates to the rest of the market.

I have always preached only buy the best—ultra-low production, pedigreed cars with air-tight histories—cars that people actually want to own. These are cars that are desirable and rewarding beyond their history and production numbers. We all know buying cars purely for investment it is never a good idea; buy cars you want to have in your garage for keeps. As the market matures, it seems that people are learning this as they go. Such is the case with the market over the last six months, and proof can be seen in the results from Monterey 2007.

Quality of consignments way down

As I wandered around the auctions, it was obvious that the quality of the consignments was way down. My “cheat sheet” of cars to buy consisted of three cars. In years past I’ve gone after as many as 20 cars, and I would have again this year, had the quality been there. As the market for substandard and mass-produced muscle cars continues to drop like a stone, it seems as if auctions are getting packed with tons of clone cars, “resto-mods,” and other questionable merchandise with owners walking around like zombies thinking that their cars should be worth ridiculous numbers because “one just like it sold on TV for (fill in the blank).”

So what were the real cars doing in Monterey? Let’s wander the auctions:

Russo and Steele, known for muscle cars, had some telling sales. While the run-of-the-mill cruise-night special Z/28s struggled to get bids above \$40,000, a premium ’68 Z/28 sold for \$80,300, more than it would have twelve months ago. A ’70 Chevelle L78 convertible sold at \$166,100, which was LS6 convertible money 24 months ago.

Don’t convert autos to 4-speeds

How about a ’66 L79 Nova for \$75,900, or a ’65 GT350 R with no race history at \$660,000? All very strong results and up from last year. From that same sale, let’s look at a few examples of nice cars that may have had a few issues. A beautiful ’68 Hemi Charger R/T sold for \$101,700, which may sound cheap until you read the descrip-

tion—it was an automatic converted to a 4-speed. A nice driver-level ’65 GT350 with a reproduction VIN tag sold for \$236,500—a great deal for somebody looking for a driver and priced about right, with killer restored cars hovering in the \$300,000–\$350,000 range.

A very nice ’66 GT350 sold for just \$121,000—a bargain but explained by the fact that it too was an automatic car converted to a 4-speed. Had it been a real 4-speed car, \$175,000 would have been my expectation, but buyers today don’t want stories, and a transmission change certainly qualifies. Real 4-speeds are typically 30%–40% higher than automatics, a premium not gained simply by swapping a 4-speed in place of an auto.

RM sold another ’65 GT350, a nice #3+ condition car, for \$308,000. This was the same car they sold in Ft. Lauderdale in February 2007 for \$302,400. A black 427 (428) Cobra sold in Monterey this year for \$770,000—another car that changed hands at RM’s Ft. Lauderdale sale in February, then at \$702,000.

Another ’65 GT350 R, formerly owned by SAAC founder Rick Kopec, hammered down this time on an auction podium rather than a race track for once, at \$852,500, showing us the difference race history makes in R models. An automatic ’68 GT500 KR convertible sold at \$220,000, another strong result that couldn’t have been bettered twelve months ago.

An automatic ’66 GT350 Hertz car with many needs—I’d call it a condition #3—sold at \$137,500. I was sent by a customer to inspect this particular car, and told if it was the “best” I could pay up to \$225,000 on his behalf. Upon hearing the condition report, he vowed to wait for the right car, rather than to buy an “almost” car and lose it for a year to a restoration shop. This is the consensus among buyers; they want the best and “almost” cars are having a tough time finding homes at even close to blue chip money.

Strong results for right cars

A highly publicized muscle car liquidation occurred at Bonhams & Butterfields, a collection from Oregon that was the result of a car investment scam gone bad. Most of the cars had plenty of stories, a point not missed by knowledgeable buyers. However, a few really good cars were part of the collection. For example, a ’68 L88 Corvette



1969 COPO Camaro at Bonhams & Butterfields, \$199,500

coupe sold for \$254,500, a '69 COPO 427 Camaro made \$199,500, and the ex-Otis Chandler '69 Z/28 JL8 Camaro hit \$172,500. All of these were very strong results, especially when you consider that Bonhams at Quail Lodge is not a sale heavy with muscle car buyers.

The bottom line is that the wheels aren't coming off, but they sure are getting an alignment. Great cars are bringing great prices, and there is no shortage of buyers for them. However, the second tier and lower merchandise are losing ground by the day as the market matures. It can only help to solidify values on the truly great cars that remain.

So yes, there is a crash occurring, but from where I sit, it is long overdue and only affecting cars in need of a haircut. The good news is that the side effects of this adjustment make it possible for some great cars to be purchased at a discount, albeit sometimes small, from last year, if you look hard enough. Think of it as a breather where the pressure is off and the speculators are laying low. There are very few truly collectible muscle cars out there, and even fewer hit the open market. And if owning a clone doesn't bother you, then you're truly in a buyer's market, and have saved yourself thousands over last year's prices. Just don't ask me if it's collectible.

Will prices hold? For select cars, I think the barometer of Monterey is saying they will. Just like a broken record, I'll say it again—buy what you like, and buy the best. Win, lose, or draw, you'll have a great car that will find ready buyers when it comes time to sell. Just don't get



1968 L88 Corvette at Bonhams & Butterfields, \$254,500

talked into buying a seat on the sinking ship carrying the "almost" great cars on the market today. ♦

COLIN COMER is founder and president of Colin's Classic Automobiles and a long-time vintage racer.



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