

[Collector Car Insurance Explained](#)

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When it comes to insuring classic, vintage, or antique cars, the standard auto insurance you have for your everyday vehicle may not be the best fit. In this article, we'll explore the world of collector car insurance and how it differs from regular car insurance.



Classic Car Insurance

Collector car insurance, also known as classic car insurance, is a specialized type of auto insurance designed for enthusiasts who own classic, antique, or exotic automobiles.

Traditional car insurance policies typically determine payouts based on the actual cash value of a vehicle, factoring in depreciation. However, classic cars often appreciate in value over time, making standard insurance less suitable for protecting these prized possessions. To adequately safeguard your classic vehicle, you'll need a policy that offers "agreed value" coverage, considering the car's true value.

Collector Car Insurance vs. Standard Car Insurance

The primary distinction between agreed-value car insurance and regular car insurance lies in how they handle claims. With a classic car insurance policy, claims are settled at the agreed value of the vehicle, irrespective of depreciation. In contrast, a standard car insurance policy pays out based on the actual cash value, which accounts for depreciation due to age.

For instance, if your classic car is insured with an agreed value of \$150,000 and is involved in an accident resulting in a total loss, you will receive the full \$150,000 as your payout. In contrast, a standard car insurance policy would provide a payout based on the car's market value at the time of the accident, which may not accurately reflect the rarity and true worth of a collector car.

Distinguishing Classic, Vintage, and Antique Cars

The classification of collector cars depends primarily on their age, value, and historical significance.

- **Classic Cars:** These are generally vehicles over 20 years old, often associated with muscle cars and sports cars. Classic cars are versatile and used for both pleasure driving and car show exhibitions.
- **Antique Cars:** Antique cars are 45 years old or older and are frequently restoration projects or exhibition pieces. They are less commonly used for pleasure driving.
- **Vintage Cars:** Vintage cars were manufactured between 1918 and 1930 and tend to see limited road use, often displayed as showpieces or stored in garages.

Selecting the Best Classic Car Insurance Providers

Choosing the right insurance provider for your classic car is essential, given the unique requirements and rules in this niche. Here are some reputable classic car insurance providers:

- American Collectors
- American Modern
- Classic Collectors
- Condon Skelly
- Grundy
- Hagerty
- Heacock
- J.C. Taylor
- Leland-West
- American Family
- American National
- Farmer's
- Liberty Mutual
- Safeco
- State Farm

Moreover, larger insurance companies like USAA and Geico may also offer partnerships with classic car insurance providers, catering to active military members and their families.

Qualifying as a Classic Car

Before seeking classic car insurance, ensure that your vehicle meets the criteria for classification. It's not solely about age; other factors are considered. Generally, a classic car must be at least 10 to 20 years old (classic) or 25 to 30 years old (antique) and fall into one of these categories:

- A hot rod or modified vehicle
- An exotic or luxury vehicle
- A muscle car
- A classic truck

Additionally, most classic cars must be in well-maintained condition or actively undergoing restoration. They should not serve as your primary vehicle and require secure storage, such as in a locked garage or covered carport. Some policies may also stipulate a minimum age requirement for the driver, typically around 25 years old.

Cost of Collector Car Insurance

Collector car insurance typically costs 39% to 50% less than standard auto insurance due to the limited time these vehicles spend on the road, reducing the risk of accidents. Factors influencing the cost include your location, the agreed value of the car, driving frequency, storage arrangements, deductible, and applicable discounts. To find the best coverage at the most favorable price, compare quotes from multiple insurance providers.

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Coverage in a Classic Car Insurance Policy

A classic car insurance policy offers fundamental coverage similar to standard auto insurance, including:

- Collision coverage for accidents you're at fault for
- Liability insurance to cover damages to others and their property in an at-fault accident
- Comprehensive coverage for theft and natural disasters

You can also add optional coverage like roadside assistance for mechanical breakdowns.

Classic vehicles may require specialized coverage tailored to their unique needs, which can vary widely. Some common add-on coverages include protection for spare parts, coverage at car shows, and international coverage for overseas exhibitions. Insurance providers may also offer coverage for vehicles in the restoration process.

Summing Up

Classic cars demand not only standard coverages but also customization to meet their distinct requirements, ensuring that your cherished automobile receives the protection it deserves.

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