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**THERE'S A NARROW WINDOW OF
OPPORTUNITY TO BUY ONE OF BMW'S
MOST PERFECT M MODELS.**

**STORY AND PHOTOGRAPHS
BY GREGORY K. BERGEY**

I bought my first BMW—my second car—in 1976 (yeah, you can do the math), a 1974 2002 with 28,000 miles. I will admit that at that time, I did not even know they made a tii variant; I was busy trying to decide between the 2002, a 1974 Alfa GTV, and a Porsche 914. Who knows what would have happened had I been lured to the dark side?

I joined the BMW CCA shortly after that first BMW purchase, and by the time I was buying my fifth BMW—a 1991 E30 in 1991—I knew all about the M3, and the raves about its handling and race credentials. But my wife was to be the principal driver, and its boy-racer looks were not exactly what she wanted (she has her virtues; she will only drive a stick!), so we went with a five-speed 325iX coupe with few regrets.

Both the tii and the E30 M3 have deservedly achieved cult status, despite the fact that the 1988–1990 M3 did not exactly fly off the showroom floors when new, due in part to its obvious racing-heritage bodywork and its price of close to \$35,000. Finding a good used tii these days can easily set you back \$15,000 or more, and a nice E30 M3 will be \$20,000 to \$30,000; and either will probably have over—perhaps well over—100,000 miles on the clock. Find a less-expensive tii, and you are probably looking at extensive bodywork (exorcising the tinworm), or equally expensive repair of the Kugelfischer injection system. A cheaper E30 M3 will probably have been tracked and thrashed and have an S14 engine in need of expensive repair or rebuild. (I have the related S38 engine in my E24 M6; it's very reliable, just expensive to fix if poorly maintained.)

Now fast-forward to late 2009, when I was thinking about purchasing my twelfth BMW. My main daily driver, a five-speed 1987 E24, is showing its age and having some rust issues. The Paul Bracq design is a classic, and the M30 engine is nearly bulletproof; but having owned it for sixteen years, and also having an E24 M6 in great shape which I drive regularly, I decide to move on. What to buy? My original plan of buying an eight-year-old 2002 Z8 failed because they did not depreciate normally. The average five-year-old car retains just 34% of its value, but unfortunately, the Z8 retained a remarkable

amount of its original value; they typically still go for over \$100,000.

A coworker—obviously one with a better-paying position than mine, or no dependents, or both—bought an Aston Martin Vantage, black on black, a beautiful design by the same Henrik Fisker who designed the Z8, and the nicest car in our parking garage. But the nearest dealer is 60 miles away; and even used or discounted new, this car was way above my budget. And of course it was not a BMW!

I'm not saying that you should buy the M coupe because it is uncommon or rare; my point is that, with so few made, if you go looking five or ten years from now, the search for a nice example will be harder and take you countrywide. I had to go to Boston for my E24 M6 nine years ago, and to Georgia for my E9.

Interestingly, in contrast to the E86 M coupe, about 5,300 E30 M3s were sold in the U.S. between 1988 and 1990 (some were manufactured in 1987)—numbers

sales of the E86 M coupe. Heck, they made 2,854 Bricklins, only half of which are estimated to remain in existence.

My cerebral wheels started turning in late 2009, and I devoured everything I could find about the M coupe. Snowbound after a record 75 inches in February 2010 in Baltimore, I had the opportunity to further search the various sites. For some reason, there seemed to be an inordinate number of nice E86 M coupes for sale; searching in the dead of winter, I counted twenty CPO



My wife, bless her, had always liked the E36 M coupes, but while the concept of a small, stiff, great-handling variant of the roadster was attractive, I did not find their styling as well integrated as it could have been (opinions on the style of these first-generation M coupes are bimodal and do not follow the typical Gaussian distribution).

The E86 coupe that followed, however, was something else. I found the E86 M coupe attractive—this coming from the owner of an E9 and an E24, two universally acknowledged BMW design classics. Not only did I find it much more striking than its E85 roadster sibling, but it was arguably one of the nicest post-millennium BMW designs, courtesy of Anders Warming. What's more, it is a rare model; the E86 M coupe was produced in Spartanburg from 2006 to 2008, with only 1,801 copies for the U.S.

required for racing homologation. Some 6,447 2002tii's were sold in the U.S. between 1972 and 1974. Considering that the sales windows are similar—three model years—the numbers for the tii and E30 M3 are three to four times greater than U.S.

coupes on most days on the BMW website, and another 60 coupes on autotrader.com. Another search early in the summer of 2010 found 39 coupes on the BMW website, and more than 100 E86 M coupes on Autotrader, compared with 33 Z3-based M coupes (both

WITH SO FEW MADE, IF YOU GO LOOKING FIVE OR TEN YEARS FROM NOW, THE SEARCH FOR A NICE EXAMPLE WILL BE HARDER AND TAKE YOU COUNTRYWIDE.



engine variants) on Autotrader. A hundred coupes?! That's over 5% of total U.S. E86 M coupe production!

Why so many? I suspect that during a recession, the two-seat \$30,000–\$80,000 coupe market, new or used, might be one of the softest segments, although this might be more relevant for higher-volume cars (e.g. Corvette) and new-car sales. Perhaps these are the cars that get sold off, and the Subaru wagon is kept when things get tight. Perhaps leases had expired, maybe the owners tired of their toys, maybe they finally realized that there was no back seat, maybe the firm ride was *too* firm, maybe the owners gained weight and couldn't fit—who cares? It was not because of mechanical or quality issues—and it meant that a nice window of opportunity had opened, a chance to acquire one of the singular achievements of BMW's M division.

THE M COUPE HAS SPECTACULAR HANDLING, THE GREAT S54 ENGINE, AND A NICE ZF GEARBOX WITH SHORT THROWS—NO SLUSHBOX OR SMG AVAILABLE.

The E86 M coupe has spectacular handling, the great S54 engine, a nice ZF gearbox with short throws—no slushbox or SMG available—great sport seats (if you are of normal or near-normal girth), a dipstick, and no run-flats. The suspension is quite stiff, but this results in great

handling. Okay, *Road & Track* liked the Cayman S better, but they still praised the M coupe. And the M coupe is actually the equal of the 2007 Aston Martin Vantage in performance, if not in style points. At 3,230 pounds, versus 3,450 for the new Z4 hardtop convertible, which will lighten your

wallet by \$60,000 when properly optioned, it is one of the lightest cars BMW has produced recently. In comparison, the tii weighed in at an almost Elise-like 2,200 pounds; the E30 M3: 2,733.

Roundel's Mike Miller has said that there will never be another M engine that is as much fun or as reliable as the 333-horsepower S54 straight six. Since there were few changes, the model year does not matter; there is no reason to buy the slightly more expensive 2008 model except for the fact that the factory warranty has one more year before it expires. 2007s are the most plentiful. There are few options, and I found that most cars were optioned similarly, with premium package and heated seats.

Black was by far the most common interior color, with an occasional red—nice with black or silver, but a bit too bright and

since I keep my cars a long time.

These cars had MSRPs typically around \$57,000, although rumor has it that discounts of \$7,000 or \$8,000 could be had on some new ones, since they were slow sellers (sound familiar?). Today, it's easy to score a 2007 M coupe with 15,000 to 20,000 miles for around \$30,000 to \$35,000. Since these are M cars, the free BMW minimal maintenance program does at least include the 1,200-mile engine,

\$35,000 and \$38,000; both sold before I could dig myself out of the snow. Both of those cars had CPO warranties.

To CPO or not CPO? It has been said that M stands for Motorsport and Money—the money you will need to keep and repair an M car. At most dealers, the difference is generally about a \$2,000 premium to have a car CPO-certified. But I found that you could sometimes get a CPO car for about the same price as a non-CPO car at

M STANDS FOR MOTORSPORT AND MONEY—THE MONEY YOU WILL NEED TO KEEP AND REPAIR AN M CAR.



bordello-like. I went with black on black, the most common combo by far. When clean, the sapphire black looks spectacular; when dirty—well, at only 161 inches in length, it is easy to wash. An occasional blue (Interlagos or the even-less-common Monaco), white, or red coupe can be found. Black interiors hold up best—important,

transmission, and differential-oil changes; be sure to check that this break-in service has been performed.

So for the price of a new Honda Accord EX-L, or slightly more than a loaded new Prius, you can have a great daily driver. I found two one-owner 2007 M coupes out of state with less than 6,000 miles for

a different BMW dealer; in my case, the car I bought was \$2,000 less than a virtually identical CPO car at a different dealer.

I could have had my dealer add the CPO for about \$2,000. Keep in mind that it does not cost that much to CPO a car with 15,000 miles, because, other than tires, the car probably is not going to have many

needs. As a BMW CCA member, you are eligible for a \$500 rebate for buying a CPO M car. However, if you are buying a 2007 or 2008 model, it may have some factory warranty left. Mine had 18,000 miles and was originally sold in October 2007, so I had 21 months of remaining warranty when I bought it in February 2010—enough time to know if something is wrong. Since I figured the two years of CPO warranty would equate to about 14,000 miles, I am betting my \$2,000 that nothing major goes wrong in that time. If you drive 15,000 to 20,000 miles a year, or buy a car with more than 40,000 miles on the clock, perhaps the CPO warranty makes more sense. But absolutely nothing has happened to my car in eleven months and 6,000 miles of driving.

I did not find that the private-sale cars advertised in *Roundel* or on *autotrader.com* were necessarily less expensive than BMW dealer cars, although the most expensive examples—usually 2008 models, occasionally listed at over \$40,000—were usually at dealers. The best prices by a few thousand were at non-BMW used-car dealers, no surprise.

While Carfax has its limitations, and can miss some damage reports and service, it is very good at identifying the history of the car: how many owners (titled), whether lease or private, whether purchased at auction, and how long the owner or dealer has had the vehicle. I don't know about you, but I am leery of a 20,000-mile car that has had three own-

ers. Why bother to change the oil or fluids if you are leasing and flipping the car in two or three years? The car I bought was a one-owner car purchased originally from the same dealer, and was a private purchase, not a lease. This was the only used BMW I have ever purchased from a dealer; I typically buy from private owners.

Fast-forward again, this time to January



PRODUCTION NUMBERS

	Production Years	North America	Worldwide
E10 2002tii	1972–1974	4,996	44,478
E30 M3	1986–1992	5,300	18,204
E24 M6 <i>S38 engine</i>	1983–1989	1,767	5,859
E36 M3 coupe <i>U.S.-spec S50 engine,</i> <i>U.S.-spec S52 engine</i>	1992–1999	10,220	N/A
E36 M3 convertible <i>S52 engine</i>	1993–1999	6,269	N/A
E46 M3 coupe <i>S54 engine</i>	2001–2006	26,202	54,750
E46 M3 convertible <i>S54 engine</i>	2001–2006	17,577	29,633
E36/37 M roadster <i>S52 engine</i>	1998–2000	8,938	N/A
E36/38 M roadster <i>S54 engine</i>	2001–2002	1,600	1,962
E36/38 M coupe <i>S52 engine</i>	1998–2000	2,180	N/A
E36/8 M coupe <i>S54 engine</i>	2001–2002	690	1,139
E85 M roadster <i>S54 engine</i>	2006–2008	2,998	5,239
E86 M coupe <i>S54 engine</i>	2006–2008	1,801	4,507

Production numbers are gleaned from various published numbers, mostly from the M Registry (www.bmwregistry.com). E24 M6s with M88 engines which were not produced for the U.S. (but common gray-market imports) are not included. Worldwide numbers include U.S./NA production, RHD and LHD. Numbers include all transmission types. Preproduction models are not included.

2011. A glance at the BMW website lists only two CPO M coupes, with an additional seven not certified—a total of just nine cars, with between 17,000 and 31,000 miles, listed for asking prices of from \$31,000 to \$38,000. At the same time, the BMW website had 40 E85 M roadsters. On *autotrader.com*, only three E86 M coupes were listed; a year before, there were over 100! I would be willing to wager that the folks who snarfed up those M coupes are enthusiasts who appreciate these cars; they are unlikely to dump them back on the market in two or three years.

Although it's a rare bird, I am not suggesting you buy an E86 M coupe as an investment. Cars are not good investments (unless you have a Ferrari 250 or a Bugatti that you do not drive); they either depreciate slowly or they depreciate rapidly. But I am suggesting that you have a narrow window of opportunity. A year ago, the planets were aligned, and a disproportionately large number of M coupes came up for sale. This year, that window is closing, with fewer coupes for sale—but prices are still level. You still have the opportunity to get one with low mileage at a reasonable price.

These are spectacular everyday driving cars that have somehow fallen off many folks' radar. They only made 1,800 of these gems for the U.S.; I haven't seen another in Baltimore in the eleven months that I have owned mine.

Think of it as I do: the poor man's Aston Martin. I smile whenever I'm driving, and that is what it is all about. Life is too short to drive dull cars. ♦