



STATE *of the* DEALER

SEPTEMBER

2025

From Caution to Cautious Optimism:

Lower-than-Expected Tariffs and Strong Summer Sales Events Drive a Resilient August, Setting the Stage for Continued Momentum

New, Used, and Certified Pre-Owned All See Double-Digit Gains in Movement MoM & YoY



STATE *of the* DEALER

On a monthly basis, the State of the Dealer Report strives to answer the question all automotive dealers are wondering: **“is it going to be harder or easier to sell a car in the next 30 days?”**

NEW VEHICLES: FROM CAUTION TO CAUTIOUS OPTIMISM

For several months, the automotive industry has confronted warning signs in the form of looming tariff-related price hikes. In reaction to those expectations, consumers had accelerated purchases to avoid significantly higher costs going forward. However, with the impact of tariffs being milder than expected—at least for now—consumer sentiment seems to have shifted from urgency-driven “pull ahead” sales to a more optimistic “relief rally”. August represented the highest Vehicle Movement of the year, and Turn Rate jumped by five points (also to its highest level in the past year).

Outlook for New: Near-term conditions remain favorable even as longer-term risks persist.

USED VEHICLES: AFFORDABLE OFFERINGS PROVE ATTRACTIVE TO CONSUMERS

With consumers’ continued willingness to show up in dealer showrooms, used vehicles have demonstrated particular resiliency, with a 16% MoM increase in Vehicle Movement in August. While tariffs have not added to new vehicle prices as significantly as anticipated, those costs remain elevated. For many shoppers who are priced out of the new vehicle market—where the average marketed price remains close to \$50K—used vehicles have become the more accessible alternative.

Outlook for Used: Sturdy sales that could grow even stronger if current elevated prices head higher.

CERTIFIED VEHICLES: STRONG PERFORMANCE DESPITE RISING PRICES

Although certified prices increased more than the other two sectors in August, the continued combination of greater affordability (than new) and greater peace-of-mind (than used) is proof that the balance between the two remains viable for consumers. The 11% rise in Vehicle Movement and 11-point jump in Turn Rate in August are evidence that this is so.

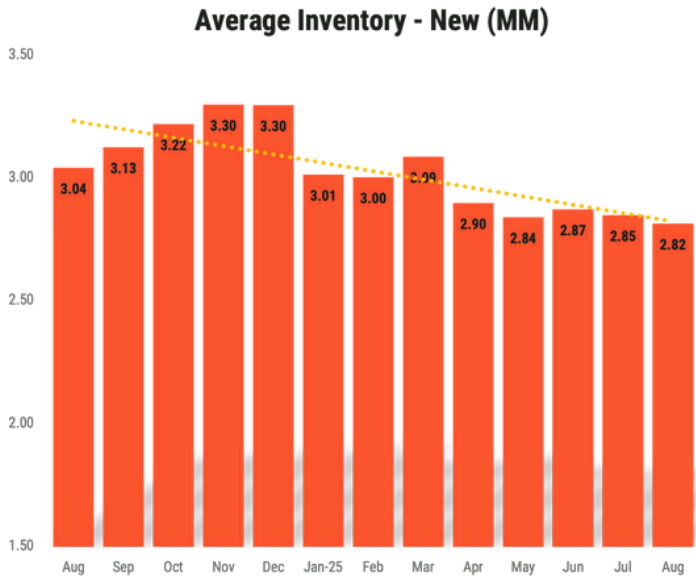
Outlook for CPO: Conditions in this sector are expected to remain favorable in the next 30 days, and could become even more so if new vehicle prices increase.

NEW CARS

Overall Assessment ➤ New Cars

“August was a strong month for new vehicle sales, helped by a milder-than expected tariff impact and summer promotions,” said Josh Stoll, VP of Dealer Success at ZeroSum. “Labor Day deals and an extra selling day also contributed to movement numbers that we haven't seen in a year. Overall, **our outlook has shifted from caution to cautious optimism.**”

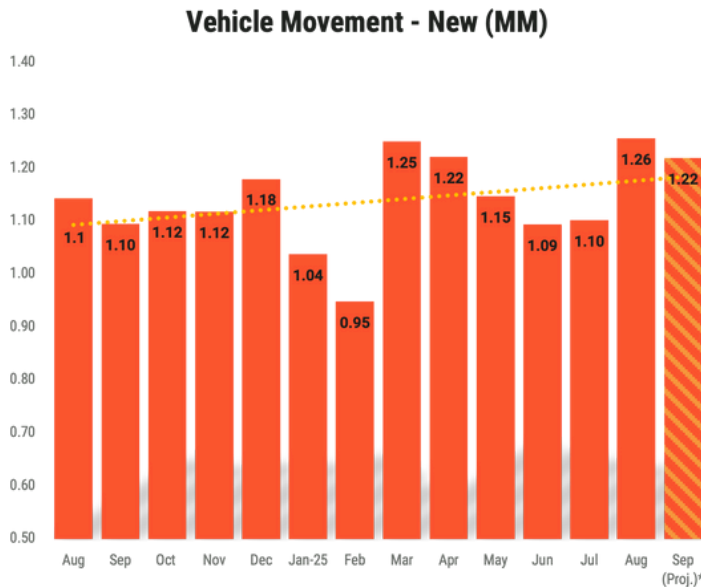
New vehicle inventory has remained in a narrow range and **below 3.0M for the fifth consecutive month.**



California DMAs had MoM inventory trajectories that were somewhat weaker than total U.S. **Detroit DMA** lost a quarter of its new vehicle supply YoY.

	MoM	YoY
Total U.S.	-1%	-8%
DMA Variations vs. Total U.S.		
Atlanta	-3%	-1%
Boston	-1%	-3%
Chicago	+1%	-5%
Dallas-Ft. Worth	-1%	-3%
Denver	-4%	-2%
Detroit	--	-25%
Houston	-1%	-8%
Los Angeles	-5%	-9%
New York	-2%	-11%
Philadelphia	-2%	-11%
Phoenix	-1%	+1%
San Francisco	-5%	-2%
Seattle	-2%	--
Washington DC	--	-4%

New vehicle movement **jumped up 14% in August** and is projected to stay elevated in September.



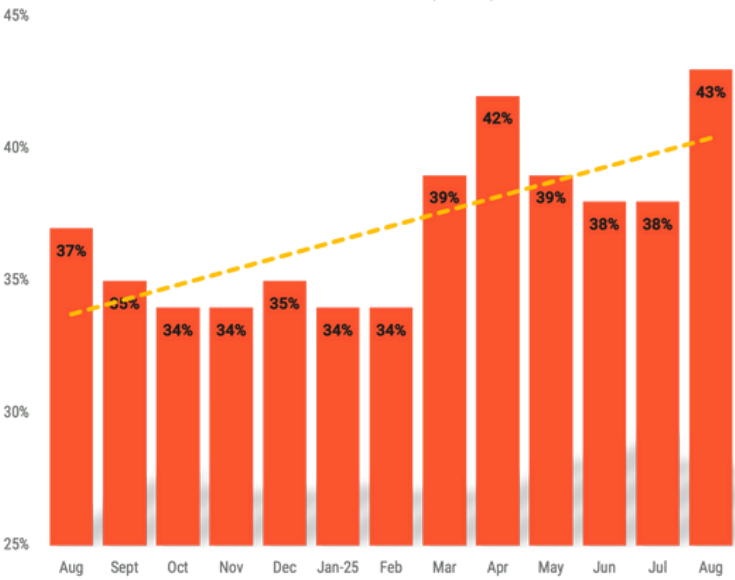
The Detroit DMA outperformed total U.S. growth MoM, but its flat movement count YoY trailed the national figure.

	MoM	YoY
Total U.S.	+14%	+10%
DMA Variations vs. Total U.S.		
Atlanta	+9%	+13%
Boston	+13%	+7%
Chicago	+18%	+9%
Dallas-Ft. Worth	+17%	+12%
Denver	+13%	+10%
Detroit	+21%	--
Houston	+18%	+8%
Los Angeles	+9%	+9%
New York	+18%	+5%
Philadelphia	+13%	+5%
Phoenix	+15%	+15%
San Francisco	+6%	+20%
Seattle	+14%	+4%
Washington DC	+11%	+18%

*Subject to volatility due to tariff implementation timing, scope, and duration

Turn rates **hit a 12-month high**, increasing by five points MoM and continuing to be well above end-of-2024 levels.

Turn Rate (New)

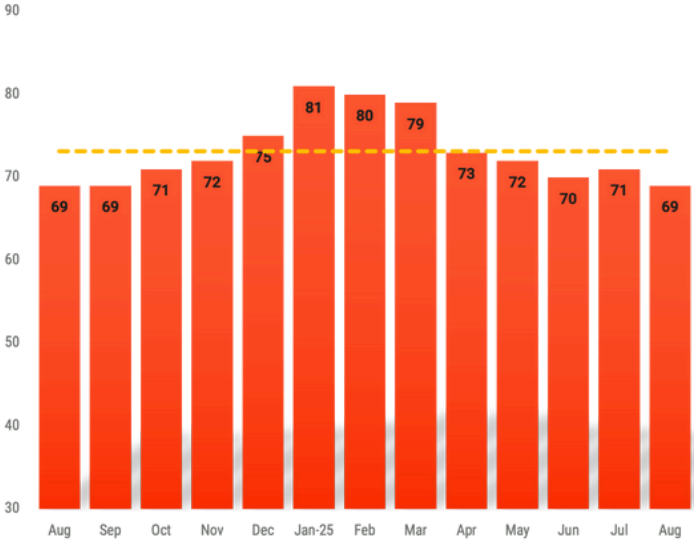


The **Detroit DMA** has grown its Turn Rate on a MoM and YoY basis.

	MoM	YoY
Total U.S.	+5 points	+6 points
Atlanta	+5	+6
Boston	+5	+4
Chicago	+7	+6
Dallas-Ft. Worth	+7	+7
Denver	+6	+5
Detroit	+9	+12
Houston	+8	+7
Los Angeles	+6	+7
New York	+8	+7
Philadelphia	+6	+7
Phoenix	+5	+5
San Francisco	+5	+8
Seattle	+5	+1
Washington DC	+5	+9

Days-to-Move **dropped by two days in August** and matched the lowest count seen in a year.

Days-to-Move (New)

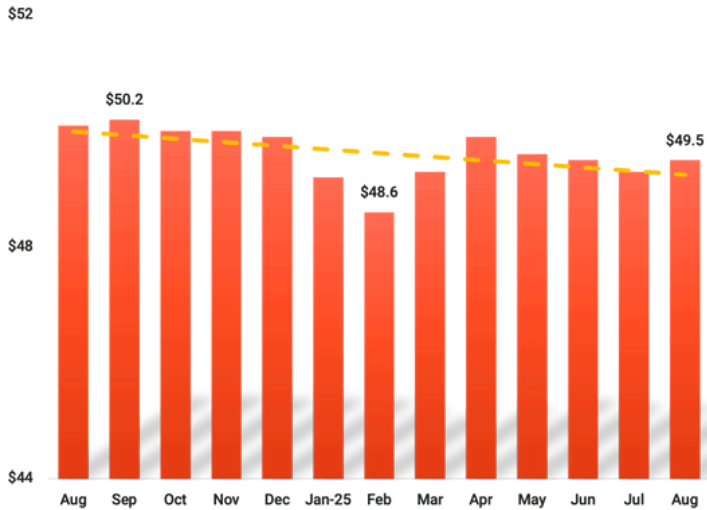


California DMAs increased their Days-to-Move vs. a two-day decrease nationally.

	MoM	YoY
Total U.S.	-2	--
DMA Variations vs. Total U.S.		
Atlanta	--	-1
Boston	-1	--
Chicago	-4	+2
Dallas-Ft. Worth	-2	-3
Denver	-2	+4
Detroit	-2	-1
Houston	+1	-1
Los Angeles	+2	-1
New York	-1	+6
Philadelphia	-5	+2
Phoenix	-1	-1
San Francisco	+3	-4
Seattle	-2	-6
Washington DC	-2	-2

Average Marketed Prices ticked up in the current month but remained below year-ago levels and under \$50K.

Average Marketed Price, New (\$000s)

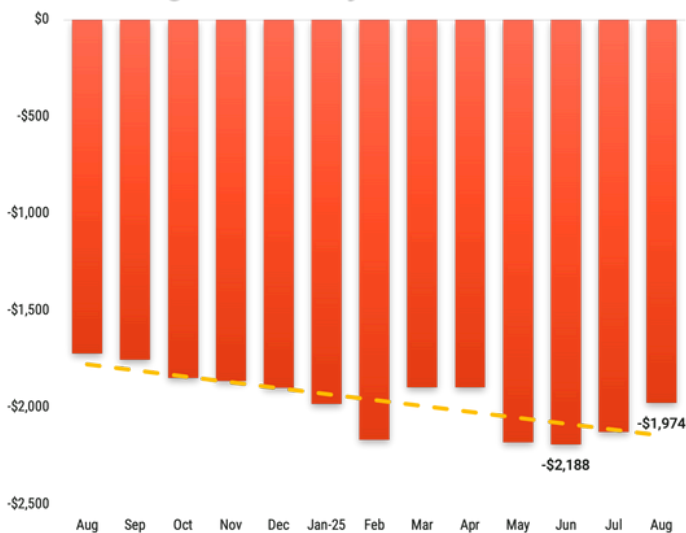


Pricing was highest in **San Francisco, Denver, and Houston DMAs**; the latter market increased the most of any geography MoM.

	Current Month	MoM
Total U.S.	\$49.5	+\$0.2
Atlanta	\$50.8	+\$0.3
Boston	\$49.4	-\$0.3
Chicago	\$47.8	--
Dallas-Ft. Worth	\$50.7	+\$0.2
Denver	\$52.7	+\$0.4
Detroit	\$47.8	+\$0.2
Houston	\$52.1	+\$0.6
Los Angeles	\$51.3	-\$0.1
New York	\$50.3	+\$0.1
Philadelphia	\$48.7	+\$0.2
Phoenix	\$50.2	+\$0.5
San Francisco	\$52.8	+\$0.2
Seattle	\$50.4	+\$0.5
Washington DC	\$49.1	-\$0.2

Discounts and incentives being marketed to consumers **pulled back somewhat** and fell below \$2,000 for the first time in four months.

Average Market Adjustment vs. MSRP



Discounting and incentives programs were less aggressive in all major DMAs except for **Detroit and Phoenix** on a MoM basis.

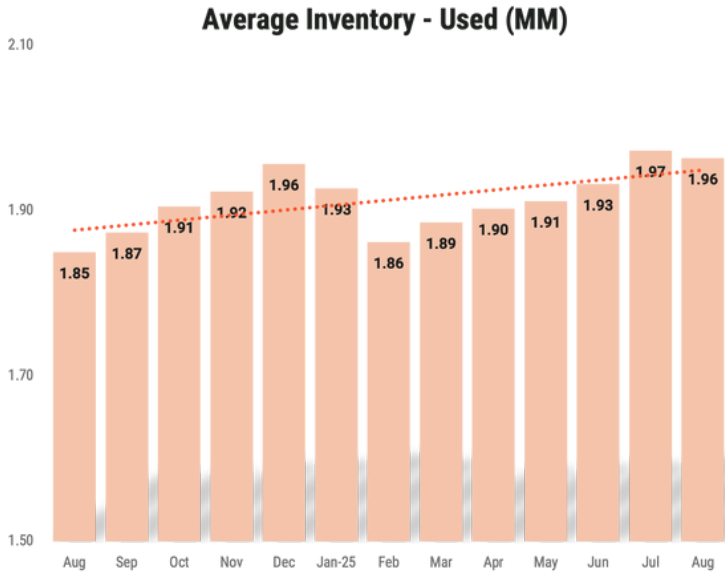
	Current Month	MoM
Total U.S.	-\$1,974	+\$150
Atlanta	-\$2,327	+\$147
Boston	-\$1,591	+\$169
Chicago	-\$2,069	+\$270
Dallas-Ft. Worth	-\$2,806	+\$264
Denver	-\$2,440	+\$304
Detroit	-\$3,676	-\$29
Houston	-\$2,973	+\$298
Los Angeles	-\$991	+\$81
New York	-\$764	+\$92
Philadelphia	-\$1,048	+\$69
Phoenix	-\$2,116	-\$3
San Francisco	-\$729	+\$59
Seattle	-\$1,179	+\$275
Washington DC	-\$1,902	+\$170

USED CARS

Overall Assessment ➤ Used Cars

“Used vehicles are in a great spot to benefit from the market’s overall resilience,” said Josh Stoll, VP of Dealer Success at ZeroSum. “Demand remains strong across the board, but pre-owned options offer a more affordable path—especially with new vehicle prices still running high. Dealers have a real opportunity to spotlight used inventory as a key driver of sales and profitability.”

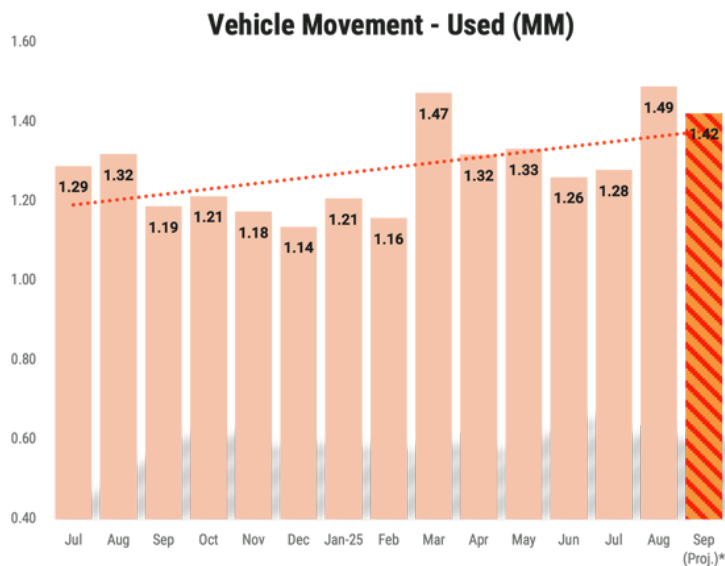
Used vehicle inventory **fell slightly in the current month** but remained close to the two million mark.



All major DMAs were similar to the total U.S. MoM; **Atlanta, Houston, and San Francisco** gained the most YoY.

	MoM	YoY
Total U.S.	--	+6%
Atlanta	-1%	+11%
Boston	-1%	+1%
Chicago	-1%	-1%
Dallas-Ft. Worth	--	+3%
Denver	-2%	+9%
Detroit	-1%	+10%
Houston	-2%	+11%
Los Angeles	-3%	+6%
New York	+1%	-2%
Philadelphia	--	+1%
Phoenix	-1%	+10%
San Francisco	+1%	+16%
Seattle	--	+8%
Washington DC	-1%	+3%

Used Vehicle Movement **surged to almost 1.5 million** in August, jumping by more than 200K MoM. September counts are expected to pull back somewhat from that level but remain higher than recent levels.

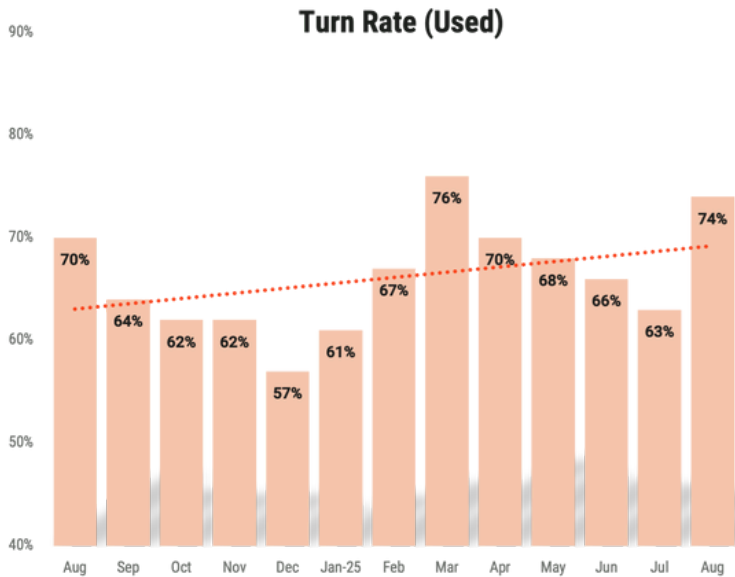


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Texas DMAs outperformed the total U.S. in terms of MoM Vehicle Movement change.

	MoM	YoY
Total U.S.	+16%	+13%
Atlanta	+7%	+21%
Boston	+15%	+7%
Chicago	+14%	+14%
Dallas-Ft. Worth	+24%	+17%
Denver	+16%	+14%
Detroit	+18%	+23%
Houston	+34%	+28%
Los Angeles	+14%	+7%
New York	+17%	+7%
Philadelphia	+14%	+8%
Phoenix	+20%	+17%
San Francisco	+15%	+12%
Seattle	+14%	+10%
Washington DC	+13%	+8%

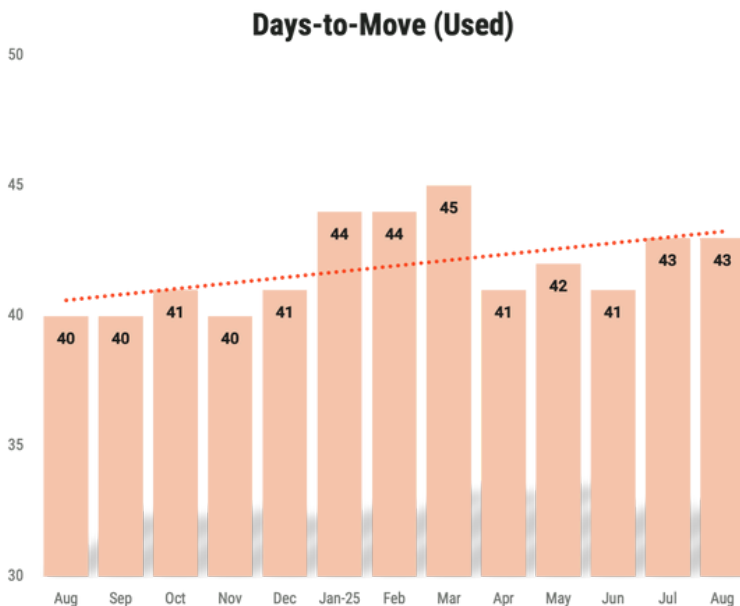
Turn Rates **jumped by 11 points** in the current month after four previous months of decline.



Dallas and Houston DMAs had stronger Turn Rate changes than was seen in the total U.S. MoM.

	MoM	YoY
Total U.S.	+11	+4
DMA Variations vs. Total U.S.		
Atlanta	+6	+6
Boston	+10	+4
Chicago	+9	+9
Dallas-Ft. Worth	+17	+11
Denver	+12	+3
Detroit	+11	+8
Houston	+21	+10
Los Angeles	+11	+1
New York	+9	+5
Philadelphia	+8	+5
Phoenix	+14	+4
San Francisco	+10	-3
Seattle	+9	+2
Washington DC	+10	+4

Despite the surge in Vehicle Movement and Turn Rate, Days-to-Move **remained steady in the current month.**



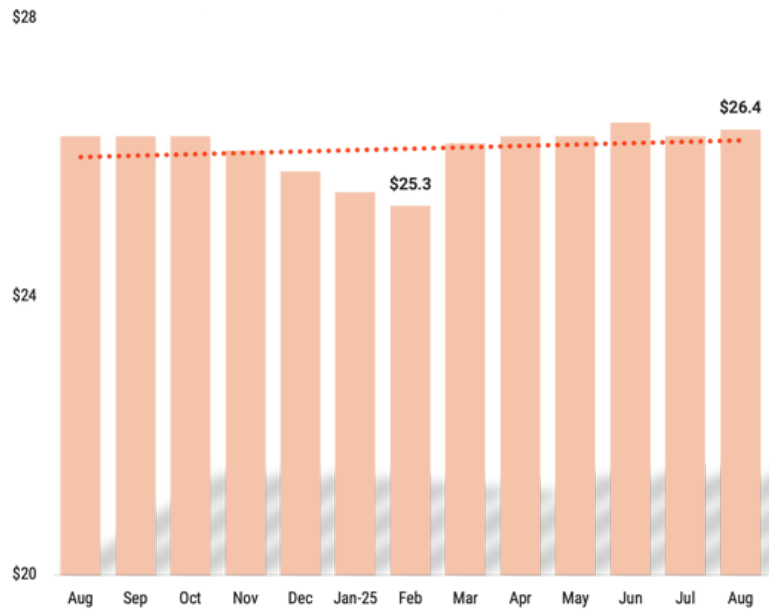
The Houston DMA has seen an increase in Days-to-Move on a MoM and YoY basis.

	MoM	YoY
Total U.S.	--	+3
DMA Variations vs. Total U.S.		
Atlanta	+3	+3
Boston	-2	+4
Chicago	-3	+5
Dallas-Ft. Worth	-1	+3
Denver	--	+4
Detroit	+1	+8
Houston	+7	+16
Los Angeles	-7	-1
New York	--	+4
Philadelphia	-2	+4
Phoenix	+1	+6
San Francisco	-3	+4
Seattle	-4	+5
Washington DC	-2	+4

Used vehicle prices were up slightly in the current period and **continue to be elevated above levels seen in January and February.**

Most DMAs had similar price changes to the total U.S. **Seattle** was one exception, down \$400 MoM.

Average Marketed Price, Used (\$000s)



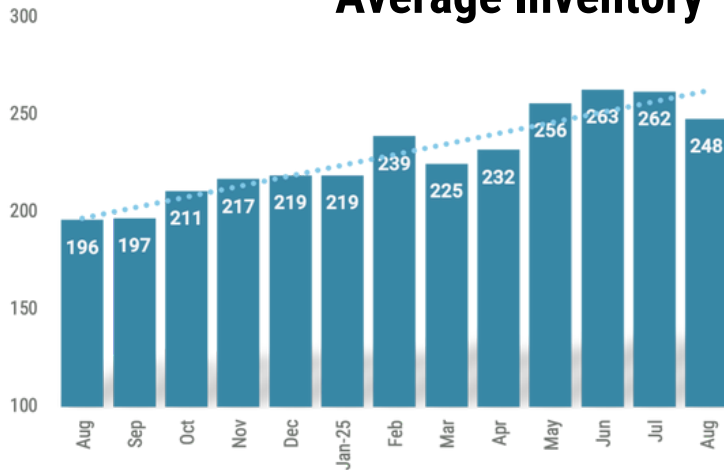
	Current Month	MoM
DMA Variations vs. Total U.S.		
Total U.S.	\$26.4	+\$0.1
Atlanta	\$27.9	--
Boston	\$26.2	-\$0.1
Chicago	\$26.3	+\$0.1
Dallas-Ft. Worth	\$29.2	+\$0.3
Denver	\$25.8	+\$0.2
Detroit	\$23.0	-\$0.2
Houston	\$25.9	+\$0.1
Los Angeles	\$28.6	+\$0.1
New York	\$27.1	-\$0.2
Philadelphia	\$25.7	--
Phoenix	\$27.9	+\$0.1
San Francisco	\$27.6	+\$0.1
Seattle	\$25.6	-\$0.4
Washington DC	\$25.0	+\$0.2

CERTIFIED CARS

Overall Assessment ➤ Certified Cars

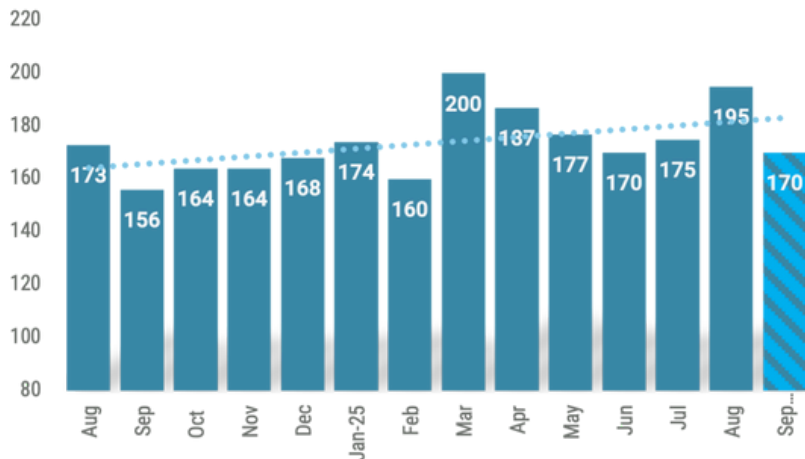
Certified Pre-Owned (CPO) vehicles continue to be a strategic sweet spot for dealers. Despite rising prices, consumer demand remains strong—evidenced by the **11-point increase in Turn Rate** even with a \$448 MoM price jump. This shows that buyers are willing to pay more for the value and peace-of-mind that certified vehicles offer.

Average Inventory - Certified (000s)



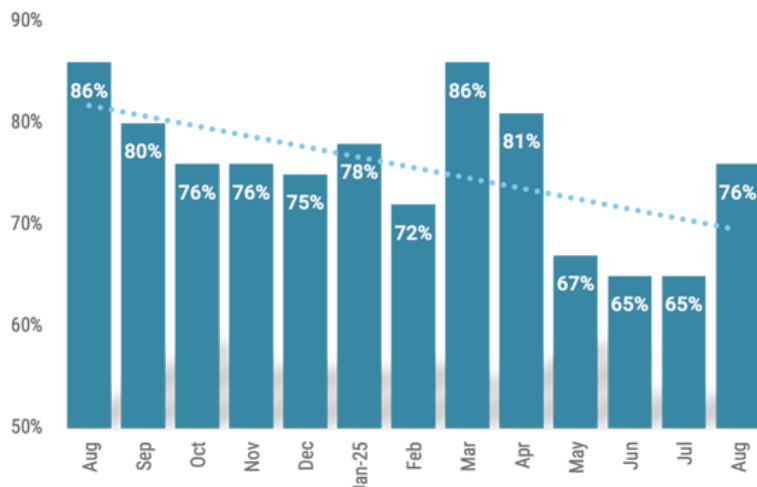
Certified inventories **dropped in August** after three months at recent highs; levels remained elevated compared to the past year, however.

Vehicle Movement - Certified (000s)



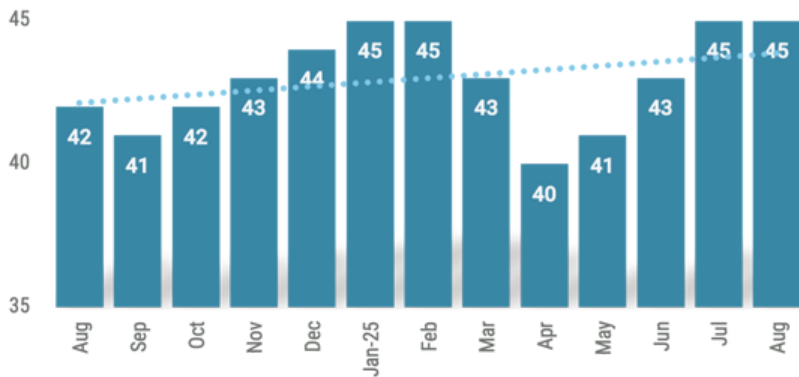
Certified Vehicle Movement **increased by 11% MoM** and approached 12-month highs seen in March; September projections point to a pullback in the next 30 days.

Turn Rate (Certified)



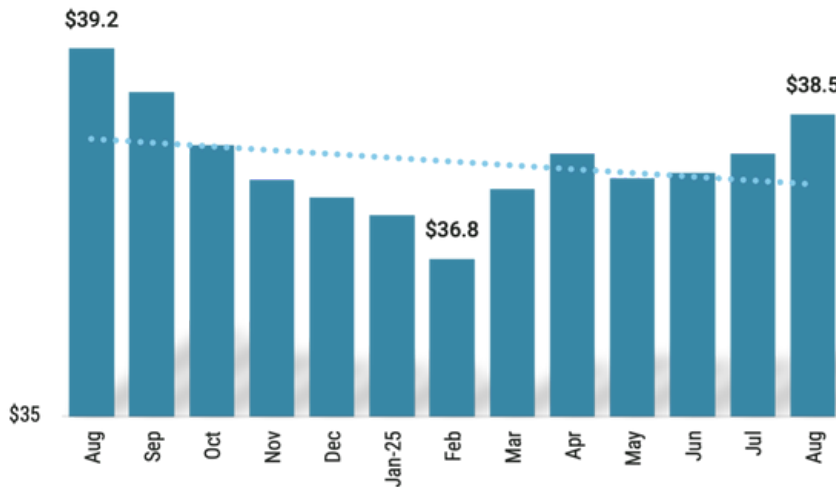
Turn Rate **jumped by 11 points** to levels well above those seen in the past three months.

Days-to-Move (Certified)



Days-to-Move **remained steady in the current month** matching the durations seen at the start of the year.

Average Marketed Price (Certified)



Certified pricing jumped in **August**—up for the third month in a row (+\$448 vs. July).



About ZeroSum's State of the Dealer Report

The ZeroSum State of the Dealer Report is the first and premier data source for the new, used, and certified pre-owned automotive market. ZeroSum is a crucial resource for automotive dealers, delivering indispensable data on supply and demand trends and unprecedented insights on inventory and 30-day forecasts on vehicle movement. State of the Dealer answers the question that all automotive dealers are wondering: "Is it going to be harder or easier to sell a car next month?"

About ZeroSum

ZeroSum is an industry leader in software, marketing, and data. Powered by its SaaS platform, MarketAI, ZeroSum is simplifying and modernizing automotive marketing by leveraging artificial intelligence, data, and scaling ability to acquire new customers. ZeroSum is the first and only company that matches consumer demand with automotive data in real-time for elite dealer marketing efficiency.

For more information, visit www.zerosum.ai.

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