STATE of the DEALER

OCTOBER 2025

Auto Market Cools After Resilient Summer

September Sales Softness Across New, Used, and Certified Points to a Market Shift

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?"***

After a remarkably resilient Spring and Summer—driven by tariff-related urgency and milder-than-expected price hikes—September marked a noticeable slowdown. Seasonal shifts, affordability concerns, and growing economic uncertainty contributed to a decline in Vehicle Movement across new, used, and certified segments.

Inventory continues to build in the new market, used sales softened despite stable turn rates, and certified saw its sharpest drop of the year. While one month does not make a trend, dealers should treat this moment as a potential inflection point—tightening strategy, monitoring local performance, and preparing for more variable conditions ahead.

NEW VEHICLES: A STEP BACK AFTER SUMMER STRENGTH

After a high-performing August, new vehicle sales softened in September—even as inventory surged by over 60,000 units. Geographically, weakened sales were widespread, though Western markets—especially California—managed inventory more efficiently. For many dealers, this month's results may serve as a reminder that while the broader market has shown resilience, risks are still very much in play.

Outlook // New Vehicles: Expect slower conditions, with a greater need to monitor local performance and manage growing inventory levels.

USED VEHICLES: FLAT TURN RATE MASKS SALES DROP

While used vehicles maintained a steady Turn Rate and Days-to-Move, the bigger story in September was a 150,000-unit drop in Vehicle Movement. Inventory also declined, which may help lessen competitive challenges, but dealers should not overlook the underlying slowdown. Elevated prices and affordability concerns may be catching up to the used market.

Outlook // Used Vehicles: Dealers should stay agile; demand is cooling, and competition for buyers may intensify in the near term.

CERTIFIED VEHICLES: A SHARP PULLBACK

After a long stretch of resilience, Certified Pre-Owned (CPO) sales dropped 13% month-over-month, with projections pointing to further declines in October—potentially the lowest levels in a year. With prices still elevated, and fewer shoppers willing to stretch, this segment appears to be under increasing pressure.

Outlook // Certified Vehicles: Caution is warranted. Certified may face a tougher Q4 unless pricing and demand dynamics shift.

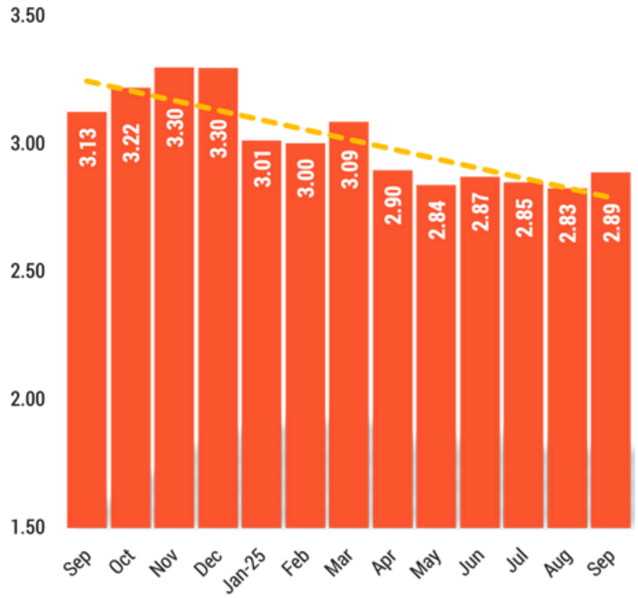
NEW VEHICLES

Overall Assessment ➤ New Vehicles

"September showed softness in Vehicle Movement, even with inventory climbing by over 60,000 units," said Josh Stoll, Vice President of Dealer Success at ZeroSum. "Sales declined broadly across the country, though Western markets—particularly California—stood out for using their inventory more efficiently. While the new car market has held strong throughout 2025, this is a clear reminder that risks remain. Dealers should stay vigilant, tracking performance closely and benchmarking against local competitors to stay ahead."

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

Average Inventory - New (MM)



Four of the top DMA gainers were in **Texas;** three of the biggest decliners were in **California.**

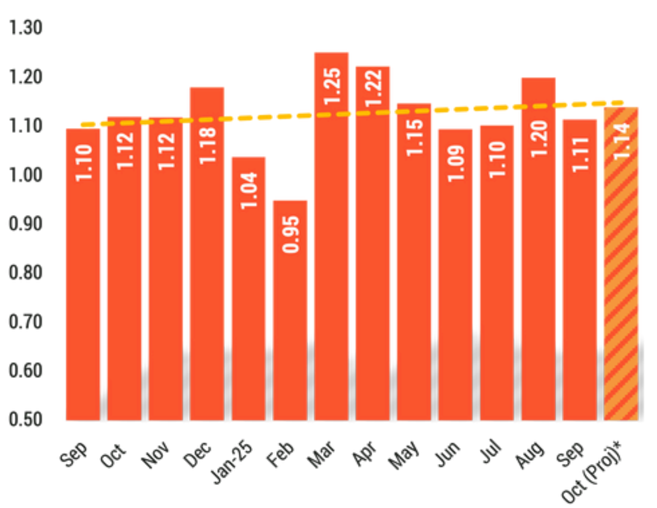
Biggest DMA Changes

Month Over Month

	TOTAL U.S.	+61,182
BIGGEST GAINERS	Dallas-Ft. Worth, TX	4,887
	Houston, TX	3,512
	Philadelphia, PA	2,303
	Boston, MA-Manchester, NH	1,448
	Raleigh-Durham (Fayetteville), NC	1,416
	Cleveland-Akron (Canton), OH	1,333
	San Antonio, TX	1,129
	Indianapolis, IN	1,112
	Pittsburgh, PA	1,055
	Lexington, KY	1,029
	Harlingen-Weslaco-Brownsville-McAllen, TX	1,028
	New Orleans, LA	1,008
BIGGEST DECLINERS	Los Angeles, CA	-2,315
	San Francisco-Oakland-San Jose, CA	-1,759
	Denver, CO	-1,213
	Miami-Ft. Lauderdale, FL	-1,002
	San Diego, CA	-686
	Seattle-Tacoma, WA	-507
	West Palm Beach-Ft. Pierce, FL	-369
	Colorado Springs-Pueblo, CO	-360
	Orlando-Daytona Beach-Melbourne, FL	-348
	El Paso, TX	-272

Despite the gain in supply, new vehicle movement **fell by almost 85K;** October projections are at similar levels.

Vehicle Movement - New (MM)



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

There were very few DMAs with Vehicle Movement gains; **many bigger markets** saw declines of 1,500 or more.

Biggest DMA Changes

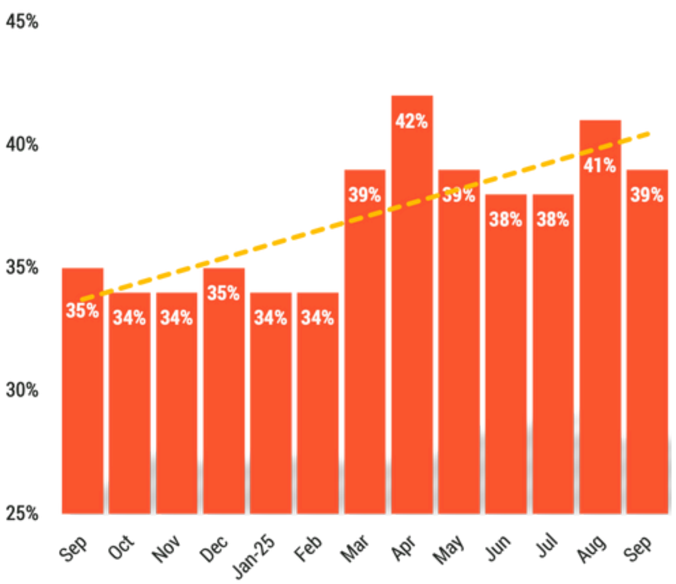
Month Over Month

TOTAL U.S.	-84,455
BIGGEST GAINERS	
Los Angeles, CA	542
Panama City, FL	104
Palm Springs, CA	77
Salisbury, MD	21
Odessa-Midland, TX	13
BIGGEST DECLINERS	
New York, NY	-4,801
Dallas-Ft. Worth, TX	-3,402
Houston, TX	-3,227
Chicago, IL	-2,495
Detroit, MI	-2,221
Orlando-Daytona Beach-Melbourne, FL	-2,148
Atlanta, GA	-1,837
Phoenix, AZ	-1,833
Philadelphia, PA	-1,832
Cleveland-Akron (Canton), OH	-1,802
St. Louis, MO	-1,612

Source: ZeroSum MarketAI, October 2025 | **www.zerosum.ai**

Turn rates **fell by 2.5 points in September**, though they remain at levels higher than those seen through February.

Turn Rate (New)



The top five gainers were in **California or Colorado.** Three of the top decliners were **New York markets (Syracuse, Buffalo, Rochester).**

Biggest DMA Changes

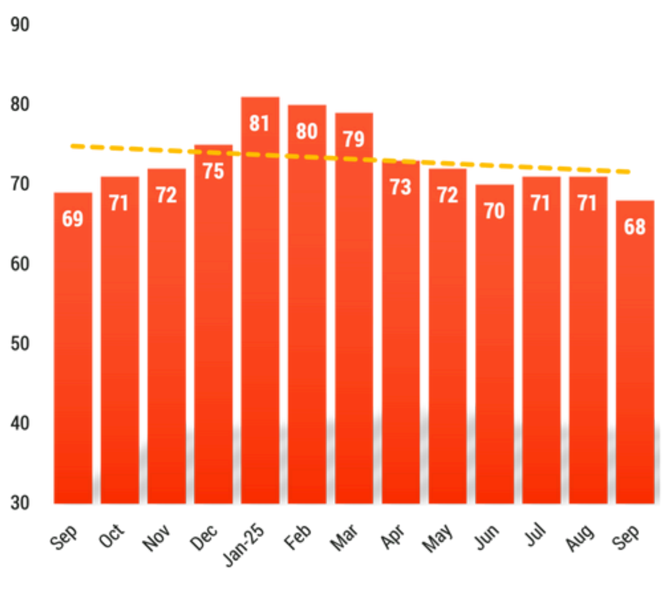
Month Over Month

	TOTAL U.S.	-2.5 points
BIGGEST GAINERS	San Francisco-Oakland-San Jose, CA	2.7
	Los Angeles, CA	2.5
	San Diego, CA	2.0
	Colorado Springs-Pueblo, CO	1.8
	Denver, CO	1.5
	Miami-Ft. Lauderdale, FL	0.5
	Seattle-Tacoma, WA	0.5
	West Palm Beach-Ft. Pierce, FL	0.4
	Fresno-Visalia, CA	0.4
	Tampa-St Petersburg (Sarasota), FL	0.3
	Las Vegas, NV	0.1
	San Francisco-Oakland-San Jose, CA	0.5
BIGGEST DECLINERS	Syracuse, NY	-8.9
	El Paso, TX	-8.4
	Buffalo, NY	-7.5
	Boise, ID	-7.1
	Chattanooga, TN	-6.9
	Tyler-Longview(Lufkin & Nacogdoches), TX	-6.7
	Louisville, KY	-6.6
	Rochester, NY	-6.6
	Shreveport, LA	-6.5
	Indianapolis, IN	-6.1
	Youngstown, OH	-6.0
	Huntsville-Decatur (Florence), AL	-5.8

* Among the top 100 DMAs in terms of Average Inventory

Days-to-Move **dropped by three days in September** and is now at the lowest level in the past year.

Days-to-Move (New)



Biggest DMA Changes*

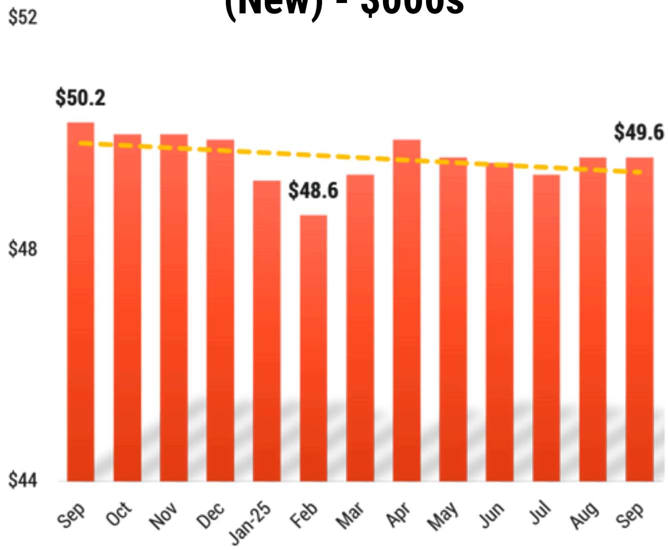
Month Over Month

	TOTAL U.S.	-3 Days
BIGGEST DECREASES	Lafayette, LA	-10
	Colorado Springs-Pueblo, CO	-9
	Lexington, KY	-6
	Florence-Myrtle Beach, SC	-6
	Columbus, OH	-6
	Denver, CO	-6
	Rochester, NY	-5
	Huntsville-Decatur (Florence), AL	-5
	Omaha, NE	-5
	Houston, TX	-5
	Harrisburg-Lancaster-Lebanon-York, PA	-5
	Des Moines-Ames, IA	-5
	Norfolk-Portsmouth-Newport News,VA	10
	Savannah, GA	5
	Minneapolis-St. Paul, MN	4
	Honolulu, HI	3
	San Francisco-Oakland-San Jose, CA	3
BIGGEST INCREASES	Tulsa, OK	10
	Cedar Rapids-Waterloo-Iowa City & Dubuque, IA	5
	Tyler-Longview(Lufkin & Nacogdoches), TX	4
	Columbia, SC	3
	Harlingen-Weslaco-Brownsville-McAllen, TX	3
	St. Louis, MO	2
	Tucson (Sierra Vista), AZ	2
	Little Rock-Pine Bluff, AR	2
	Ft. Myers-Naples, FL	2
	Indianapolis, IN	10
	Youngstown, OH	5
	Huntsville-Decatur (Florence), AL	4

* Among the top 100 DMAs in terms of Average Inventory

Average Marketed Prices were **flat in September.**

Average Marketed Price (New) - $000s



There were **twelve DMAs** with price increases above $500 in September, while just two had decreases at that level.

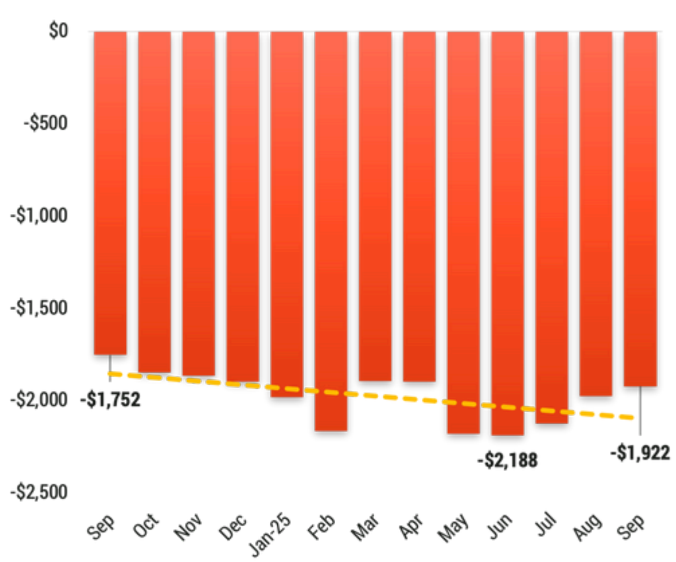
Biggest DMA Changes

		Month Over Month
	TOTAL U.S.	**+$8**
BIGGEST GAINERS	Tyler-Longview(Lufkin & Nacogdoches), TX	+$731
	Green Bay-Appleton, WI	+$685
	Harlingen-Weslaco-Brownsville-McAllen, TX	+$658
	Birmingham, AL	+$626
	Youngstown, OH	+$625
	Tulsa, OK	+$622
	Spokane, WA	+$543
	Salt Lake City, UT	+$541
	Colorado Springs-Pueblo, CO	+$540
	Lexington, KY	+$527
	Florence-Myrtle Beach, SC	+$523
	Shreveport, LA	+$514
BIGGEST DECLINERS	Las Vegas, NV	-$555
	West Palm Beach-Ft. Pierce, FL	-$517
	Los Angeles, CA	-$460
	New Orleans, LA	-$436
	Honolulu, HI	-$434
	Boston, MA-Manchester, NH	-$405

* Among the top 100 DMAs in terms of Average Inventory

Discounts and incentives being marketed to consumers **fell below $2,000 for the second month in a row.**

Average Market Adjustment vs. MSRP



There were nine DMAs with Market Adjustment levels below $1,000, with three of them in **California.** Meanwhile, there were 22 DMAs with levels above $2,500, led by two markets in **Michigan.**

Biggest DMA Changes*

		Month Over Month
	TOTAL U.S.	**-$1,922**
SMALLEST MARKET ADJUSTMENTS	Honolulu, HI	+$524
	San Francisco-Oakland-San Jose, CA	-$445
	Sacramento-Stockton-Modesto, CA	-$656
	New York, NY	-$674
	Los Angeles, CA	-$890
	Philadelphia, PA	-$919
	Albuquerque-Santa Fe, NM	-$948
	Albany-Schenectady-Troy, NY	-$982
	Buffalo, NY	-$998
LARGEST MARKET ADJUSTMENTS	Flint-Saginaw-Bay City, MI	-$4,018
	Detroit, MI	-$3,579
	Boise, ID	-$3,062
	Minneapolis-St. Paul, MN	-$3,027
	Lexington, KY	-$2,992
	Oklahoma City, OK	-$2,934
	Greensboro-High Point-Winston Salem, NC	-$2,860
	Houston, TX	-$2,840
	Tyler-Longview(Lufkin & Nacogdoches), TX	-$2,720
	Kansas City, MO	-$2,717
	St. Louis, MO	-$2,707
	Dallas-Ft. Worth, TX	-$2,677
	Tampa-St Petersburg (Sarasota), FL	-$2,652
	San Antonio, TX	-$2,643
	Little Rock-Pine Bluff, AR	-$2,636
	Birmingham, AL	-$2,633
	Des Moines-Ames, IA	-$2,617
	Toledo, OH	-$2,605
	Ft. Smith-Fayetteville-Springdale-Rogers, AR	-$2,564
	New Orleans, LA	-$2,556
	Grand Rapids-Kalamazoo-Battle Creek, MI	-$2,517
	Charleston-Huntington, WV	-$2,514

* Among the top 100 DMAs in terms of Average Inventory

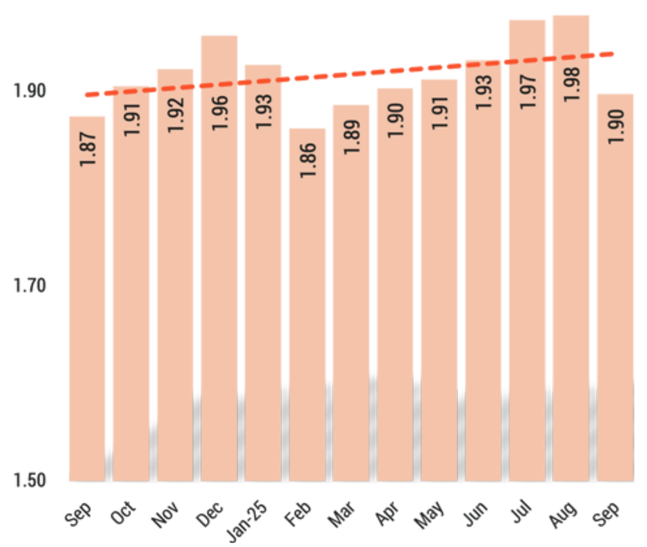
USED CARS

Overall Assessment ➤ Used Cars

“While a relatively stable Turn Rate, flat Days-to-Move, and elevated pricing picture are some silver linings, there is no getting around a **150,000 monthly drop** in Used Vehicle Movement," said Stoll. “With a diminishing supply count adding to this sector’s overall performance, it’s essential for dealers to keep a close eye on market dynamics, particularly in a competitive context.”

Used vehicle inventory **fell by more than 80K in September,** dropping it to its lowest level since April.

Average Inventory - Used (MM)



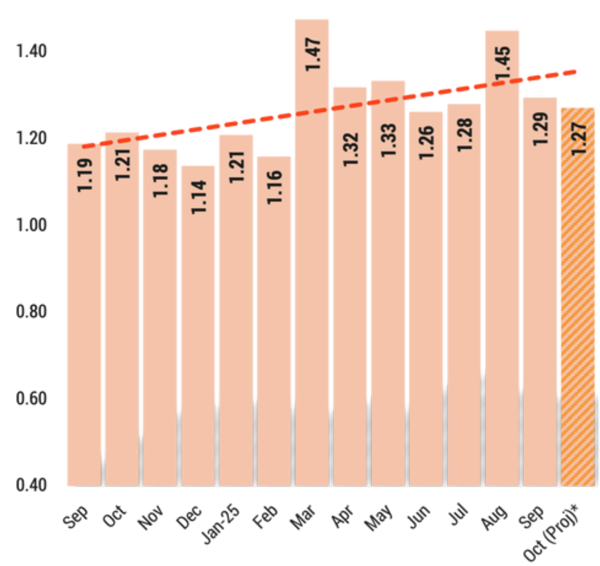
Sixteen DMAs had losses of more than 1,500 used vehicles, led by **Los Angeles'** 5K decline.

Biggest DMA Changes

		Month Over Month
	TOTAL U.S.	**-81,643**
BIGGEST GAINERS	Flint-Saginaw-Bay City, MI	513
	Anchorage, AK	387
	Ft. Wayne, IN	370
	Augusta, GA	291
	Tallahassee, FL-Thomasville, GA	252
	Memphis, TN	157
	Fairbanks, AK	147
	Elmira, NY	139
	Roanoke-Lynchburg, VA	129
	Tucson (Sierra Vista), AZ	117
	Lansing, MI	107
BIGGEST DECLINERS	Los Angeles, CA	-5103
	Dallas-Ft. Worth, TX	-4353
	New York, NY	-4334
	Houston, TX	-3411
	Miami-Ft. Lauderdale, FL	-3135
	Washington, DC (Hagerstown, MD)	-2600
	Chicago, IL	-2365
	Philadelphia, PA	-2316
	Atlanta, GA	-2027
	Cincinnati, OH	-1902
	Tampa-St Petersburg (Sarasota), FL	-1900
	Detroit, MI	-1894
	Orlando-Daytona Beach-Melbourne, FL	-1792
	Seattle-Tacoma, WA	-1775
	San Francisco-Oakland-San Jose, CA	-1739
	Sacramento-Stockton-Modesto, CA	-1708

Used Vehicle Movement **dropped by more than 150K in September** after seeing a surge in the previous month.

Vehicle Movement - Used (MM)



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

Seventeen DMAs had Vehicle Movement losses of 2,000 or more, led by **Houston and Dallas.**

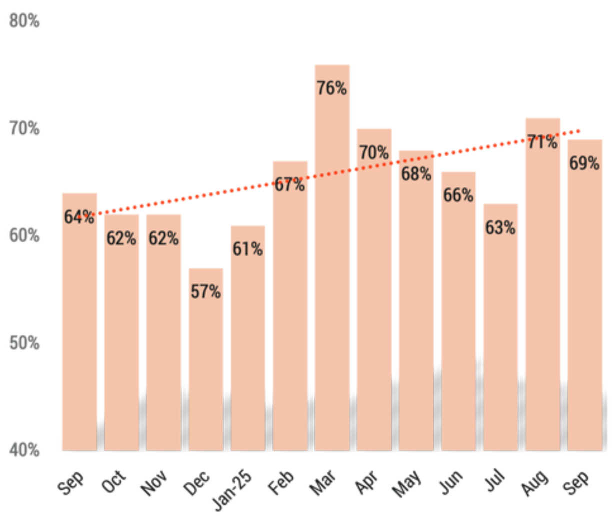
Biggest DMA Changes

		Month Over Month
	TOTAL U.S.	**-154,299**
BIGGEST GAINERS	Miami-Ft. Lauderdale, FL	1,003
	San Diego, CA	438
	Sacramento-Stockton-Modesto, CA	290
	El Paso, TX	274
	Butte-Bozeman, MT	259
	Youngstown, OH	233
BIGGEST DECLINERS	Houston, TX	-8,211
	Dallas-Ft. Worth, TX	-7,324
	Cincinnati, OH	-6,768
	Chicago, IL	-5,410
	New York, NY	-4,868
	Atlanta, GA	-4,078
	Phoenix, AZ	-3,719
	Detroit, MI	-3,327
	Philadelphia, PA	-3,059
	Denver, CO	-2,589
	Minneapolis-St. Paul, MN	-2,558
	Indianapolis, IN	-2,536
	Omaha, NE	-2,316
	Washington, DC (Hagerstown, MD)	-2,309
	Boston, MA-Manchester, NH	-2,175
	St. Louis, MO	-2,122
	Charlotte, NC	-2,084

Source: ZeroSum MarketAI, October 2025 | **www.zerosum.ai**

After a big jump in August, **Turn Rates decreased by 2.6 points** in September.

Turn Rate (Used)



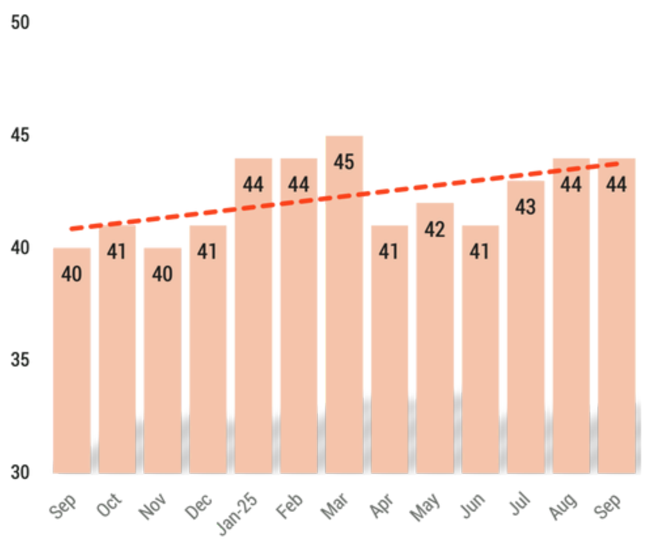
Smaller DMAs in Texas (El Paso, Waco, Austin) had the biggest increases, while several **Midwestern DMAs** (most notably, **Cincinnati)** saw double-digit declines.

Biggest DMA Changes

	TOTAL U.S.	Month Over Month: -2.6 points
BIGGEST GAINERS	El Paso, TX	13.5
	Waco-Temple-Bryan, TX	12.6
	Austin, TX	11.3
	San Diego, CA	11.2
	Miami-Ft. Lauderdale, FL	10.3
	Sacramento-Stockton-Modesto, CA	8.4
	Los Angeles, CA	7.3
	Lexington, KY	6.7
	San Francisco-Oakland-San Jose, CA	6.4
	Orlando-Daytona Beach-Melbourne, FL	4.5
	Tampa-St Petersburg (Sarasota), FL	3.0
	Seattle-Tacoma, WA	2.7
BIGGEST DECLINERS	Cincinnati, OH	-26.4
	Ft. Wayne, IN	-16.1
	Omaha, NE	-15.1
	Peoria-Bloomington, IL	-13.1
	Flint-Saginaw-Bay City, MI	-12.1
	Shreveport, LA	-11.4
	Green Bay-Appleton, WI	-9.7
	Oklahoma City, OK	-9.4
	Paducah, KY-Cape Girardeau, MO-Harrisburg-Mount Vernon, IL	-9.1
	Burlington, VT-Plattsburgh, NY	-9.1
	Houston, TX	-8.7
	New Orleans, LA	-8.3
	Wilkes Barre-Scranton, PA	-8.1

Days-to-Move **remained steady** in September.

Days-to-Move (Used)



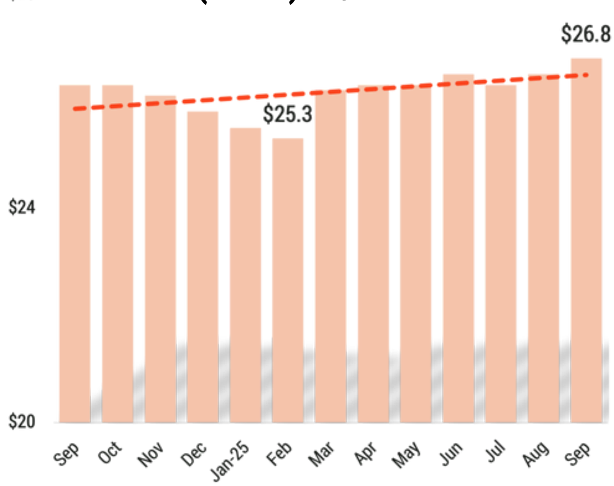
The Cincinnati DMA (along with **Cleveland-Akron)** had the biggest increase in Days-to-Move.

Biggest DMA Changes

	TOTAL U.S.	Month Over Month: No Change
BIGGEST DECREASES	Shreveport, LA	-35
	Ft. Wayne, IN	-18
	Houston, TX	-12
	Omaha, NE	-10
	Ft. Myers-Naples, FL	-9
	New Orleans, LA	-6
	Wilkes Barre-Scranton, PA	-6
	Phoenix, AZ	-6
	Florence-Myrtle Beach, SC	-6
	West Palm Beach-Ft. Pierce, FL	-6
	Albany-Schenectady-Troy, NY	-5
	Madison, WI	-5
	El Paso, TX	-5
BIGGEST INCREASES	Cincinnati, OH	19
	Waco-Temple-Bryan, TX	15
	Cleveland-Akron (Canton), OH	10
	Austin, TX	9
	Chattanooga, TN	8
	Grand Rapids-Kalamazoo-Battle Creek, MI	8
	Milwaukee, WI	8
	Tampa-St Petersburg (Sarasota), FL	8
	Lexington, KY	8
	Birmingham, AL	6
	Peoria-Bloomington, IL	5
	Little Rock-Pine Bluff, AR	5
	Charlotte, NC	5

Used vehicle prices reached their **highest point of the year,** up $269 MoM and $1.5K above February levels.

Average Marketed Price (Used) - $000s



Sixteen DMAs had price increases of $500 or more; only three had decreases at that level.

Biggest DMA Changes

Month Over Month

	Total U.S.	+$269
BIGGEST GAINERS	Green Bay-Appleton, WI	$2,624
	West Palm Beach-Ft. Pierce, FL	$1,622
	Kansas City, MO	$1,275
	Peoria-Bloomington, IL	$985
	El Paso, TX	$975
	Omaha, NE	$957
	Albany-Schenectady-Troy, NY	$909
	Champaign & Springfield-Decatur,IL	$733
	Las Vegas, NV	$732
	Houston, TX	$716
	Detroit, MI	$627
	Dallas-Ft. Worth, TX	$576
	Portland, OR	$537
	Dayton, OH	$516
	Waco-Temple-Bryan, TX	$513
	Springfield, MO	$503
BIGGEST DECLINERS	Wichita-Hutchinson, KS	-$616
	Austin, TX	-$567
	Columbia, SC	-$543
	Birmingham, AL	-$465
	Lexington, KY	-$433
	Colorado Springs-Pueblo, CO	-$413
	Tampa-St Petersburg (Sarasota), FL	-$395
	Memphis, TN	-$393
	Charleston-Huntington, WV	-$379
	Des Moines-Ames, IA	-$368
	Buffalo, NY	-$291
	Ft. Smith-Fayetteville-Springdale-Rogers, AR	-$269
	Shreveport, LA	-$241
	Chattanooga, TN	-$229
	Raleigh-Durham (Fayetteville), NC	-$218

* Among the top 100 DMAs in terms of Average Inventory

CERTIFIED PRE-OWNED VEHICLES

Overall Assessment ➤ Certified Vehicles

Certified Vehicle Movement dropped dramatically in the current period, down 13% MoM. And projections for October point to another decline to the lowest level of the past year. After a long period of resilience, this sector of the market is coming under increasing pressure, pointing to a more challenging period ahead.

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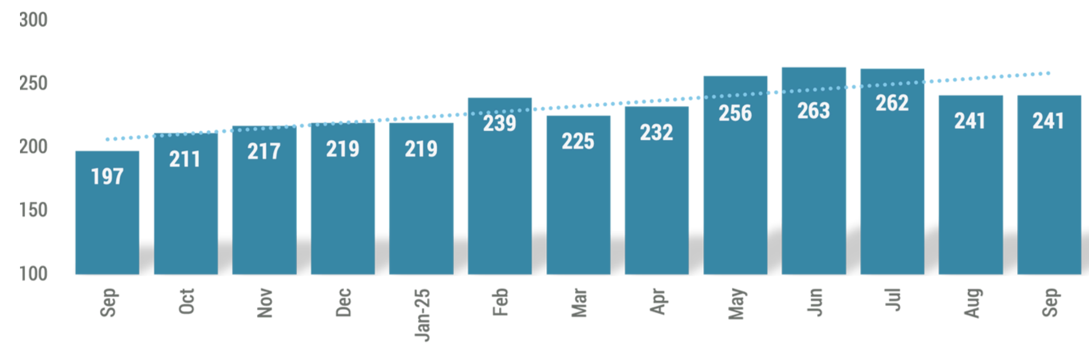
CERTIFIED CARS

OCTOBER 2025

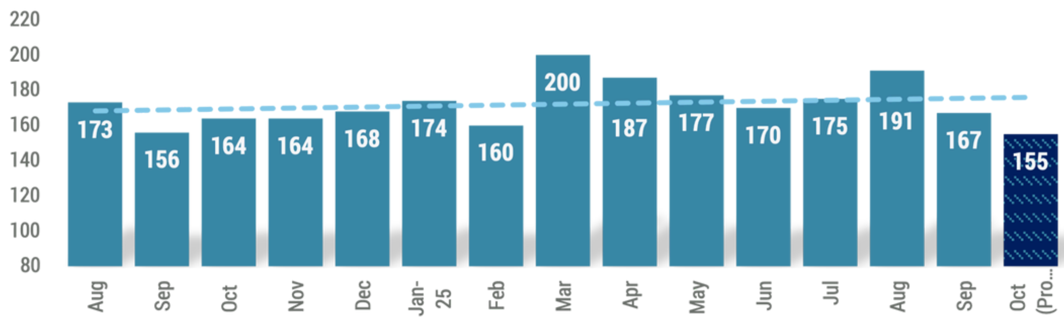
zerosum

Average Inventory - Certified (000s)



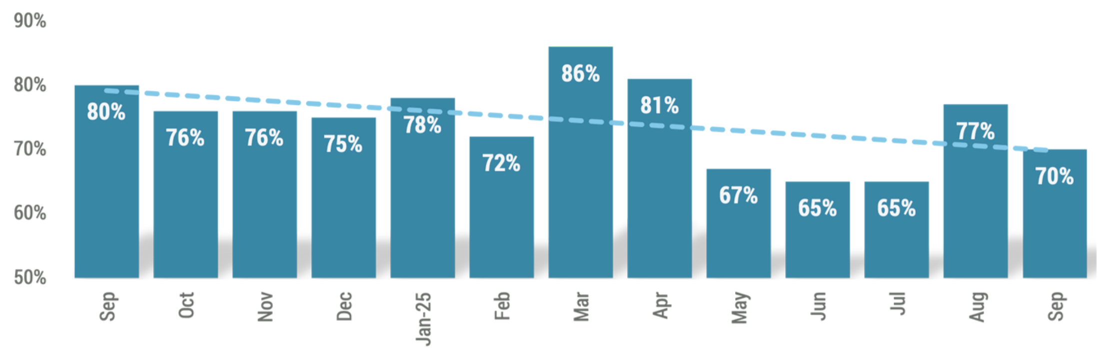
Certified inventories **were flat in September compared to August** after three previous months at recent highs; levels remained elevated compared to the past year, however.

Vehicle Movement - Certified (000s)



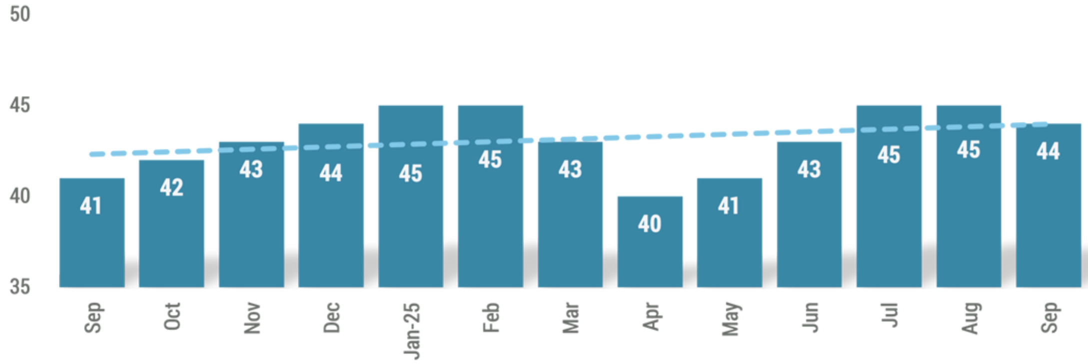
Certified Vehicle Movement **dropped by 13% MoM;** October projections point to additional declines, with anticipated levels at the lowest level in the past year.

Turn Rate (Certified)



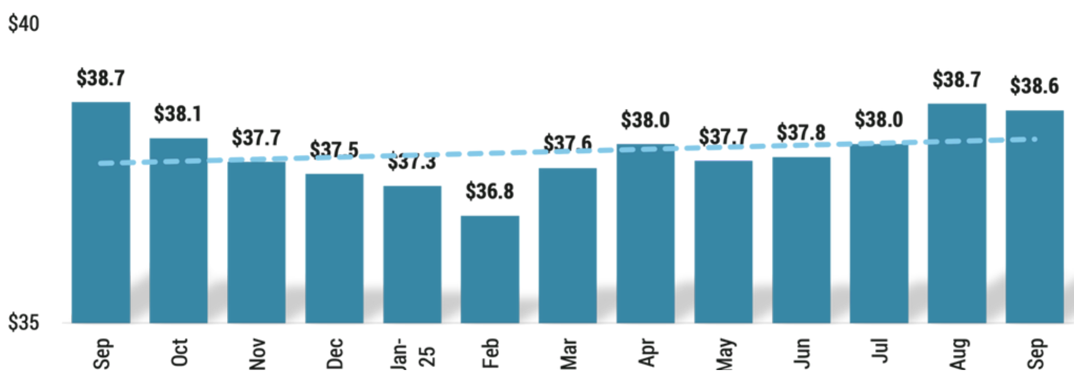
Turn Rate **dropped by 7 points,** though they remained at a level higher than earlier in the summer.

Days-to-Move (Certified)



Days-to-Move **remained relatively steady in the current month.**

Average Marketed Price (Certified)



Certified pricing fell after three previous months of gains.

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www.zerosum.ai

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.

Want to learn more? Book your demo now.

Contact
hello@zerosum.ai
888-580-9010

ZeroSum
99 Monroe Ave. NW, Suite 200
Grand Rapids, MI 49503