

STATE *of the* DEALER

MAY

**New Vehicle Movement
Continues to Surge; Pull-
Ahead Sales Estimated at
341,000 in March/April**

Used and Certified Sectors
Acting as an Effective Backstop
to Future Dealer Performance



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?”

The answer this month is that it is likely to get increasingly harder to sell a new car, but commensurately easier to sell a Used or Certified vehicle.

The anticipation of tariff-related price increases caused a pull-ahead sales effect of 341,000 New vehicles in the past two months. Even if prices do not go up as much as anticipated, these early purchases are still likely to act as a drag on New vehicle sales in the interim. And if prices do continue to rise, that hangover effect will be compounded as consumers who did not purchase early get priced out of the market.

The good news is that Used and Certified vehicles are acting as an effective backstop against New vehicle challenges. While movement in these sectors retreated somewhat from the record highs seen in March, April was still a very strong month from historical standards. And this dynamic will continue to play out even stronger if the tariffs wreak further havoc on New vehicle pricing and inventory after the current non-tariffed inventory is sold and replaced with supply that is subject to the current levies.

With a myriad of challenges in front of them, dealers that closely monitor the supply, demand, and pricing dynamics will be in a much stronger position to make real-time decisions that take these evolving challenges into account.

Whether selling New, Used, or Certified vehicles, understanding the competitive marketplace and taking the right actions to promote and price inventory effectively will be more important than ever as the landscape changes over the next 30 days.

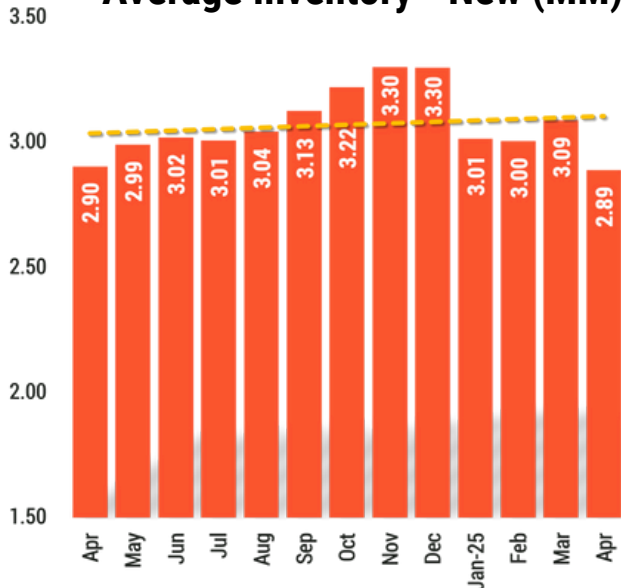
NEW CARS

Overall Assessment ➤ New Cars

"The effect of anticipated pricing-related tariffs extended into a second month, with consumers continuing to accelerate their New Vehicle purchases," said Josh Stoll, Vice President of Dealer Success at ZeroSum. "While the tariff picture is still coming into focus, the 341,000 pull-ahead sales that have occurred in the past two months will almost inevitably act as a drag on upcoming sales, particularly if the expected price increases that drove those purchases in the first place become the new reality in the marketplace."

New vehicle inventory **fell below 3.0MM for the first time since May 2024** and dropped by 200K month-over-month.

Average Inventory - New (MM)

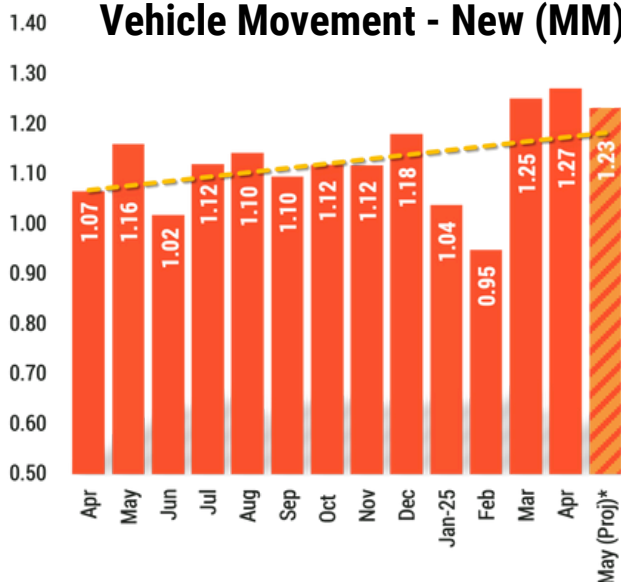


Philadelphia has seen more inventory depletion than the national average MoM, while **Phoenix and Atlanta** have seen less.

DMA	Avg. Inventory (000s)	MoM (Vs. Mar 2025)	YoY (Vs. Apr 2024)
Total U.S.	2,888	-6%	-1%
Atlanta	64	-1%	+2%
Boston	70	-8%	+1%
Chicago	80	-8%	-2%
Dallas-Ft. Worth	88	-3%	+2%
Denver	46	-5%	+5%
Detroit	63	-9%	-10%
Houston	76	-5%	+1%
Los Angeles	155	-4%	+3%
New York	185	-9%	-1%
Philadelphia	72	-10%	-4%
Phoenix	53	0%	+5%
San Francisco	50	-3%	-7%
Seattle	41	-4%	--
Washington DC	62	-7%	-1%

New vehicle movement remained elevated as consumers accelerated purchases ahead of anticipated **tariff-related price increases**—the pull-ahead effect related to this dynamic is estimated to have accounted for 341,000 sales in March-April 2025.

Vehicle Movement - New (MM)



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

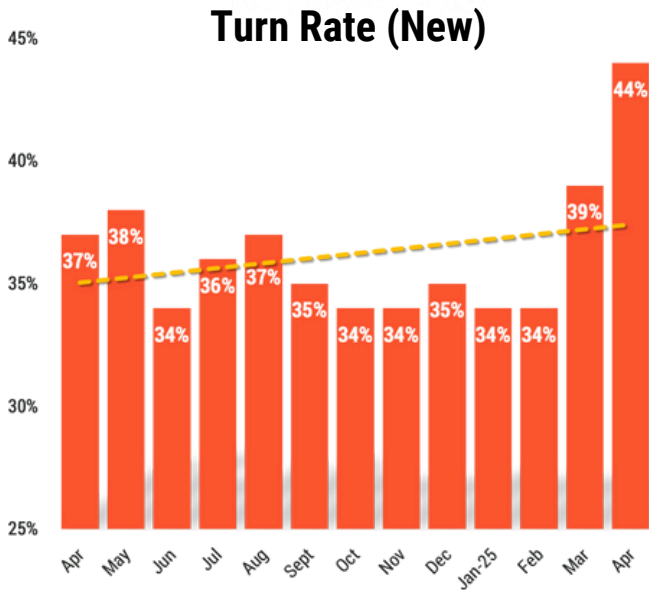
Western markets have a higher MoM Vehicle Movement growth rate; the **Detroit DMA** is lagging MoM and YoY.

DMA	Vehicle Movement (000s)	MoM (Vs. Mar 2025)	YoY (Vs. Apr 2024)
Total U.S.	1,272	+2%	+19%
Atlanta	27	1%	+15%
Boston	31	2%	+22%
Chicago	35	0%	+21%
Dallas-Ft. Worth	39	2%	+21%
Denver	18	6%	+21%
Detroit	28	-2%	+14%
Houston	34	2%	+20%
Los Angeles	76	9%	+22%
New York	81	1%	+11%
Philadelphia	32	1%	+17%
Phoenix	23	7%	+17%
San Francisco	24	9%	+26%
Seattle	17	6%	+20%
Washington DC	30	10%	+29%

The decline in inventory and elevated vehicle movement resulted in a **second straight five-point increase in Turn Rate**—the highest level seen since September 2023.

Washington DC had the largest Turn Rate gain MoM, and is also up double-digits YoY (along with **San Francisco**).

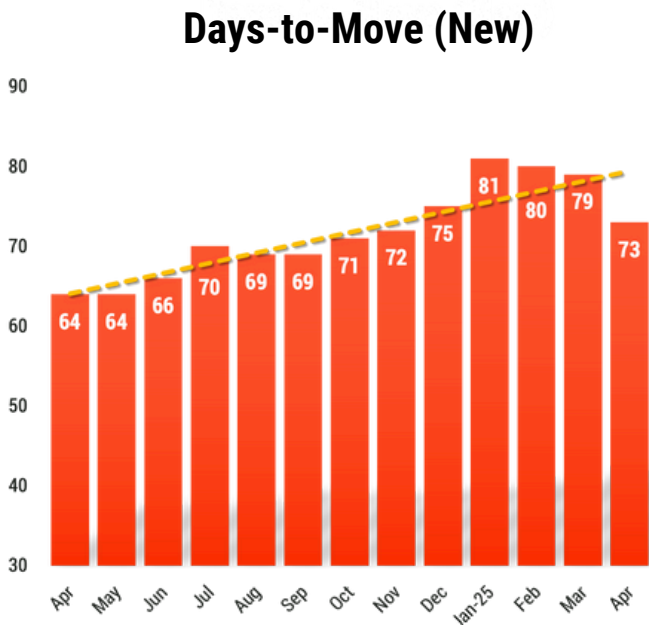
DMA	Turn Rate	MoM (Vs. Mar 2025)	YoY (Vs. Apr 2024)
Total U.S.	44%	+5 points	+ 7 points
Atlanta	42%	+2	+5
Boston	45%	+6	+8
Chicago	44%	+5	+8
Dallas-Ft. Worth	45%	+4	+7
Denver	39%	+5	+5
Detroit	45%	+4	+10
Houston	45%	+5	+7
Los Angeles	49%	+7	+7
New York	44%	+5	+4
Philadelphia	45%	+6	+8
Phoenix	43%	+4	+5
San Francisco	49%	+7	+13
Seattle	40%	+5	+6
Washington DC	48%	+9	+11



Days-to-Move **declined for the third consecutive month** and was down by six days compared to March.

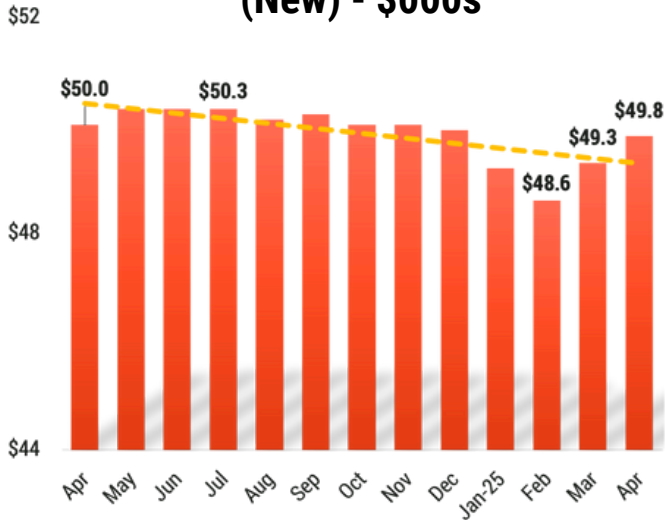
Every major market had a similar Days-to-Move decline MoM.

DMA	Days-to-Move	MoM (Vs. Mar 2025)	YoY (Vs. Apr 2024)
Total U.S.	73 days	-6 days	+9 days
Atlanta	69	-6	+8
Boston	74	-6	+8
Chicago	73	-6	+7
Dallas-Ft. Worth	69	-7	+6
Denver	79	-4	+5
Detroit	77	-5	+15
Houston	71	-7	+7
Los Angeles	64	-5	+5
New York	75	-3	+9
Philadelphia	76	-5	+10
Phoenix	67	-6	+3
San Francisco	63	-8	--
Seattle	73	-8	--
Washington DC	69	-5	+7



Average Marketed Price **continued its recent climb, up by \$1,200 from February levels.** It moved above \$50K on April 14 for the first time since December and remained above that milestone for the remainder of the month.

Average Marketed Price (New) - \$000s

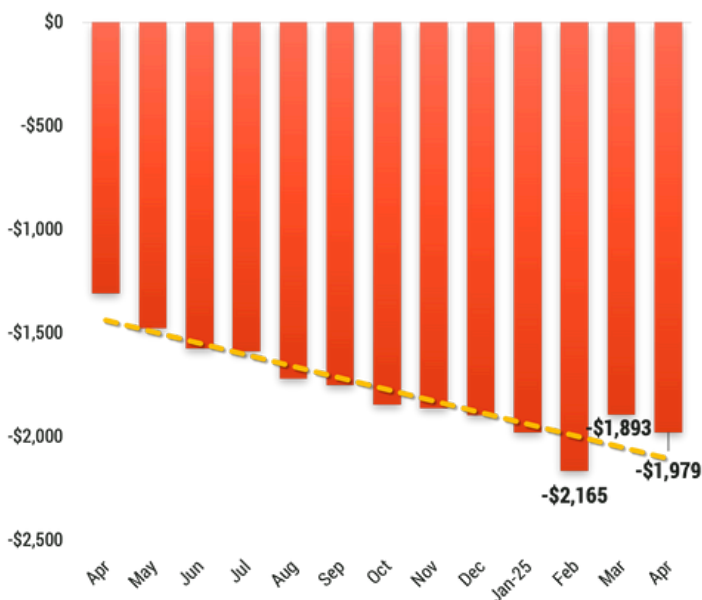


Atlanta, Washington DC, and New York had the largest end-of-month increases in Average Marketed Price.

DMA	Avg. Mkted. Price (000s) – Apr 2025	End of Month Apr 30 vs. Mar 31
Total U.S.	\$49.8	+\$0.3
Atlanta	\$51.5	+\$2.0
Boston	\$49.8	+\$0.6
Chicago	\$48.3	+\$0.1
Dallas-Ft. Worth	\$51.5	+\$0.5
Denver	\$51.9	-\$0.3
Detroit	\$47.9	-\$0.3
Houston	\$51.7	+\$0.3
Los Angeles	\$52.2	+\$0.7
New York	\$50.7	+\$1.1
Philadelphia	\$49.0	+\$0.4
Phoenix	\$49.7	--
San Francisco	\$54.0	+\$0.1
Seattle	\$50.5	+\$0.8
Washington DC	\$50.3	+\$1.5

Discounts and incentives being marketed to consumers **remained below \$2,000 in April**, which is slightly more aggressive than in March.

Average Market Adjustment vs. MSRP



Markets ranged from most aggressive with discounting changes at the end of the month (**Denver**, with a shift of -\$306) to least aggressive (**Washington DC**, with a shift of +\$92).

DMA	Market Adjustment Apr 2025	End of Month Apr 30 vs. Mar 31
Total U.S.	-\$1,979	-\$112
Atlanta	-\$2,110	-\$27
Boston	-\$1,591	-\$77
Chicago	-\$2,227	-\$12
Dallas-Ft. Worth	-\$2,566	-\$170
Denver	-\$2,687	-\$306
Detroit	-\$3,632	-\$106
Houston	-\$2,760	-\$172
Los Angeles	-\$840	+\$24
New York	-\$853	-\$14
Philadelphia	-\$1,272	-\$103
Phoenix	-\$1,935	-\$282
San Francisco	-\$438	-\$99
Seattle	-\$1,363	+\$43
Washington DC	-\$1,825	+\$92

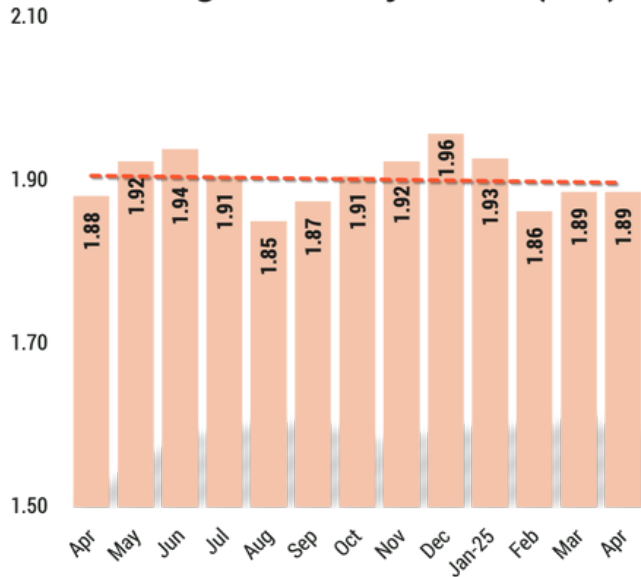
USED CARS

Overall Assessment ➤ New Cars

“Although Used Vehicle movement is pulling back from record highs that were previously seen in March, they are still elevated compared to historical standards,” said Stoll. “It is apparent that this sector is already benefitting from high New Vehicle values among consumers who are getting priced out of the market or just searching for a better deal. And with tariff effects just getting started, Used vehicles will be an increasingly important safe haven for consumers and dealers alike. Promoting and highlighting Used inventory and pricing it competitively in the local market will be more important than ever given the broader marketplace dynamics that are currently in place.”

Used vehicle inventory has **stabilized at just under 1.9MM**, similar to levels a year ago.

Average Inventory - Used (MM)

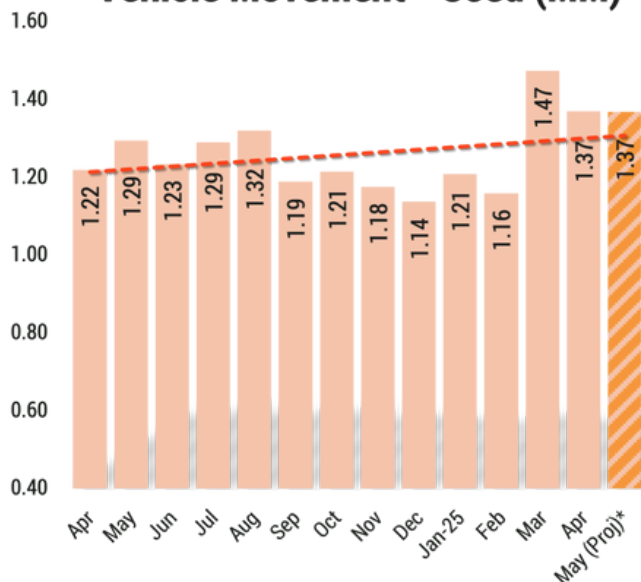


Used inventory in the **Detroit DMA** gained ~20% MoM and YoY, while **Dallas** declined by ~10%.

DMA	Avg. Inventory (000s)	MoM (Vs. Mar 2025)	YoY (Vs. Apr 2024)
Total U.S.	1,886	--	--
Atlanta	51	+5%	+3%
Boston	40	-4%	-4%
Chicago	59	--	-1%
Dallas-Ft. Worth	52	-10%	-11%
Denver	28	+5%	+4%
Detroit	28	+21%	+19%
Houston	47	-3%	-3%
Los Angeles	65	-4%	-6%
New York	85	+1%	--
Philadelphia	41	-1%	-1%
Phoenix	32	+3%	--
San Francisco	21	-6%	-8%
Seattle	29	+4%	+1%
Washington DC	44	--	-1%

Used Vehicle Movement remained higher than normal (+12% YoY) but **retreated by 100K from last month's record high**.

Vehicle Movement - Used (MM)

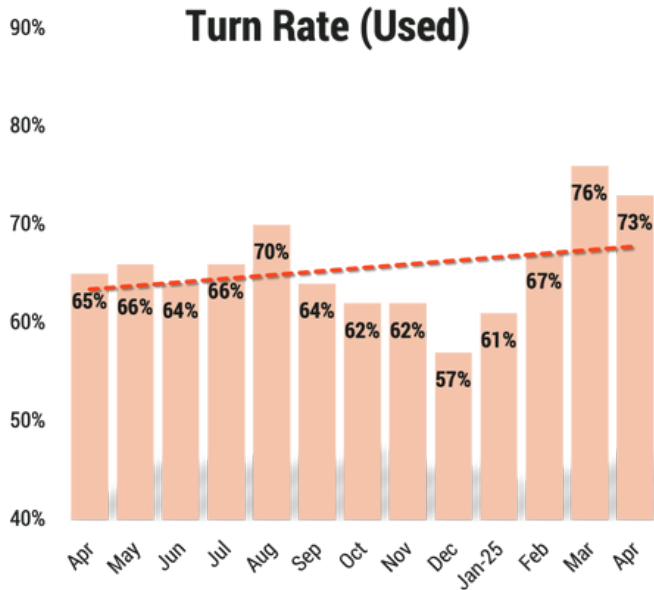


Despite a national decline, most major markets experienced MoM gains in Used Vehicle Movement (led by **Detroit's** 9% increase); other (i.e., smaller) markets drove the national decrease with a 10% drop MoM.

DMA	Vehicle Movement (000s)	MoM (Vs. Mar 2025)	YoY (Vs. Apr 2024)
Total U.S.	1,370	-7%	+12%
Atlanta	37	+1%	+15%
Boston	27	+1%	+13%
Chicago	39	--	+15%
Dallas-Ft. Worth	43	-6%	+9%
Denver	22	-2%	+14%
Detroit	18	+9%	+27%
Houston	35	-4%	+14%
Los Angeles	52	-3%	+13%
New York	52	+4%	+15%
Philadelphia	30	+1%	+14%
Phoenix	25	+3%	+16%
San Francisco	17	+4%	+17%
Seattle	20	+6%	+13%
Washington DC	34	-2%	+12%

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

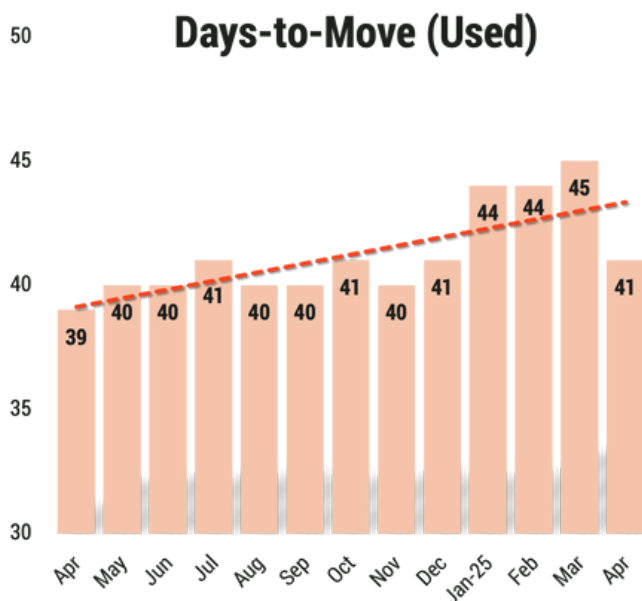
Turn Rate **fell back by 3 points** in April but remained at higher-than-normal levels (+8 points vs. year ago).



Most major DMAs saw increasing Turn Rates MoM despite a national drop; **San Francisco** had the largest gain, driven by its supply decline and demand increase.

DMA	Turn Rate	MoM (Vs. Mar 2025)	YoY (Vs. Apr 2024)
Total U.S.	73%	-3 points	+8 points
Atlanta	72%	-1	+7
Boston	69%	+5	+10
Chicago	67%	+2	+9
Dallas-Ft. Worth	84%	+6	+16
Denver	76%	-3	+7
Detroit	65%	-5	+4
Houston	75%	+2	+11
Los Angeles	80%	+3	+13
New York	61%	+4	+8
Philadelphia	72%	+3	+9
Phoenix	80%	+3	+11
San Francisco	81%	+10	+18
Seattle	70%	+3	+7
Washington DC	78%	+2	+9

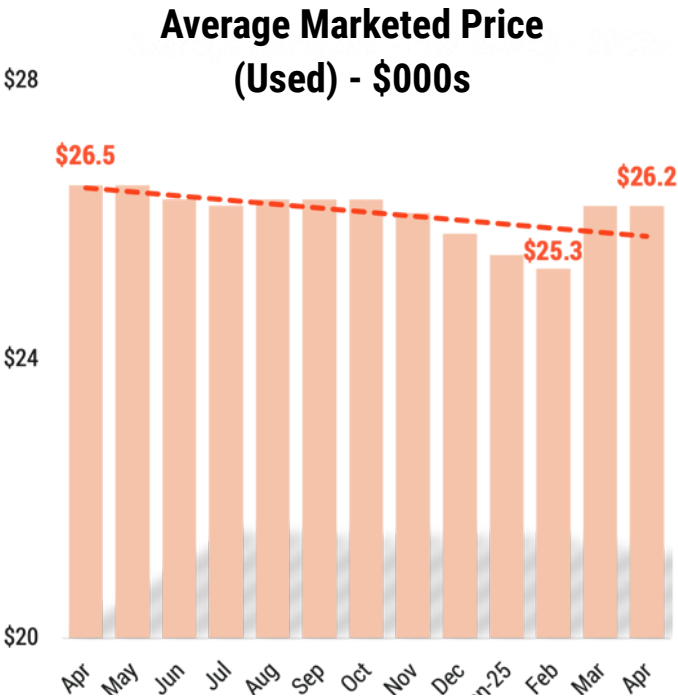
Days-to-Move **dropped by four days MoM** after three previous months of higher levels.



Detroit, New York, and Chicago have longer Days-to-Move durations than the national average.

DMA	Days-to-Move	MoM (Vs. Mar 2025)	YoY (Vs. Apr 2024)
Total U.S.	41	-4 Days	+2 Days
Atlanta	43	+3	+4
Boston	43	-1	-1
Chicago	46	+3	+4
Dallas-Ft. Worth	41	+2	+4
Denver	40	+2	+1
Detroit	51	+8	+9
Houston	40	-1	+5
Los Angeles	37	-2	-1
New York	48	-1	+2
Philadelphia	40	-3	+1
Phoenix	38	-1	+1
San Francisco	40	+1	+2
Seattle	44	-2	+2
Washington DC	39	--	+2

Used vehicle prices **stabilized at \$26.2K** after an increase in the previous month.



Phoenix had the largest end-of-month increase in Used prices, with a jump of \$2.2K.

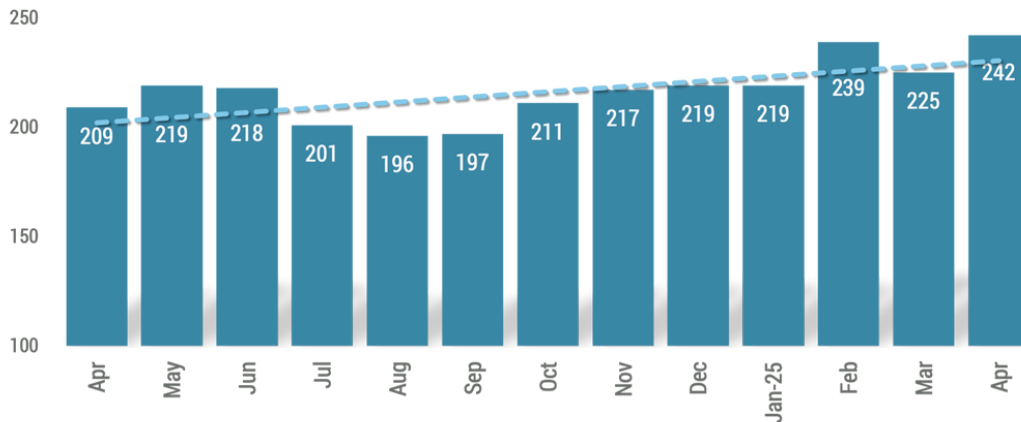
DMA	Avg. Mktd. Price (000s)	End of Month Apr 30 vs. Mar 31
Total U.S.	\$26.2	+\$0.1
Atlanta	\$27.9	+\$0.6
Boston	\$26.5	-\$0.3
Chicago	\$26.3	+\$0.5
Dallas-Ft. Worth	\$29.0	+\$1.4
Denver	\$25.6	-\$1.0
Detroit	\$22.6	-\$1.2
Houston	\$26.7	+\$0.6
Los Angeles	\$28.0	+\$0.3
New York	\$27.2	+\$0.6
Philadelphia	\$25.6	+\$0.2
Phoenix	\$28.2	+\$2.2
San Francisco	\$27.4	+\$0.1
Seattle	\$25.4	--
Washington DC	\$24.6	+\$0.3

CERTIFIED CARS

Overall Assessment ➤ Certified Cars

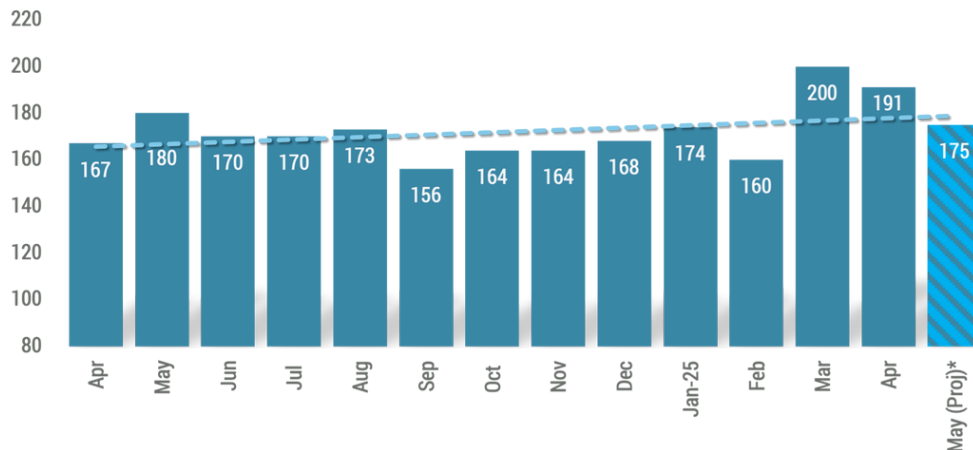
Similar to the Used vehicle sector, Certified vehicles can be positioned as a more affordable alternative to New vehicles that are already challenged by tariff-related price increases and are likely to be increasingly so as time goes on. Consumers are already showing a willingness to move in that direction and will likely continue to as price differentials grow. Dealers that are increasing the prominence of their inventory will have an advantage in winning over consumers looking for a way to navigate today's challenging buying environment.

Average Inventory - Certified (000s)



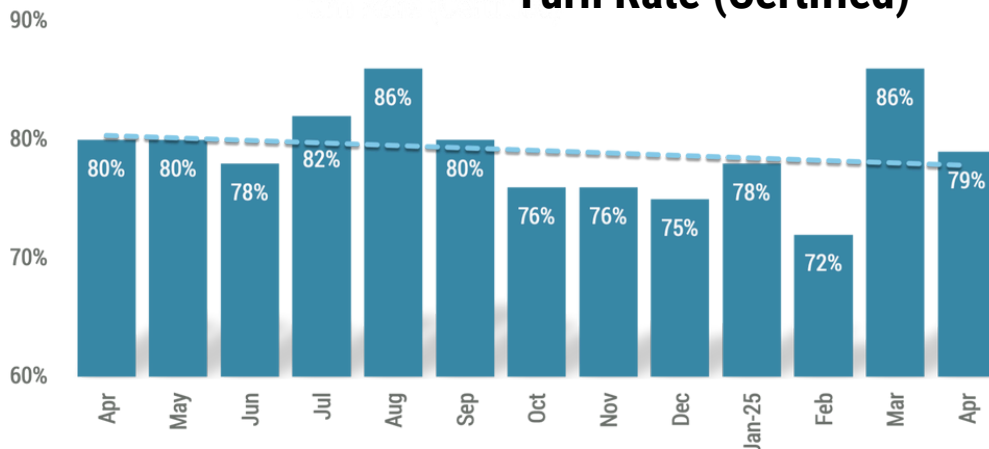
Certified inventories **rebounded in April** after a small decline in the previous month.

Vehicle Movement - Certified (000s)

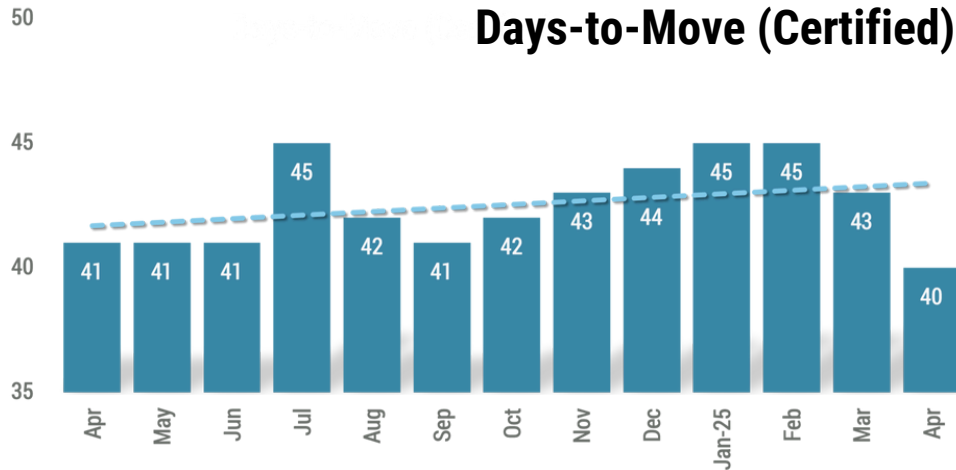


Similar to Used vehicles, **Certified Vehicle Movement retreated from the high levels in March**, though it remained elevated compared to counts seen over the past year.

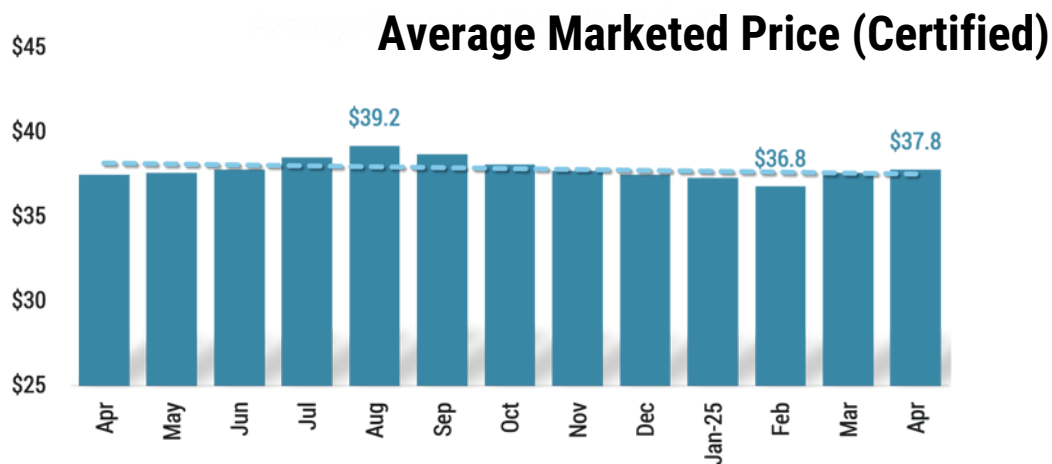
Turn Rate (Certified)



The Certified Turn Rate **fell back to January levels** after spiking in the previous month.



Days-to-Move declined for the second straight month and **hit its lowest level of the past year.**



Certified pricing remained relatively steady, **\$1.0K above levels seen in February.**



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.



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