

Kelley Blue Book® Total Cost of Ownership

Compare and Prepare

When purchasing a new car, the sticker price is just one part of the financial buying decision. The cost of owning a car over several years can easily exceed the initial purchase price and vary greatly from car to car. Knowing the full "out of pocket" cost for a vehicle during a typical one- to five-year ownership period can help car shoppers make knowledgeable financial decisions in today's economy.

Kelley Blue Book's Total Cost of Ownership, depicted visually and numerically, is based on real-world data updated every 60 days, rather than annually like other sources, painting a realistic picture of the costs a consumer can expect to incur today and throughout the initial five-year ownership period, including:

- Depreciation
- State Fees
- Fuel
- Maintenance
- Insurance
- Repairs
- Financing

Depreciation is the largest cost incurred during any vehicle ownership period. The average vehicle maintains about 35 percent of its original MSRP after five years of ownership, whereas a handful of vehicles maintain more than 50 percent after the same time period. The new Cost of Ownership data on kbb.com is based on Kelley Blue Book® Residual Values, calculated by on-staff market analysts and used by banks and insurance companies around the country.

Total Cost of Ownership is compared side-by-side with the vehicle's Kelley Blue Book® Fair Purchase Price to determine what vehicle offers the 'Best Overall Cost.' Kelley Blue Book Fair Purchase Price is the price consumers typically pay a dealer for a new car. The price is based on actual new-car transactions and is adjusted weekly for changing market conditions.



To help shoppers garner a larger picture of cost of ownership data, kbb.com displays information for vehicles from 'What Others Looked At,' 'Expert Suggestions,' 'Recently Viewed,' or similar styles of the same model in a side-by-side comparison, offering shoppers a new way to look at the financial cost of owning a vehicle and helping them make an informed buying decision.

"As an analytic powerhouse, Kelley Blue Book would be doing a disservice by not sharing this valuable information," said Juan Flores, director of vehicle valuation for Kelley Blue Book. "Because cost of ownership can vary significantly from car to car, car shoppers should be aware of everything their purchase entails before making a final decision on which new vehicle to buy."

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