Kelley Blue Book Report: New-Vehicle Average Transaction Price Hits Record High in September, Surges Past $50,000 for the First Time Ever

ATLANTA, Oct. 13, 2025 /PRNewswire/ -- In September, the average transaction price (ATP) of a new vehicle in the U.S. was above $50,000 for the first time, according to new estimates released today by Kelley Blue Book. New-vehicle prices have risen steadily for more than a year, with the pace of the increases accelerating in recent months. Despite higher prices, retail sales continue to maintain a healthy pace.

- The new-vehicle ATP was $50,080 in September, marking the first time it ever exceeded the $50,000 mark. The ATP last month was up 2.1% from August and was higher year over year by 3.6%. The annual gain of 3.6% in September was the largest gain since the spring of 2023, but aligned with the long-term average of ATP inflation.

- Incentive spending increased in September to 7.4% of ATP, or approximately $3,700. Incentive levels in September were at the highest point in 2025, up from 7.2% of ATP in August. A year ago, in September 2024, incentive levels were equal to 7.3% of ATP.

- As 2026 model year product arrives on dealer lots, the average new-vehicle manufacturer's suggested retail price (MSRP) – commonly called "the asking price" – also reached a new record-high in September of $52,183. The MSRP last month was higher by 4.2% year over year, an increase above the long-term average.

- A rich mix of luxury vehicles and expensive EV models likely helped push the ATP into record territory last month. Kelley Blue Book is initially estimating the electric vehicle share of the U.S. market in September at 11.6%, a record high. The electric vehicle ATP last month was $58,124, up 3.5% from the revised lower EV ATP in August.

- Last month, there were more than 60 models with ATPs above$75,000 with total sales near 94,000 units – 7.4% of total industry sales, up from 6.0% in September 2024. In the rare air of six-figure vehicles, the Cadillac Escalade is still king. Two versions are available, with total sales in September reaching 4,320 units.

Quote from Erin Keating, Executive Analyst, Cox Automotive

"It is important to remember that the new-vehicle market is inflationary. Prices go up over time, and today's market is certainly reminding us of that. The $20,000-vehicle is now mostly extinct, and many price-conscious buyers are sidelined or

cruising in the used-vehicle market. Today's auto market is being driven by wealthier households who have access to capital, good loan rates and are propping up the higher end of the market. Tariffs have introduced new cost pressure to the business, but the pricing story in September was mostly driven by the healthy mix of EVs and higher-end vehicles pushing the new-vehicle ATP into uncharted territory. We've been expecting to break through the $50,000 barrier. It was only a matter of time, especially when you consider the best-selling vehicle in America is a pickup truck from Ford that routinely costs north of $65,000. That's today's market, and it is ripe for disruption."

Electric Vehicle Sales Soar Despite Higher Prices

- A record 437,487 electric vehicles were sold in the third quarter of 2025, with EV share reaching 10.5% of the market. With government-supported EV sales incentives set to expire at the end of September, buyers rushed to finalize deals, pushing total volume higher year over year by nearly 30%. (Cox Automotive's Q3 2025 Kelley Blue Book EV Sales Report can be found here.)

- The initial estimate of the EV average transaction price in September was $58,124, up 3.5% from the revised-lower ATP in August. Year over year, EV prices remained mostly unchanged, lower by 0.4%.

- At 15.3% of ATP (nearly $8,900), EV incentives in September were lower compared to August. A year ago, EV incentives averaged 13.0% of ATP.

- The ATP for a new Tesla last month was $54,138, down slightly from August and lower year over year by 6.8%. With new, lower-priced versions of the best-selling Model 3 and Model Y announced recently, Tesla and segment-wide ATPs will likely decline in the coming months.

Data tables are available for download.

About Kelley Blue Book

Founded in 1926, Kelley Blue Book, *The Trusted Resource*®, is the vehicle valuation and information source trusted and relied upon by both consumers and the automotive industry for nearly a century. As the industry standard for generations, Kelley Blue Book provides transparent, objective information and data-driven, innovative tools for consumers, automotive dealers and manufacturers. Kelley Blue Book publishes millions of market-reflective values weekly on its top-rated website KBB.com, from its famous Blue Book® Trade-In Values to the Kelley Blue Book® Price Advisor tool, which offers a range for what consumers reasonably can expect to pay for a vehicle in their area. KBB.com editors rate and review hundreds of new vehicles each year to help consumers understand the Best Cars and Best SUVs to meet their needs. Kelley Blue Book℠ Instant Cash Offer provides a redeemable trade-in offer to transaction-ready consumers and conveniently connects them to local participating dealers. Kelley Blue Book's Service Advisor provides guidance on how much to pay for service and repairs, allowing consumers to schedule service with local dealers on KBB.com. Kelley Blue Book also provides vehicle values to finance and insurance companies as well as governmental agencies. Kelley Blue Book is a Cox Automotive brand.

About Cox Automotive

Cox Automotive is the world's largest automotive services and technology provider. Fueled by the largest breadth of first-party data fed by 2.3 billion online interactions a year, Cox Automotive tailors leading solutions for car shoppers, auto manufacturers, dealers, lenders and fleets. The company has 29,000+ employees on five continents and a portfolio of industry-leading brands that include Autotrader®, Kelley Blue Book®, Manheim®, vAuto®, Dealertrack®, NextGear Capital™, CentralDispatch® and FleetNet America®. Cox Automotive is a subsidiary of Cox Enterprises Inc., a privately owned, Atlanta-based company with $23 billion in annual revenue. Visit coxautoinc.com or connect via @CoxAutomotive on X, CoxAutoInc on Facebook or Cox-Automotive-Inc on

LinkedIn.

SOURCE Kelley Blue Book

For further information: Mark Schirmer, 734 883 6346,
mark.schirmer@coxautoinc.com

---

https://mediaroom.kbb.com/2025-10-13-Kelley-Blue-Book-Report-New-Vehicle-Average-Transaction-Price-Hits-Record-High-in-September,-Surges-Past-50,000-for-the-First-Time-Ever