Kelley Blue Book Names 2005 Vehicles to Best Hold Their Value

Online Vehicle Information Leader Reveals Secrets of Vehicle Depreciation

With 2005 model year vehicles hitting the dealership lots, Kelley Blue Book, (www.kbb.com) America's No. 1 resource for new and used vehicle information, is reporting the top 10 2005 model year vehicles that will best hold their value over the next five years, as well as which vehicle will hold its value best by category and which brand holds its value better than any other.

Based on current vehicle data, market conditions for each vehicle, expectations of the future economy and the combined experience of Kelley Blue Book's editorial team, the following lists forecast which 2005 model vehicles will retain the greatest amount of their original MSRP (manufacturer's suggested retail price). Savvy consumers in the market for a new vehicle may want to take a closer look at the following vehicles.

2005 Model Year Vehicles KBB Forecasts Will Best Hold Their Value Over Next Five Years

OVERALL LIST

Acura TL	Mercedes Benz CLK 320 Cabriolet
BMW 5 Series	MINI Cooper
Infiniti G35 Coupe	Nissan 350 Z
Lexus GX 470	Porsche Cayenne
Mazda RX-8	Volvo XC90

(High performance, low volume vehicles or vehicles with an original MSRP over $60,000 were not taken into consideration on the overall list. Values based on the September/October 2004 Kelley Blue Book® Residual Values Guide.)

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BY CATEGORY

SEDAN: Honda Civic	LUXURY: BMW 5 Series
COUPE: Infiniti G35	PICKUP: Toyota Tacoma PreRunner
CONVERTIBLE: Nissan 350 Z Touring Roadster	SPORT UTILITY: Volvo XC90
WAGON: Volkswagen Jetta Wagon TDI*	VAN/MINIVAN: Honda Odyssey
HATCHBACK: MINI Cooper	

(Kelley Blue Book vehicles that are expected to hold the greatest amount of value in their category over the next five years. Values based on the September/October 2004 Kelley Blue Book® Residual Values Guide.) *TDI not available in all states.

2005 Brand KBB Forecasts Will Best Hold Its Value Over Next Five Years

BMW

Which Vehicles Just Missed the List and Really Missed the List

According to the Kelley Blue Book editorial team, several newly introduced 2005 model vehicles are expected to retain a high percentage of their value looking five years into the future, but fall just short of making this year's list. Vehicles just missing this year's top 10 list include the Chevrolet Corvette, the Mazda 3 Hatchback and the Volkswagen GTI.

Some vehicles really don't hold their value well. These types of vehicles generally have high production rates or are in low demand in the marketplace. These vehicles are often in rental fleets, have a low perceived value, high maintenance costs and may have a design that does not age well. Some of the 2005 vehicles with one or more of these conditions include the Pontiac Aztec, Chrysler Sebring Sedan, Jaguar X-Types, Mitsubishi Diamante, Mercury Sable and the Suzuki

Vitara.

It Depreciates the Second You Drive It off the Lot

Just how much does a vehicle depreciate after it rolls off the lot? It's not the car that depreciates the second it rolls off the dealer lot, it's really just that the transaction changed. According to the Blue Book editors, the sale goes from being a dealer-to-consumer transaction to either a trade-in or private party sale. In this new transaction you lose tax, license, registration and destination charges, all things you pay for when a car is new, that you cannot charge when reselling it. It's all of these things combined that create the instant depreciation.

Vehicle Depreciation

Depreciation is inevitable. Some cars, like the ones on this year's Top 10 lists, have a slower depreciation rate than others. "The depreciation rate of a particular vehicle is dependant upon market conditions, supply and demand," said Charlie Vogelheim, executive editor of the Kelley Blue Book. "A highly popular or desirable car with limited availability will depreciate slower than a car that is in excess supply or less desirable."

According to the Kelley Blue Book editorial team, there are things that buyers absolutely expect to be found in a car today. If they are not there, it could hurt the value and desirability of that car down the road. Those items include: power windows and door locks, a tilt wheel and cruise control. Wheels have also come a long way from the days of hubcaps. Picking a car with alloy or premium wheels will likely help you sell it down the road. "These items don't add value to your car, value is actually deducted if they are not there," said Vogelheim.

What can also hurt your car's ability to garner top dollar down the road? The Blue Book editors say the color of your car is just one of those things. It's easy to sell a white, black or silver car. Some variations of red and blue are o.k. Pick a green, purple, yellow or orange vehicle and you will likely hurt your chances of getting the maximum value when selling or trading the car in later. Vogelheim says personalizing a car with custom paint work, aftermarket products or other wild modifications also make the car less desirable to others. "Sometimes we see people putting thousands of dollars worth of aftermarket options and customization into a vehicle and it's likely that they'll never get it back. The very things that personalize the car for you can make it less desirable to a broad customer base when you sell it later."

The Blue Book editors recommend looking for the following items in a new car to assist in slowing its depreciation:

- Choose colors like black, white and silver
- Make sure the vehicle has power windows, power door locks, tilt wheel and cruise control
- Alloy or premium wheels
- CD player
- If the model has an upgraded engine option, the larger engine will most often hold value better
- Remote entry
- Leather

In today's Blue Book you can often add value to your car if the following options are included:

- Sun Roof/ Moon Roof
- Leather
- ABS (Automatic Braking Systems)
- CD Player or Disc Changer
- Premium Sound System
- Roof Rack*
- Alloy Wheels
- Third Row Seating*

*These options add value on wagons,

SUVs and other vehicles as appropriate.

Kelley Blue Book's new car pricing and used car values are the most accurately and frequently reported on the Internet today. All Kelley Blue Book values are based on data obtained from manufacturers, dealers, auction data, remarketers and consumers via a feedback tool on the company's Web site, kbb.com.

Kelley Blue Book values take into consideration the region of the vehicle, its engine, transmission, trim style, optional equipment, current mileage and current condition. In addition to actual vehicle details, other considerations that determine a vehicle's value include the current economy and supply and demand. Kelley Blue Book reports factual and timely data reflecting the current marketplace for consumers, financial institutions, governmental agencies and the automotive industry.

For more information on Kelley Blue Book values, see www.kbb.com or contact media relations.

About Kelley Blue Book (kbb.com)

Kelley Blue Book is the most trusted vehicle information resource by both consumers and the auto industry. The company's Web site kbb.com provides research tools and up-to-date pricing on thousands of new and used vehicles, including the company's New Car Blue Book Value, which reveals what a new car is actually selling for. Since 1926, car buyers and sellers have relied upon Kelley Blue Book for authoritative and unbiased information to make well-informed automotive decisions. The company reports vehicle prices and values via products and services including the famous Blue Book Official Guide™, software and Internet site, kbb.com. Kbb.com has been rated the No. 1 automotive information site by Nielsen//NetRatings as well as No. 1 and first visited automotive site by J.D. Power and Associates six years running. No other medium reaches more in-market car-buyers than kbb.com; one in every four American car-buyers complete their research on kbb.com.

SOURCE: Kelley Blue Book

CONTACT: Robyn Eckard of Kelley Blue Book, +1-949-268-3049, reckard@kbb.com

Web site: http://www.kbb.com/

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