Kelley Blue Book's kbb.com Assists Shoppers in Reducing Vehicle Depreciation

KBB Identifies Features That Help Resale Value, Names 2006 Models With Best Resale Value

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While most car buyers today consider sticker price one of the most significant numbers when choosing a new vehicle, the editors at Kelley Blue Book's kbb.com recommend that shoppers consider a number they won't find today on any window sticker. Depreciation often is the greatest expense incurred by drivers during the first five years of vehicle ownership. To get the most for their money, consumers should do some extra homework to ensure they make wise purchase decisions based on several key factors other than just the negotiated sale price.

"When purchasing a new vehicle, consumers often forget to take future resale value into consideration, something that can have a major effect on their finances a few years down the road," said Jack R. Nerad, editorial director and executive market analyst for Kelley Blue Book.

An average vehicle will only retain about 35 percent of its original value after a five-year ownership period, meaning that a \$20,000 new car today will only be worth somewhere close to \$7,000 after five years. Vehicles with average or below-average resale values are generally plentiful in the marketplace and easy to find, such as models often found in rental fleets. But certain vehicles are projected to hold their value better than others. Vehicles that maintain their value best are those that are designed and engineered well, and usually they are in limited supply and in high demand.

What can you do to enhance the resale value of a vehicle you're about to purchase? Certain features available on new cars today will be desirable by a majority of used-car buyers three or five years down the road, and these features will help the vehicle maintain more of its original value. In-market shoppers should consider the following options in their next new vehicle to help better retain its value. First, choose a popular exterior color, such as black, white or silver. Then select equipment that many buyers want. Included on this list are: antilock brakes (ABS), alloy wheels, CD player/CD changer, parking sensors, navigation system, sensing cruise control and leather-covered seats. At the same time, avoid less popular colors and go easy on customization.

"Vehicles that are painted in odd colors and vehicles that have been overly personalized will be desired by a smaller group of people down the road," said Nerad. "That will negatively affect their resale value."

Today, the editors of Kelley Blue Book's kbb.com recognized a distinct group of vehicles that will retain closer to 50 percent of their original value during a five-year ownership period.

The 2006 model year winners of Kelley Blue Book's Best Resale Value Awards are:

2006 BEST RESALE VALUE: BRAND BMW and MINI (Tie)

2006 BEST RESALE VALUE: TOP 10 (in alphabetical order)

BMW 5 Series
Lexus GX 470
Chevrolet Corvette
MINI Cooper

Porsche Cayenne
Infiniti G35 Coupe
Toyota Prius
Infiniti M45

Honda Accord Hybrid Volvo XC90

2006 BEST RESALE VALUE: CATEGORY

SEDAN: Honda Accord Hybrid LUXURY: Infiniti M45 COUPE: Infiniti G35 Coupe

PICKUP: Toyota Tacoma PreRunner CONVERTIBLE: Chevrolet Corvette SPORT UTILITY: Porsche Cayenne

WAGON: Subaru Outback VAN / MINIVAN: Honda Odyssey

HATCHBACK: MINI Cooper / Toyota Prius (Tie)

(Values based on the September/October 2005 Kelley Blue Book® Residual

Value Guide).

Kelley Blue Book's residual values are projections based on current vehicle data, market conditions for each vehicle, how the vehicle competes in its segment, expectations of the future economy and the combined experience of Kelley Blue Book's team of market and pricing analysts. Values are for clean, reconditioned vehicles at the end of the lease period. Kelley Blue Book's residual values are used by banks, financial institutions, governmental agencies and the automotive leasing industry.

For more information on Kelley Blue Book values, see www.kbb.com. For more information on Kelley Blue Book's Best Resale Value Awards, visit www.kbb.com/resaleaward.

About Kelley Blue Book (kbb.com)

Kelley Blue Book's kbb.com is America's most used and trusted vehicle pricing, values and information resource. The top-rated Web site provides the most up-to-date pricing and values for thousands of new and used vehicles, including the Blue Book® New Car Value, which reveals what people actually are paying for new cars. 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 also reports vehicle prices and values via products and services, including the famous Blue Book® Official Guide and software products. Car buyers have rated kbb.com No. 1 in overall customer satisfaction and experience, according to a survey by Keynote Systems. Kbb.com also has been named the No. 1 automotive information site by Nielsen//NetRatings and the most visited auto site by J.D. Power and Associates seven years in a row. No other medium reaches more in-market vehicle shoppers than kbb.com; one in every three American car buyers complete their research on kbb.com.

SOURCE: Kelley Blue Book

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