



## Clean vs. Average Values

Questions about NADA's Average Trade in value vs. Clean Trade-in value, and Clean Retail value vs. our former Average Retail value have been posed by a number of government entities that base property, excise, ad valorem and other tax assessments on NADA Used Car Guide values. The brief answer is; Today's "Clean Trade-in" value is the same as what we formerly called both "Average Trade-in" and "Trade-in." The same applies to our current "Clean Retail" value, formerly named "Average Retail" and "Retail."

Here is some background information that may help put the issue in perspective.

Historically, we used the term "average" for both Retail and Trade-in values in the NADA Official Used Car Guide. Most statutes that reference an average value were enacted well before 1995. Here is an image from a pre-1995 guide:

### I-16 GEO (Japanese) 1990-89

Av'g. Trd-in	BODY TYPE	Model No.	M.S.R.P.	Wgt.	Av'g. Loan	Av'g. Retail
<b>1990 GEO-AT-PS-AC-Continued</b>						
2350	Hatchback 4D LSI	MR6	\$7795		2125	3500
3350	Convertible 2D LSI	MR3	9740	1753	3025	4675
PRIZM-FWD Veh. Ident.: 1Y1 (Model) 1 ( ) L ( ) 000001 Up						

On January 1, 1995, we discontinued the term "average." The editorial methodology did not change, just the term was dropped and "Average Trade-in" became simply "Trade-in" and "Average Retail" became "Retail." We continued to use the stand-alone terms "Retail, Trade-in and Loan," for the next 12 years from January 1, 1995 until January 1, 2007. Here is an image from the January 1995 guide:

### I-82 VOLKSWAGEN (German) 1993-92

Trd-In	BODY TYPE	Model No.	M.S.R.P.	Wgt.	Loan	Retail
<b>1993 VOLKSWAGEN-AT-PS-AC-FWD-Continued</b>						
GOLF III	Veh. Ident.: 3VWF ( ) ( ) 1H ( ) P ( ) 000001 Up					
9850	Hatchback 4D GL	1H	\$11600	2665	8700	11650
JETTA III	Veh. Ident.: 3VWR ( ) ( ) 1H ( ) P ( ) 000001 Up					
10550	Sedan 4D GL	1H	\$12800	2735	9500	12700

On January 1, 2007, we introduced the term "Clean" for all 3 values, reflecting our editorial position that the condition of a vehicle, as a consistent starting point in the methodology of



valuation, was clean. Again, our methodology did not change. Here is an image from the January 2007 guide:

<b>FORD 77</b>						
Clean Trade-In	Body Type	Model No.	M.S.R.P.	Weight	Loan	Clean Retail
<b>2003 EXPLORER-1/2 Ton-V6</b>						
9000	Utility 2D Sport XLS	U60	\$21505	3898	8100	11150
8900	Utility 2D Sport XLT	U60	23340	3887	8925	12125
8700	Utility 4D XLS	U62	25970	4286	7880	10095

Mileage Class: II

From January 2007 forward, the pre-1995 "Average Trade-in" and "Average Retail" were now labeled "Clean Trade-in" and "Clean Retail." Same values. Same methodology.

On September 1, 2008, we introduced two new conditional values; "Average Trade-in" and "Rough Trade-in." The addition of these new conditional values was based on requests for our values to reflect the wholesale side of the market and represented the first time in 77 years that we expanded beyond 3 traditional values. Currently, the NADA Official Used Car Guide displays five values for each vehicle; Clean Retail, Clean Loan, Clean Trade-in, Average Trade-in and Rough Trade-in. Here is an image from the October 2008 (and current) guide:

<b>154 OLDSMOBILE</b>								
Rough Trade-In	Avg. Trade-In	Clean Trade-In	Body Type	Model No.	MSRP	Weight	Clean Loan	Clean Retail
<b>2004 ALERO-V6</b>								
Mileage Class: II								
Veh. Ident.: 1G3(Model)2E( )4( )000001 Up,								
4275	5250	6025	Coupe 2D GL	NL1	20865		5425	7725
5500	6525	7375	Coupe 2D GLS	NF1	23050	3085	6650	9175
4250	5200	5975	Sedan 4D GL	NL5	20865		5400	7650
5450	6475	7300	Sedan 4D GLS	NF5	22800	3147	6575	9100

Finally, as we retrace our editorial history, the "average" value originally referenced in many state's general statutes is actually today's "Clean" value.

For questions and additional information, please contact:

**Douglas Ott**  
Account Executive

**NADA Used Car Guide, a Division of J.D. Power**  
8400 Westpark Drive, 6<sup>th</sup> Floor, McLean, VA 22102  
p:800-248-6232 x4710  
[NADA.com/b2b](http://NADA.com/b2b)