

# Kelley Blue Book Report: August New-Vehicle Prices Rise as 2026 Models Hit Lots, EV Sales Accelerate

ATLANTA, Sept. 10, 2025 /PRNewswire/ -- New-vehicle prices moved higher in August as more model year 2026 vehicles hit dealer lots and automakers work to offset higher costs. According to estimates from Kelley Blue Book, price increases accelerated in August as both key measures – average transaction price (ATP) and manufacturer's suggested retail prices (MSRPs) – increased month over month and year over year. Despite higher prices, retail sales in August climbed by 2.5% versus year-ago levels.



## Kelley Blue Book

- The new-vehicle ATP was \$49,077 in August, up 0.5% from July (\$48,841) and higher year over year by 2.6%. The annual gain of 2.6% in August was the largest gain in more than two years, although it remains below long-term averages.
- The average new-vehicle MSRP – commonly called "the asking price" – in August was \$51,099, an increase compared to July and higher year over year by 3.3%, a rate of increase very close to long-term averages and the largest gain in 2025.
- Incentives spending softened, falling to 7.2% of ATP in August from 7.3% in July. Compared to a year ago, new-vehicle incentive spending is mostly unchanged. In fact, over the past year, incentive spending has held relatively steady, averaging 7.2% of ATP, with the highest incentive spending in the final months of 2024 and the lowest in April 2025.
- A vast majority of automakers posted price increases year over year in August. Of 31 major brands tracked by Kelley Blue Book, only five recorded transaction prices in August lower than year-ago levels. Acura (down 6.5%) and Tesla (down 5.5%) led the way, with three Stellantis brands all lower by less than 1%: Dodge, Ram and Chrysler. All other major brands saw prices increase in August. Seventeen brands saw price gains in excess of 3%.
- Full-size pickups, now commonly available with EV and hybrid powertrains, continue to push the industry's ATP higher. Of the 10 best-selling vehicles in the U.S., four are full-sized pickup trucks, with the Ford F-Series (\$66,934) and Chevrolet Silverado (\$61,023) firmly in the top two spots. The GMC Sierra (\$70,150) is No. 7 on the list. The Ram pickup (\$65,849) is No. 9. (Note: The Kelley Blue Book ATP is an average of all vehicles sold each month, so big sellers influence the number more than low-volume vehicles.)

### Quote from [Erin Keating](#), Executive Analyst, Cox Automotive

"While new-vehicle prices continue their upward trajectory, the pace of change remains relatively measured, more a gradual correction than a seismic shift. Costs are clearly increasing, for automakers, dealers and buyers alike. This month's increase aligns with our expectations, reflecting a market that's adjusting to new production realities and consumer preferences without tipping into volatility."

## Electric Vehicle Sales Hit New Record in August; Tesla Loses Share Despite Lower Prices

- According to initial Cox Automotive estimates, sales of electric vehicles reached a record 146,332 in August. EV share last month was a record 9.9% of total sales and higher than the July share of 9.1%. With government-supported EV tax credits set to expire at the end of September, current sales trends suggest Q3 2025 will set an all-time record for EV sales in the U.S. (The current record is Q4 2024: 365,824.)
- The initial estimate of the EV average transaction price in August was \$57,245, up 3% from the revised lower EV ATP of \$55,562 in July. Year over year, EV prices were mostly unchanged, lower by 0.1%. The higher volume of EV sales helped push the overall industry ATP higher as well.
- EV incentives in August were down from the July record, but at 16% of ATP, EV incentives remain more than twice as high as the overall market. The average incentive package on a new EV was more than \$9,000 in August. A year ago, incentive packages for EVs averaged 13.6% of ATP.
- Tesla, the leading EV seller in the U.S. by far, saw ATPs climb 2.9% in August to \$54,468. Compared to a year ago, ATPs in August were lower by 5.5%. Tesla's sales last month were lower year over year by 6.7% and the EV leader's share of all EV sales in the U.S. fell to 38% last month, the lowest point in the modern EV era.

### Quote from [Stephanie Valdez Streaty](#), Senior Analyst, Cox Automotive

"The one constant in the automotive business is that fresh product sells well. While Tesla's Model Y update has slowed the company's sales decline, it's not getting easier for the EV pioneer because the market is now flooded with all-new, fresh EVs from mainstream competitors — consumers have more choice than ever. The current surge in EV sales is being driven by product innovation, motivated dealers, and an urgency ahead of the IRA tax credit phase-out."

[Data tables are available for download.](#)

### About Kelley Blue Book

Founded in 1926, Kelley Blue Book, *The Trusted Resource*<sup>®</sup>, 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<sup>®</sup> Trade-In Values to the Kelley Blue Book<sup>®</sup> 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<sup>SM</sup> 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<sup>®</sup>, Kelley Blue Book<sup>®</sup>, Manheim<sup>®</sup>, vAuto<sup>®</sup>, Dealertrack<sup>®</sup>, NextGear

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