



GREATER HOUSTON
PARTNERSHIP

UPDATE



VEHICLE
SALES

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Houston-area auto dealers sold 28,246 vehicles in September '17, a 21.8 percent increase from the 23,200 vehicles sold in September '16, according to *TexAuto Facts*, published by InfoNation, Inc. of Sugar Land. Dealers sold 277,621 vehicles for the 12 months ending September '17, down 10.4 percent from the same period last year.

Vehicle Sales, 12-Month Total, Houston Metro Area



Source: *TexAuto Facts* Report by InfoNation

September sales were the highest for a single month since August '16. The monthly total marked a sharp uptick from last month as buyers who postponed purchases because of Harvey joined those replacing flooded vehicles to boost sales at area dealerships. Of the vehicles sold in September, as many as 5,500 were replacements for flooded vehicles – a fraction of the total number of replacements that will be needed, according to InfoNation.

The firm estimates that replacing the roughly 300,000 Harvey-damaged vehicles in metro Houston will result in 75,000 new vehicle sales over the next four months.

“Insurance coverage is an important factor to the volume of totally damaged vehicles that will be replaced.” states Steve McDowell with InfoNation. “Vehicles without insurance coverage will generally be older model year vehicles without liens, and owners will sell vehicles for salvage and many will purchase used vehicles. Later model vehicles with insurance will generally be replaced with new vehicles.”

Of the damaged vehicles reported to the Texas Department of Motor Vehicles so far, 70 percent are model year '11 or older, according to InfoNation.

The average retail sales price for a new vehicle fell to \$35,371 in September '17, a 1.0 percent decline from September '16 and a 2.0 percent drop from last month. Prices fell as higher-priced trucks and SUVs lost a small amount of market share to cars.

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