


 A graphic with a blue and red gradient background. The word "LESSON" is written in white capital letters at the top. Below it, the number "9.3" is written in a large, bold, white font.

## Purchasing a Used Vehicle

**Vocab:**

Used-Vehicle Guide - a tool to help estimate the value of a used vehicle.

(KBB, NADA, Edmunds, etc)

$$\text{Average Retail Price} = \text{Average Retail Value} + \text{Additional Options} - \text{Options Deductions} - \text{Mileage Deduction}$$

**LESSON  
9.3**

**EXAMPLE 1**

Caryn Demaline wants to purchase a 4-year-old Palomino V8 four-door sedan advertised for \$16,450. It has a DVD player, power mirrors, and a power sunroof but no air conditioning. It has been driven 51,760 miles. Use the data in Figure 9.2 to find the average retail price Caryn should keep in mind when she makes an offer for the vehicle.

16,675  
 + 540  
 + 250  
 + 475  
 - 850  
 - 675  
 -----  
 \$16,415

Palomino Four-Year-Old Sedan	Average Retail Value	Average Wholesale Value
V6 Four-Door	\$15,500	\$13,100
V8 Four-Door	16,675	13,270
Adjustments for Retail or Wholesale		Mileage Deduction
Deduct w/o Air Conditioning	\$850	40,001–50,000 \$175
Deduct Manual Transmission	650	50,001–60,000 \$675
Add DVD Player	540	60,001–70,000 \$1,225
Add Power Mirrors	250	70,001–80,000 \$1,775
Add Leather Seats	240	80,001–90,000 \$2,025
Add Front Bucket Seats	220	90,001–100,000 \$2,200
Add Power Sunroof	475	More than 100,001
Add Aluminum Wheels	120	\$2,200 + \$150 per 10,000

**LESSON  
9.3**

Use Figure 9.2 to complete the problem. Check your answer in the back of the book.

1. Find the average retail price for a 4-year old V6 four-door sedan with air conditioning, power mirrors, leather seats, power sunroof, and aluminum wheels. It has been driven 42,510 miles.

$$\begin{array}{r}
 15500 \\
 + 250 \\
 + 240 \\
 + 475 \\
 + 120 \\
 - 175 \\
 \hline
 \boxed{\$16,410}
 \end{array}$$

Palomino Four-Year-Old Sedan	Average Retail Value	Average Wholesale Value
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Adjustments for Retail or Wholesale		Mileage Deduction
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Deduct Manual Transmission	650	50,001–60,000 \$675
Add DVD Player	540	60,001–70,000 \$1,225
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Add Front Bucket Seats	220	90,001–100,000 \$2,200
Add Power Sunroof	475	More than 100,001
Add Aluminum Wheels	120	\$2,200 + \$150 per 10,000

**LESSON  
9.3**

**EXAMPLE 2**

Using Figure 9.2, find the average wholesale price for a 4-year-old V8 four-door that has no air conditioning but does have a DVD player and a power sunroof. It has 63,580 miles.

$$\begin{array}{r}
 13270 \\
 - 850 \\
 + 540 \\
 + 475 \\
 - 1225 \\
 \hline
 \boxed{\$12,210}
 \end{array}$$

Palomino Four-Year-Old Sedan	Average Retail Value	Average Wholesale Value
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Add DVD Player	540	60,001–70,000 \$1,225
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Add Front Bucket Seats	220	90,001–100,000 \$2,200
Add Power Sunroof	475	More than 100,001
Add Aluminum Wheels	120	\$2,200 + \$150 per 10,000

**LESSON 9.3**

Use Figure 9.2 to complete problems 2 and 3. Check your answers in the back of the book.

- Find the average wholesale price for a used V6 four-door sedan with air conditioning, leather seats, front bucket seats, power sunroof, and aluminum wheels. It has 75,500 miles.

$$\begin{array}{r}
 13100 \\
 +240 \\
 +220 \\
 +475 \\
 +120 \\
 \hline
 -1775 \\
 \hline
 \boxed{\$12380}
 \end{array}$$

Palomino Four-Year-Old Sedan	Average Retail Value	Average Wholesale Value
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V8 Four-Door	16,675	13,270
Adjustments for Retail or Wholesale		Mileage Deduction
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Deduct Manual Transmission	650	50,001–60,000 \$675
Add DVD Player	540	60,001–70,000 \$1,225
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Use Figure 9.2 to complete problems 2 and 3. Check your answers in the back of the book.

3. Jacob North wants to buy a four-year-old Palomino sedan. His friend has a V8 four-door that he will sell Jacob at wholesale. The car has a manual transmission, a DVD player, leather seats, a power sunroof and 53,480 miles. Premier Certified Pre-Owned Autos has a V6 four-door that is being sold at retail. That car has power mirrors, front bucket seats, aluminum wheels, and 73,840 miles. It does not have air conditioning. Which car will cost Jacob less and how much less?

Handwritten calculations:

13270  
 -650  
 +540  
 +240  
 +475  
 -675  
 -----  
 \$13200

15500  
 +250  
 +220  
 +120  
 -1775  
 -850  
 -----  
 \$13465  
 less \$265

Palomino Four-Year-Old Sedan	Average Retail Value	Average Wholesale Value
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V8 Four-Door	16,675	13,270
Adjustments for Retail or Wholesale		Mileage Deduction
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Add Power Sunroof	475	More than 100,001
Add Aluminum Wheels	120	\$2,200 + \$150 per 10,000

**LESSON 9.3**

For Problems 4–8, use Figure 9.2 to find the average retail value and the average retail price.

Model	Average Retail Value	A/C	DVD Player	Power Mirror	Leather Seats	Bucket Seats	Power Sunroof	Mileage	Average Retail Price
4. V6 four-dr	a. \$	Yes	No	Yes	No	Yes	No	35,000	b. \$
	<i>\$15,500</i>			<i>+250</i>		<i>+220</i>			<i>\$15,970</i>

Palomino Four-Year-Old Sedan	Average Retail Value	Average Wholesale Value
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Adjustments for Retail or Wholesale		Mileage Deduction
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