



DIMINISHED VALUE OF GEORGIA

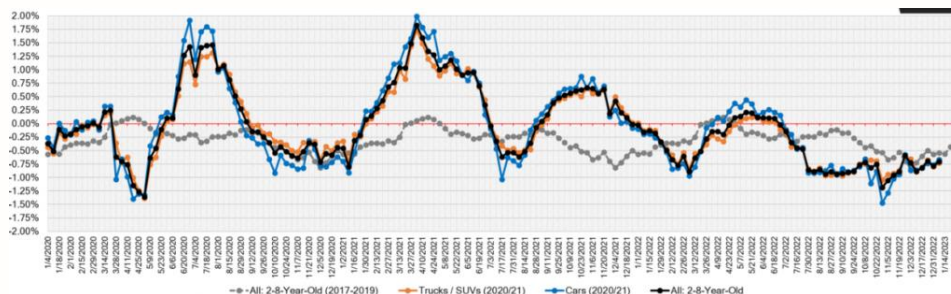
Auto Market Update Week Ending Jan 07, 2023

Thursday, January 12, 2023.

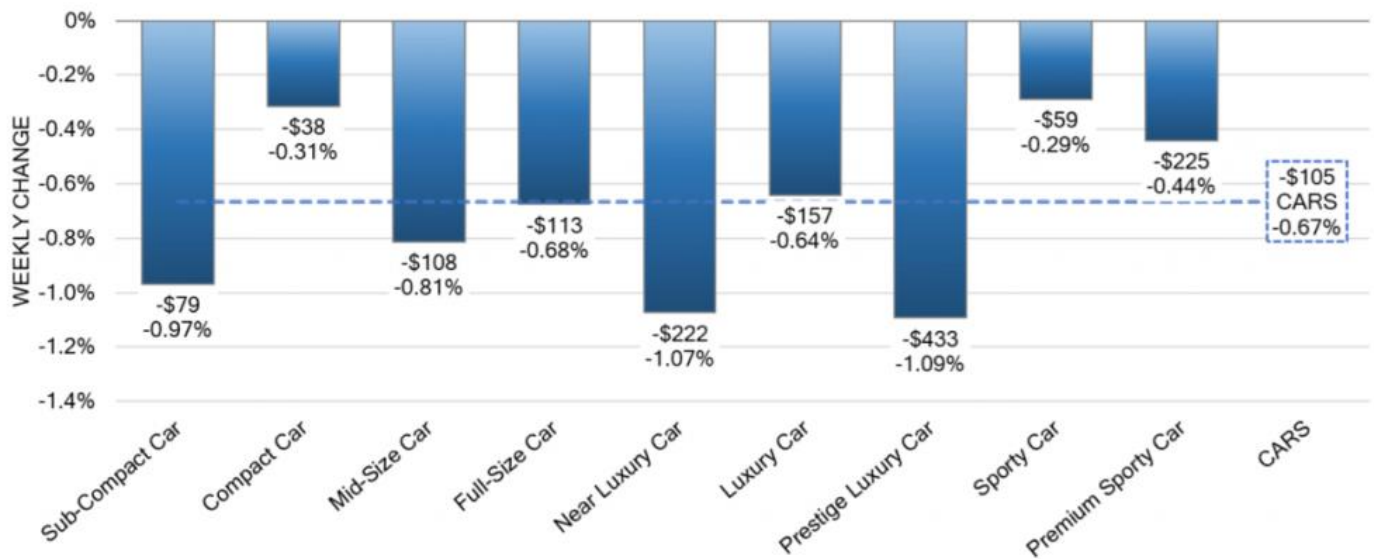
After completing 2022, we can begin evaluating the year's performance: Overall, the market declined 22.9%, with cars falling 22.7% and trucks falling 23%. There was only one segment that continued to appreciate last year, the Full-Size Van, which increased by 42.7% in 2021.

- Compared to the previous week, the overall Car segment decreased by -0.67% on a volume-weighted basis.
- There were declines in all nine segments of the car market last week, with two reporting declines greater than 1% (Prestige Luxury Car -1.09%; Near Luxury Car -1.07%).
- The depreciation rate for compact cars dropped to -0.31% last week after averaging -0.88% for the previous six weeks.
- Volume-weighted, the overall Truck segment declined -0.73% from the prior week.
- Four of the thirteen Truck segments reported declines last week (Subcompact Luxury, -1.12%; Full-Size Crossover/SUV, -1.06%; Compact Crossover/SUV, -1.06%; Compact Van, -1.05%).
- Although the Compact Van segment has not performed as well as the Full-Size Van segment in 2022, the segment has had low depreciation each week. Recently, the depreciation level has increased. Last week was the first time since January 2021 that the segment exceeded 1% depreciation.

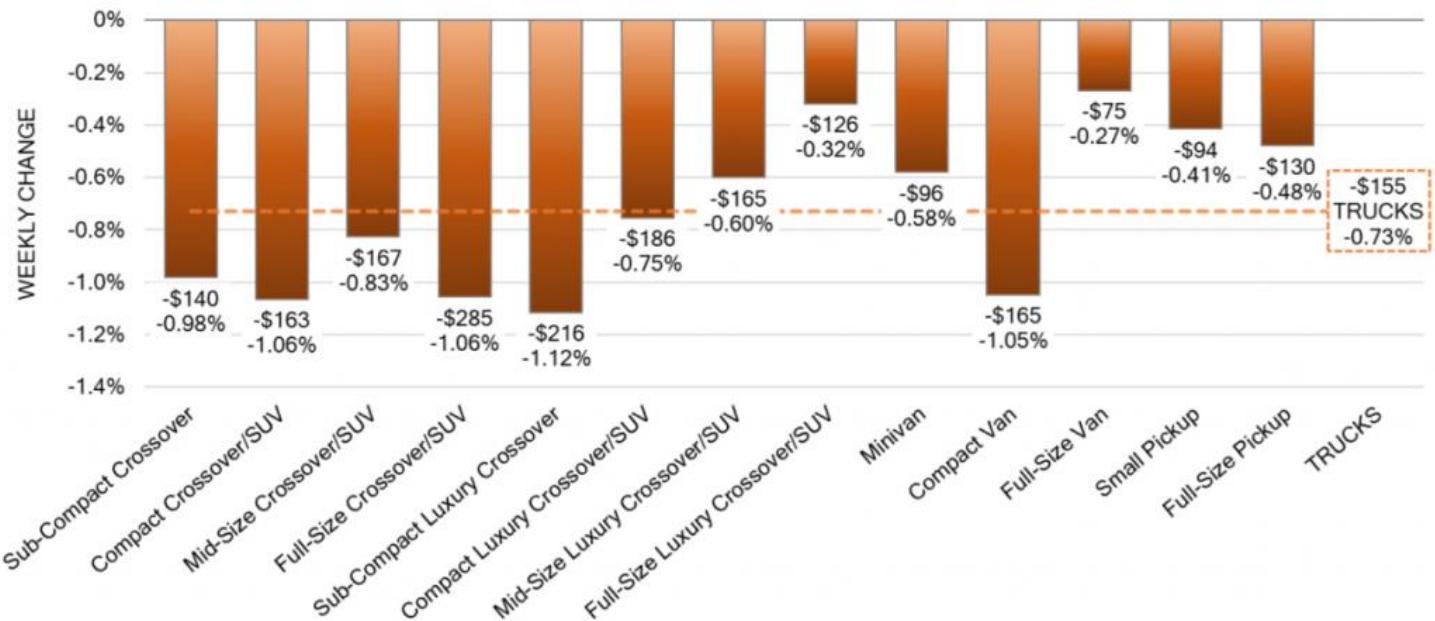
| | This week | Last week | 2017-2019 Average(Same Week) |
|----------------------|---------------|---------------|------------------------------|
| Car segments | -0.67% | -0.77% | -0.60% |
| Truck & SUV segments | -0.73% | -0.80% | -0.50% |
| Market | -0.71% | -0.79% | -0.54% |



Week After Week Wholesale Price Changes



Car Segments



Truck Segments

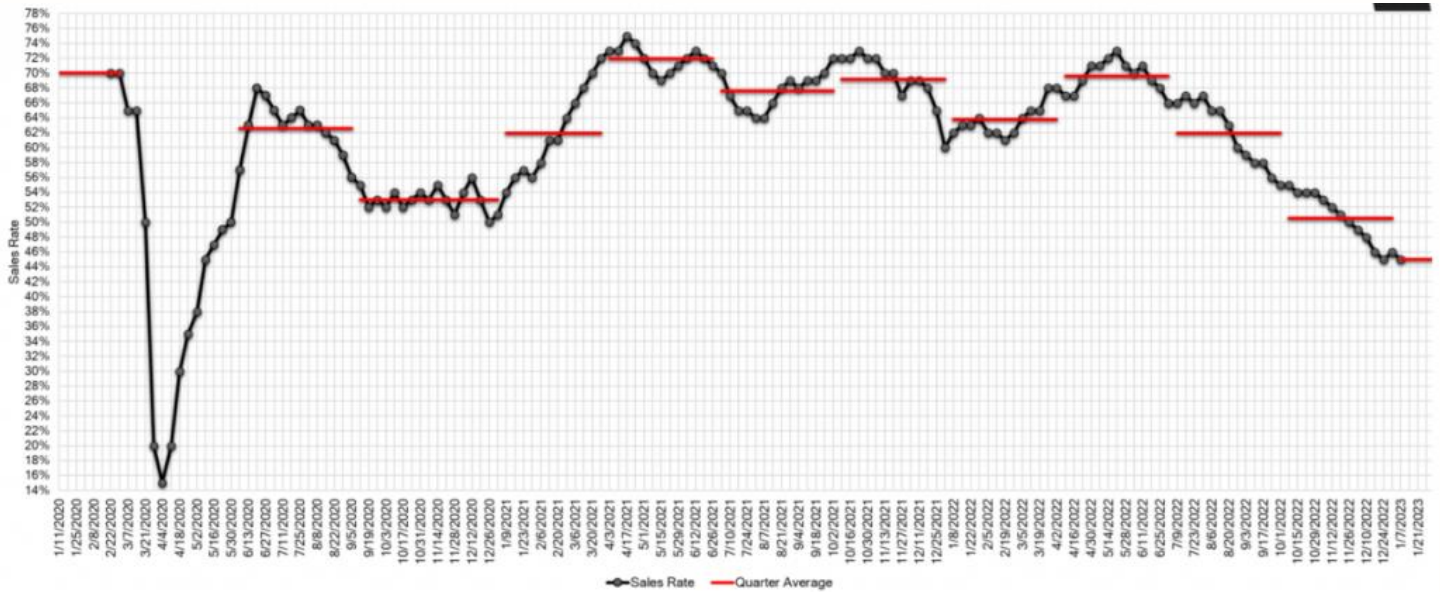
Retail (Used and New) Insights

In the past week, big CES 2023 announcements dominated the news:

- In 2024, Ram will release an all-electric full-size pickup.
- In 2024, Volkswagen will release its next EV, the ID.7, based on the ID. Aero concept.
- At CES, Chrysler revealed more details about the Airflow concept, including its 400-mile all-electric range and level 3 autonomous capability.
- This year, Mercedes plans to build a global charging network of 10,000 high-speed chargers.

Wholesale

The first week of 2023 is done; inventory at the auction still remains low. However, there was a minimal improvement over the last two weeks of the year. Compared to the previous week, conversion rates were lower this past week. Dealers are conscious of buying too much stock due to the lack of clarity concerning retail sales. High-interest rates make it difficult for customers to afford a vehicle with a manageable monthly payment. Even though depreciation was higher than average in 2022, appraisals are still well above pre-COVID levels. Last year as a whole saw 22.9% depreciation, 17.8% Cars, and 23% Trucks declining, while Full-Size Vans surprisingly grew 3.2%.



Estimated Average Weekly Sales Rate at US Auctions