



HAIG PARTNERS Q2 2025 HAIG REPORT®: DEALER PROFITS GROW 20% THANKS TO ONE TIME EVENTS; BUY-SELL VOLUME DECLINES BUT VALUES REMAIN STRONG

Fort Lauderdale, FL. – August 20, 2025 – The U.S. auto retail industry just closed one of its most profitable quarters in years — but the driving forces may surprise you. According to the newly released [Q2 2025 Haig Report®](#) from Haig Partners, public dealer group profits per store jumped **20% year-over-year**, fueled in part by **two unique, short-term tailwinds**:

1. Favorable comparisons to June 2024's **CDK dealer management systems outage**, which crippled many dealers' operations during Q2 last year.
2. A pre-tariff buying surge after President Trump's April 2 "Liberation Day" announcement, pulling forward sales at strong margins.

"These unusual boosts have made Q2 look stronger than it may prove to be for the rest of the year," said Alan Haig, President of Haig Partners. "But the fundamentals remain healthy, demand to buy dealerships is strong, and dealers have shown again and again that they can adapt to whatever the market throws at them."

Additional highlights from the [Q2 2025 Haig Report®](#):

- **Franchise Valuation Changes** – Toyota, Kia, and Hyundai/Genesis saw multiple increases this quarter, reflecting strong demand and buyer appetite. Audi suffered a sharp valuation cut as prolonged sales declines and inventory imbalances eroded buyer interest.
- **Blue Sky Values at Record Levels** – Average dealership blue sky values remain about **twice pre-COVID**, a figure bolstered by steady multiples and strong earnings despite slower buy-sell volume.
- **Market Momentum Shifts** – Private buyers are showing broader appetite, while public groups are increasingly selective — favoring top-performing brands or strategic bolt-ons.
- **Pipeline Strength** – Haig Partners is advising on **67 dealership transactions** signed or closed in 2025, **18% more than last year**, outpacing the market's overall slowdown.

Dealership Buy-Sell Market: Slower First Half, Set to Rebound?

- **192 U.S. rooftops changed hands in 1H 2025** — down 39.4% from last year's pace.
- **Drivers of the slowdown:** dealership buy-sell activity was still healthy in Q2, but more delayed closings experienced due to election-year uncertainty, tariff headlines, and a value gap between buyer and seller expectations.
- **Outlook:** A clearer political and economic landscape is expected to reignite activity in the second half, though volumes may be shifting back to a volume of 300-400 dealership sales per year compared to the 550-700 sales per year we experienced during the COVID era when valuations exploded.



Economic & Operational Outlook

- **Tariffs will have an impact in Q3.** The OEMs have absorbed the cost of the tariffs so far, but we expect this will begin to change in Q3 as higher prices are subtly passed on to dealers and customers. Some brands will be hurt more than others, which could reshuffle dealership valuations.
- **Interest rate cuts are increasingly likely later in 2025,** which could boost more dealership buy-sell activity in the second half, not mention increased vehicle affordability for customers.
- **EV mandates are gone, reducing risks for dealers in former CARB states.** Now that dealers can sell the vehicles that consumers want to buy, dealers in CARB states can rest assured that their businesses will remain viable and valuable.

The regulatory changes are likely to have an impact on everyone in auto retail. [During an interview](#) with Alan Haig, Senator Bernie Moreno stated, “And I think right now, if I was in the car business today, I would be investing, I'd be buying, I'd be growing, because you take advantage of the fact that some people don't know how to manage change.” Haig Partners is seeing this spirit among the many dealership buyers it speaks with every week. Alan Haig said, “Public and private buyers are trying to expand in this environment. Despite the unknown impact of tariffs, most of the larger groups are seeking to expand, and many smaller ones as well. And no one is calling us desperate to sell.”

At Haig Partners, we are deeply grateful to the dealers, industry partners, and clients who place their trust in [The Haig Report®](#) as a resource for navigating the dynamic automotive retail market. We recognize that selling a dealership is not only one of the most significant financial decisions in a dealer's career, but also one of the most personal. It is an honor to be invited into that process, to provide both the market insights that inform strategy and the expert guidance that helps our clients achieve the outcomes they deserve. Our team takes great pride in serving as a trusted advisor, combining decades of transaction experience with a deep respect for the legacy and future of each business we touch. We invite dealers considering a sale or acquisition to [connect with us](#) and explore how we can help maximize value and ensure a smooth, successful transition.

About The Haig Report®

The [Haig Report®](#), the longest-published quarterly report tracking trends in auto retail and their impact on dealership values, includes data and analysis on the performance of auto dealerships, discusses noteworthy events impacting the automotive retail industry, identifies trends in the M&A market for dealerships, provides guidance on estimated value ranges for different franchises and shares an outlook for the automotive retail buy-sell market. The Haig Report® is based on data gathered from reputable public sources and interviews with leading dealer groups and dealers, bankers, lawyers and accountants who specialize in auto retail.

About Haig Partners



[Haig Partners](#) is a leading buy-sell advisory firm that helps owners of higher-value dealerships maximize the value of their businesses when they are ready to sell. The team at Haig Partners has advised on the purchase or sale of more than 525 dealerships with a total value of over \$10.6B. It has represented 30 dealership groups that qualify for the Top 150 Dealership Groups list published by Automotive News, more than any other firm. Clients of Haig Partners benefit from the group's collective experience as previous executives with leading companies such as Ally Financial, AutoNation, Bank of America, Credit Suisse, Deloitte, FORVIS, J.P. Morgan, the Sewell Automotive Companies and Toyota Financial Services. Leveraging its unmatched expertise and extensive relationships, Haig Partners guides clients to successful outcomes through a confidential and customized sales process. The firm authors The Haig Report®, the leading industry quarterly report that tracks trends in auto retail and their impact on dealership values, and co-authors NADA's Guide, "Buying and Selling a Dealership." Haig Partners team members are frequent speakers at industry conferences and are regularly quoted in reputable media outlets, including Reuters, Forbes, The Wall Street Journal, The New York Times, CNBC, BBC, Automotive News, Wards, CarDealershipGuy and CBT News. For more information, visit www.haigpartners.com.

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