

THE DISPATCH · SPECIAL EDITION / INDEPENDENT + BHPH

Independent & BHPH 2025 Industry Data.

A 2025 full-year readout for the independent and buy-here-pay-here channel, drawn verbatim from the NIADA Used Car Industry Report, with Solera product angles our field teams can use to turn data into dealer conversations.

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01 Executive Summary

INDEPENDENT + BHPH

The independent and BHPH channel closed 2025 profitably but under strain. Gross per vehicle hit a three-year high even as CADSI sentiment fell to its softest reading since early pandemic and wholesale prices declined 13.9% for the year. 2026 lines up for record tax refunds, a used-retail market north of 20 million units, and a wave of EV lease returns that will redraw the affordable used aisle.

- 01 117,000 licensed independent dealer locations; ~52,966 are active with 50+ retail sales per year, and those active dealers account for 80-90% of all independent sales ([NIADA 2025 UCIR](#)).
- 02 2025 total used retail: 38,622,904 units. Independents moved 9,983,441, franchise 10,492,974, and private-party 18,146,488 ([NIADA 2025 UCIR](#)).
- 03 Average independent listing: \$21,972 price, 86,388 miles, 2016.6 model year, 48 units per rooftop, 42.3 days to turn, 79.1 days on market ([NIADA 2025 UCIR](#)).
- 04 Independent vehicles were nearly five years older than franchise inventory, carried about 39,000 more miles, and listed roughly \$11,000 lower ([NIADA 2025 UCIR](#)).
- 05 NIADA 20 Group 2025 front-end gross per vehicle: \$2,926, up from \$2,673 in 2024 and \$2,262 in 2023 ([NIADA 2025 UCIR](#)).
- 06 Average F&I income per retail unit hit \$1,575 in the 20 Group, with reconditioning at \$1,157 per car and 76 days of inventory ([NIADA 2025 UCIR](#)).
- 07 BHPH 2025 averages: 70.5 units sold per month per store, \$8,510 ACV including recon, \$6,287 gross profit, \$1,562 down payment, 38.5 month term, \$500 monthly payment ([NIADA 2025 UCIR](#)).
- 08 BHPH portfolio risk: 26.6% delinquent, 1.9% charge-off as a share of average receivables, and \$7,386 average net charge-off per deal ([NIADA 2025 UCIR](#)).
- 09 Deep subprime plus subprime originations totaled 34% of 2025 independent finance volume, with BHPH and other lenders holding 32.55% share and credit unions at 21.55% ([NIADA 2025 UCIR](#)).
- 10 Cox Automotive Q4 2025 CADSI readings for independents: market sentiment 35, traffic 30, profit 33, the softest since early pandemic ([Cox Automotive via NIADA 2025 UCIR](#)); wholesale prices declined 13.9% in 2025 ([Black Book via NIADA 2025 UCIR](#)).

02 Independent + BHPH Market Landscape

2025 FULL YEAR

LICENSED INDEPENDENT LOCATIONS

117,000

52,966 active stores do 80-90% of the channel's volume.

INDEPENDENT USED RETAIL UNITS

9.98M

Out of 38.62M total U.S. used retail units in 2025.

AVG INDEPENDENT LIST PRICE

\$21,972

~\$11,000 below franchise used; 86,388 avg miles.

20 GROUP FRONT-END GROSS

\$2,926

Up from \$2,673 in 2024; F&I income \$1,575.

BHPH UNITS / MONTH / STORE

70.5

ACV including recon \$8,510; gross profit \$6,287.

BHPH DELINQUENCY

26.6%

Net charge-off \$7,386; 1.9% of average receivables.

ADVERTISING COST PER LEAD, 2025	GOOGLE	META
Independent Retail (National)	\$16.49	\$19.26
Independent Retail (Rural)	\$26.21	\$23.70
Independent Retail (Metro)	\$9.12	\$14.67
BHPH (National)	\$12.98	\$15.68
BHPH (Rural)	\$23.41	\$22.63
BHPH (Metro)	\$6.61	\$10.26

Financing share of 2025 independent originations: BHPH and other lenders 32.55%, credit unions 21.55%, banks 15.78%, with finance companies taking the remainder ([NIADA 2025 UCIR](#)). Deep subprime plus subprime combined for 34% of originations, underlining how much of the channel depends on non-prime liquidity.

Wholesale prices declined 13.9% in 2025 and the Black Book Retention Index finished at 140.3, with a 3-year retention forecast of 58.2% of MSRP ([Black Book via NIADA 2025 UCIR](#)). Inventory strategy and recon discipline, not markup, will drive 2026 gross.

03 Broader U.S. Retail Automotive Trends

SIGNAL SCAN

AFFORDABILITY SHIFT

Independent inventory skewed older and cheaper than franchise by design, with 2016.6 average model year and \$21,972 list. The channel is structurally aligned to affordability demand ([NIADA 2025 UCIR](#)).

PRIVATE CREDIT + DATA

Institutional capital is increasingly gated on vintage-level portfolio data. BHPH operators without loan-level, month-by-month reporting risk losing access to competitive private-credit lines ([High Gear Data via NIADA 2025 UCIR](#)).

SENTIMENT & RISK

Cox Automotive's Q4 2025 Dealer Sentiment Index for independents hit 35 market, 30 traffic, 33 profit, the weakest since early pandemic, with headwinds led by costs, economy, and interest rates ([Cox Automotive CADSI via NIADA 2025 UCIR](#)).

TAX REFUND TAILWIND

2026 is expected to deliver record average IRS refunds of roughly \$4,050, a significant liquidity event for subprime buyers that independents can capture with down-payment-ready inventory ([NIADA 2025 UCIR forecast](#)).

EV OFF-LEASE WAVE

EV lease returns are forecast to grow from about 100,000 in 2025 to 300,000+ in 2026 and 600,000+ by 2027. Used EV sales were up 35% year over year in 2025, with 34% priced under \$25,000 ([NIADA 2025 UCIR](#)).

CAPITAL ACCESS

34% of 2025 independent originations were deep subprime or subprime, reinforcing why DMS-native loan performance, collections, and titling data are the gatekeepers to funding ([NIADA 2025 UCIR](#)).

04 Opportunity Analysis

SOLERA PRODUCT LENS

Marketing & Websites

DEALERFIRE WEBSITES · AUTOPOINT MARKETING

- Metro independents paid \$9.12 per Google lead versus \$26.21 for rural peers in 2025. [Websites](#) SEO and inventory tools plus [Marketing](#) local campaigns are the lowest-friction way to bring rural CPLs toward metro economics ([NIADA 2025 UCIR](#)).
- BHPH Meta cost-per-lead averaged \$15.68 nationally, jumping to \$22.63 in rural markets. Landing pages tuned to down payment, weekly payment, and buy-here-pay-here intent keep CPL in line with the \$1,562 average down payment BHPH stores are collecting ([NIADA 2025 UCIR](#)).
- With the NIADA 20 Group averaging \$298 in marketing spend per unit and 79.1 days on market, conquest and retargeting built on live [Websites](#) inventory feeds can cut aged units without collapsing margin.

CRM

DEALERSOCKET CRM

- Independents are closing deals at 42.3 days to turn with 48 units per rooftop. [CRM](#) task automation and lead-scoring are the practical lever for turning more of those walks into contracts without adding headcount ([NIADA 2025 UCIR](#)).
- With 34% of originations deep or non-prime subprime, CRM lead workflows need to be wired to lender decisioning up front. [CRM](#) quick-qualify paths route unit-by-unit matches to the right buyer instead of chasing dead trades.
- BHPH stores averaging 70.5 units a month cannot afford manual follow-up. CRM-driven payment reminders and repeat-buyer nurture protect the same customer base that carries a 26.6% delinquency rate.

Reconditioning & Service

IDMS · PERI PAYMENTS · SERVICE SUITE

- The NIADA 20 Group spent \$1,157 in recon per car in 2025. [IDMS](#) exposes recon status, parts, and sublet costs against retail margin so managers can pull aged units before the 76-day average chokes turn ([NIADA 2025 UCIR](#)).
- \$298 per day in average holding cost plus \$298 in floorplan makes speed-to-line the single biggest margin lever. Tighter DMS-integrated recon reporting protects the \$2,926 average front-end gross.
- [Peri Payments](#) card, wallet, ACH, and pay-by-link flows cut counter friction on RO collection and down payments, with processing integrated back to [IDMS](#) for clean reconciliation.

Dealer Ops, Risk & Recovery

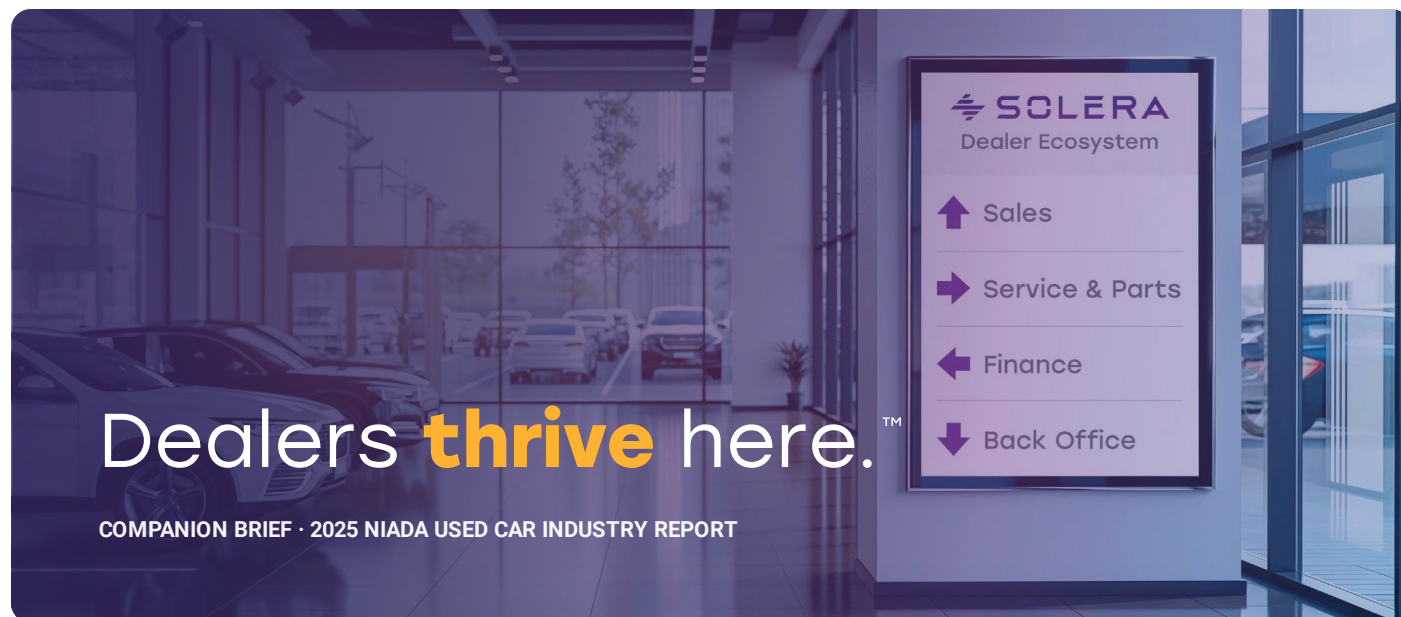
IDMS · TITLING · GOLDSTAR · LOJACK

- BHPH delinquency at 26.6% and net charge-off of \$7,386 per deal make GPS and collections the frontline P&L tool. [GoldStar](#) real-time tracking, geofencing, and payment reminders tie directly into BHPH cadence ([NIADA 2025 UCIR](#)).
- Private-credit capital is moving toward vintage-level visibility. [IDMS](#) loan-level accounting plus structured reporting is how BHPH stores defend and expand credit lines as the market bifurcates ([High Gear Data via NIADA 2025 UCIR](#)).
- [Solera Titling](#) with state-rule automation and lien tracking keeps up with the paperwork density on 9.98M independent retail deliveries and reduces funding delays on BHPH paper.
- [LoJack](#) adds theft recovery and customer app hooks that both protect financed inventory and create a recurring revenue line across a portfolio carrying \$7,386 average charge-offs.

05 What to Watch in 2026

CALENDAR & CATALYSTS

Record Tax Refund Season DEMAND CATALYST	Average IRS refunds projected near \$4,050 in 2026, the largest on record, with down-payment-ready independent and BHPH inventory the natural landing spot. NIADA 2025 UCIR forecast
Used EV Supply Surge INVENTORY	EV lease returns forecast to 300,000+ in 2026 and 600,000+ by 2027; 34% of used EV sales in 2025 priced under \$25,000. NIADA 2025 UCIR
Private Credit Gates CAPITAL ACCESS	BHPH operators without loan-level vintage data should expect tightening capital. Institutional lenders want month-by-month performance visibility before committing. High Gear Data via NIADA
2026 Used Retail Volume MARKET	Used retail forecast to exceed 20 million units in 2026 with new at 15.8M. Independents remain the scale channel for affordability-first buyers. NIADA 2025 UCIR
CADSI Sentiment Rebound SENTIMENT	Q4 2025 independent CADSI readings were the softest since early pandemic. Watch Q1 2026 for a bounce as refund-season traffic lands. Cox Automotive CADSI
Wholesale Floor PRICING	Wholesale values fell 13.9% in 2025; Black Book 3-year retention forecast 58.2% of MSRP. Stocking discipline and recon speed are the 2026 margin playbook. Black Book via NIADA



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REPORT FOCUS

2025 NIADA Used Car Industry Report. Independent, non-franchise, and BHPH retail.