

Wholesale used car prices are dropping across the board, and if you have a [diminished value claim](#) or a property damage settlement pending in North Carolina or South Carolina, that decline is already affecting your numbers. During the week ending July 4, 2026, the overall wholesale market fell 0.33%, with car segments posting their largest single-week decline since late January. Auction conversion rates dropped to 56%. Used retail inventory is sitting on dealer lots for an average of 64 days before it moves. And for Carolina drivers waiting on a fair settlement, every week of decline shrinks the baseline value that insurers use to calculate what they owe you.

This is not abstract market commentary. It is the pricing data that feeds directly into the tools insurance companies use to determine your vehicle's actual cash value. Here is what the numbers say and what you should do about it before the math gets worse.

The Current State of Wholesale Used Car Prices

Wholesale vehicle values have been softening throughout mid-2026, and the most recent data confirms that the trend is accelerating rather than stabilizing. For the week ending July 4, both car segments and truck/SUV segments declined by 0.33%. That number sits well above the 2017 to 2019 historical average of 0.21% for the same week, meaning depreciation is running faster than what the market experienced before the pandemic distorted everything.

Only two of the dozens of tracked wholesale segments managed to avoid a decline: near luxury cars held flat, and small pickups posted a slim 0.05% gain. Everything else fell, including the segments that matter most to everyday Carolina drivers.

Metric	This Week	Last Week	2017-2019 Avg
Car Segments	-0.33%	-0.13%	-0.30%
Truck & SUV Segments	-0.33%	-0.37%	-0.19%
Overall Market	-0.33%	-0.31%	-0.21%
Auction Conversion Rate	56%	57%	N/A
Used Retail Days to Turn	~64 days	N/A	N/A

The segments getting hit hardest are the ones Carolina families drive every day. Mid-size cars posted their eighth consecutive weekly decline at -0.62%. Mid-size crossovers and SUVs have now fallen for eleven straight weeks, dropping 0.63% in the most recent period, their steepest single-week loss since December.

Why Wholesale Prices Are Falling Right Now

Buyers Are Choosing Smaller, Cheaper Vehicles

June 2026 new-vehicle sales data tells a clear story: Americans are downsizing. New-vehicle sales hit a seasonally adjusted annual rate of 16.5 million, the year's highest, but the growth came almost entirely from smaller segments. Subcompact SUV deliveries jumped 23% year over year. Small and medium truck sales rose 12%. Full-size trucks barely moved at 3% growth, and mid-size models continued to lose share.

When new-car buyers shift toward smaller, more affordable models, the ripple hits the used market within weeks. The mid-size sedans and crossovers that used to be the backbone of used-vehicle demand are now competing for a shrinking pool of buyers.

Off-Lease Inventory Is Flooding the Wholesale Pipeline

Off-lease vehicle returns are projected to rise roughly 25% in 2026 compared to the prior year, adding close to half a million units to the wholesale market. Many of those returning vehicles are mid-size sedans and crossovers that were leased during the pandemic-era pricing surge. As they re-enter the auction lanes, supply pressure builds and wholesale prices soften further.

Wholesale inventory is already about 12% higher than a year ago. More choices for auction buyers means lower bids, slower sales, and a steady grind lower in values.

Dealers Are Holding Inventory Longer

Used retail days to turn now sits at roughly 64 days. That means the average used vehicle on a dealer lot takes over two months to sell. When dealers cannot move retail inventory quickly, they pull back on wholesale purchases, which suppresses auction prices further. It is a feedback loop, and it is fully active right now.

How Falling Wholesale Prices Affect Your Diminished Value Claim

Insurance adjusters in North Carolina and South Carolina do not set your vehicle's value based on what you paid for it or what you think it is worth. They use valuation platforms like CCC One and Mitchell that pull from current wholesale and retail market data to calculate actual cash value. When wholesale prices are declining week after week, the ACV your insurer calculates goes down with them.

For a **diminished value claim**, this creates a specific challenge. Diminished value measures the difference between what your vehicle would be worth with a clean history and what it is actually worth now with an accident on its record. If the baseline market value of your vehicle drops because of wholesale price declines, the insurer has an easier time arguing that the total dollar loss is smaller, even though the accident stigma penalty has not changed.

The accident did not become less damaging to your vehicle's value just because the broader market softened. The percentage penalty buyers apply to accident-history vehicles remains the same. But the dollar amount of that penalty shrinks when the starting value drops. That is money out of your pocket if you do not act quickly.

South Carolina's modified comparative fault system already reduces your recovery if any fault is assigned to you. Combine that with a declining market baseline, and the window for a strong claim gets narrower. Understanding **how diminished value claims work in the Carolinas in 2026** gives you the foundation to push back effectively.

The Timing Problem: Why Waiting Costs You Real Money

Most drivers treat insurance claims as something they will get around to. The car is repaired, the immediate crisis is over, and the paperwork can wait. In a stable market, that delay costs you very little. In a market where wholesale values are falling every week, delay is a direct, measurable financial loss.

Consider a real-world example. A 2022 mid-size crossover worth \$26,000 at the time of the accident in April 2026 has seen its segment decline for eleven consecutive weeks since then. Even a cumulative 3% to 4% decline in wholesale value reduces the baseline ACV by \$780 to \$1,040. That reduction flows directly into both total loss settlement calculations and diminished value claim math. You do not get that money back by filing later.

Both North Carolina and South Carolina allow three years to file a property damage claim, which includes diminished value. That window is long enough to create a false sense of security. The statute of limitations protects your legal right to file. It does not protect your vehicle's market value from ongoing depreciation. The [diminished value calculator](#) can give you a working baseline, but the sooner you move from estimate to professional appraisal, the better your position.

Which Vehicles Are Most Affected in the Carolinas

Not all vehicles are depreciating at the same rate. The current market data shows a clear split between segments under pressure and those holding steady.

Hardest hit: Mid-size cars (eight consecutive weeks of decline, -0.62% last week) and mid-size crossovers/SUVs (eleven consecutive weeks, -0.63%). These are among the most popular vehicles on Carolina roads, including models like the Toyota Camry, Honda Accord, Nissan Rogue, Hyundai Tucson, and similar high-volume nameplates.

Holding steady: Near luxury cars and premium sporty cars posted flat to near-flat results. Small pickups were the only segment to gain value (+0.05%). Vehicles in these categories are less affected by the affordability-driven downsizing trend because their buyers operate on different purchase criteria.

If your vehicle falls into one of the declining segments, the urgency of your claim just increased. The insurer's valuation is based on where the market is today, not where it was when your accident happened. That gap widens with each passing week. For more context on how vehicle history interacts with market value, our guide on [vehicle history and diminished value in the Carolinas](#) covers the key factors.

What a Professional Appraisal Does That the Insurer's Tool Cannot

Insurance valuation platforms are designed to process claims efficiently, not to maximize your payout. They pull from large datasets and generate a number based on averages. What they often miss is the specific context that makes your vehicle worth more or less than the segment average: your exact trim and option package, regional pricing differences between the Carolinas and national averages, condition-specific factors like low mileage or meticulous service history, and the real dollar impact of accident stigma in your local market.

A professional diminished value appraisal does what the algorithm cannot. It anchors your claim to real comparable sales data, establishes a defensible pre-accident value, and isolates the loss attributable specifically to the accident rather than to market conditions. That distinction is the difference between accepting whatever the insurer's formula produces

and negotiating from a position you can actually defend.

Understanding [how a car accident affects your vehicle's resale value](#) puts the real-world penalty in concrete terms, which is what you need before the conversation with the adjuster starts.

The Bottom Line for Carolina Drivers

Wholesale used car prices are falling. The decline is broad, it is accelerating in key segments, and it is not going to reverse itself in the near term. If you have a pending insurance claim in North Carolina or South Carolina, the value your insurer assigns to your vehicle is lower today than it was a month ago, and it will likely be lower next month than it is today.

That does not mean your claim is worth less. It means the window for capturing the full value of your loss is closing. An independent appraisal locks in a defensible number based on your vehicle's actual condition and real market comparables, giving you the strongest possible position regardless of where the wholesale market goes next.

Do Not Let a Declining Market Shrink Your Settlement

Wholesale prices are falling. Your claim does not have to follow them. Get a free quote and find out exactly what your vehicle's diminished value is worth today.

[Get Your Free Quote](#)

[Read the Full Article Online](#)

Frequently Asked Questions

How do wholesale prices affect my diminished value claim in NC or SC?

Insurance companies use current wholesale and retail market data to calculate your vehicle's actual cash value. When wholesale prices decline, the ACV your insurer assigns drops as well. Since diminished value is calculated as a percentage of that baseline value, a lower ACV means a lower dollar amount for your claim, even though the accident stigma penalty has not changed. Filing sooner preserves a higher baseline.

Are wholesale prices expected to recover soon?

The forces driving the current decline are structural: consumers are shifting to smaller vehicles, off-lease returns are projected to rise 25% this year, and wholesale inventory is already 12% above prior-year levels. Seasonal patterns may create brief pauses, but the overall trend is expected to continue through the second half of 2026. Waiting for a recovery before filing your claim is a gamble with poor odds.

Which vehicles are losing the most wholesale value right now?

Mid-size cars have posted eight consecutive weeks of decline, falling 0.62% in the most recent week. Mid-size crossovers and SUVs have declined for eleven straight weeks at 0.63% last week. These segments include many of the most popular vehicles on Carolina roads: Toyota Camry, Honda Accord, Nissan Rogue, Hyundai Tucson, and similar models. Near luxury cars and small pickups are the only segments holding steady or gaining.

Does North Carolina's contributory negligence rule change how market conditions affect my claim?

Contributory negligence affects whether you can file a claim at all, not how market conditions factor into the valuation. If you were not at fault, the declining market affects your claim the same way it does in South Carolina: the insurer's ACV calculation uses current data, and a falling market reduces your baseline value. The key difference is that in North Carolina, any fault on your part can bar the claim entirely, making it even more important to move quickly when the market supports a stronger number.

Should I get an appraisal even if my vehicle is in a segment that is holding value?

Yes. Even stable segments fluctuate, and insurance valuation tools do not always capture the specific factors that make your vehicle worth more than the segment average. An independent appraisal documents your vehicle's exact condition, options, and regional market position, giving you a defensible number whether the broader market is up, down, or flat.