

FEDERAL RESERVE BANK
OF DALLAS

Dallas, Texas, August 7, 1943

To the Registrant addressed:

PROVISIONS OF REGULATION W REGARDING
USED AUTOMOBILES

It has come to our attention that some lenders and sellers, who are registered under Regulation W, may have a misunderstanding regarding the amount of credit which may be granted in connection with the purchase of a used automobile.

Regulation W provides that credit extended in connection with the purchase of a used automobile shall not exceed two-thirds of the cash price or two-thirds of the "appraisal guide value," whichever is lower. This applies to credit extended by a seller or by a lender, and a Registrant may not purchase notes which do not comply with the Regulation. In some instances, it appears that more credit is being granted than is permitted by the Regulation because sellers and lenders are not using appraisal guides in calculating the amount of credit that may be extended.

There is shown on the reverse side of this letter a list of appraisal guides which have been designated by the Board of Governors of the Federal Reserve System for use in this district, together with the names and addresses of the publishers. This bank does not furnish appraisal guides.

Yours very truly,

R. R. GILBERT

President



LIST OF APPRAISAL GUIDES DESIGNATED FOR USE IN THE ELEVENTH FEDERAL RESERVE DISTRICT, AS INDICATED

KELLEY BLUE BOOK

Published by Kelley Kar Co.,
1221 S. Figueroa St., Los Angeles, Calif.

ARIZONA

OFFICIAL BLUE BOOK NEW AND USED CAR GUIDE

Published by National Used Car Market Report, Inc., 1315 S. Michigan, Chicago
"A" and "B" Editions

Entire United States **except** the states of Arizona, California, Idaho, Nevada, Oregon, Utah, and Washington.

N.A.D.A. OFFICIAL USED CAR GUIDE

Published by National Automobile Dealers Ass'n., 210 S. 7th St., St. Louis, Mo.

District "EF" Edition

LOUISIANA

Following county in
TEXAS—Bowie

District "J" Edition

OKLAHOMA

TEXAS (except Bowie County and the 6 counties for which District "K" edition is designated)

District "K" Edition

NEW MEXICO

Following 6 counties in **TEXAS**:
Brewster, Culberson, El Paso,
Hudspeth, Jeff Davis, and Presidio

District "L" Edition

ARIZONA

RED BOOK NATIONAL USED CAR MARKET REPORT

Published by National Used Car Market Report, Inc., 1315 S. Michigan, Chicago
Entire United States **except** the states of Arizona, California, Idaho, Nevada, Oregon, Utah, and Washington.

**OFFICIAL AUTOMOBILE GUIDE—
Price Edition**

Published by Recording & Statistical Corp., 102 Maiden Lane, New York, N. Y.
Entire United States **except** the states of Arizona, California, Idaho, Nevada, Oregon, Utah, and Washington.

BLUE BOOK NATIONAL USED CAR MARKET REPORT—Executive Edition

Published by National Used Car Market Report, Inc., 1315 S. Michigan, Chicago

"Retail sales values" for Zone No. 2

LOUISIANA

"Retail sales values" for Zone No. 4

TEXAS (except the 6 counties for which "Retail sales values" for Zone No. 5 are designated)

"Retail sales values" for Zone No. 5

NEW MEXICO

Following 6 counties in **TEXAS**:
Brewster, Culberson, El Paso,
Hudspeth, Jeff Davis, and Presidio

"Retail sales values" for Zone No. 6

ARIZONA

For 1934 and older models of automobiles the maximum credit value is 66 2/3% of the cash purchase price.

In calculating the credit value of a used automobile Regulation W does not permit the extension of additional credit on account of accessories such as radios, heaters, etc., but does permit additional credit for automobiles with overdrive or automatic transmission as extra equipment.