



Obtaining Maximum Resale Value for Your Tractor

I often get asked by our customers about what they can do to help retain the best possible resale value or trade-in value on their tractors. The answer I give is often something like, “keep it clean!”. I don’t mean “clean”, as in not dirty. I mean “clean” as in “well cared for, and it shows”. Characteristics of a clean tractor tend to be things like straight sheet metal with few dings or dents and no rust; good paint; tires with over 50% tread remaining and no cleats missing; everything operates as it should; and no signs of abuse. Let’s say you’ve got two identical tractors, that are the same model number, same options, and so forth. The only differences in them are that one is a 1980 model with 4,000 hours and extra clean, and the other is a 1990 model with 2,500 hours and rough. You might think that the 1990 model, being ten years newer, and having 1,500 less hours, would be equal to or higher in value than the 1980 model, even though it’s in rough physical condition, since it has fewer engine hours and is much newer. In most cases, the older, higher houred tractor that’s “clean”, is worth more than the newer, lower houred tractor that’s “rough”. Why is this so? For starters, a tractor that looks like it’s been well cared for, probably has. A rough-looking tractor has likely had a hard life, and had less maintenance performed. This means you’re likely to incur higher future repair bills than the nicer tractor. Also, it’s just plain more fun to own and operate nice equipment. Call it a warm, fuzzy feeling, if you will, but there’s just something about running equipment that works good and looks good, too.

There are a few other things you can do to ensure the best possible resale or trade-in value of your tractor. For starters, perform your maintenance according to your operator’s manual. Most modern tractor manufacturers are quite liberal in their recommended service intervals, so doing your maintenance “by the book” is not as daunting as it may at first seem. There are new diesel engines in service today with engine oil service intervals as much as every 600 hours. That being said, we recommend changing engine oil at least one time per year, regardless of hours. If you have your tractor serviced at a dealer, keep your receipts. They help add value at the time of sale. Another important item is to be aware of the operator you put in charge of the tractor. A poor or careless operator could cause thousands of dollars worth of damage to your tractor in a very short time. I have seem this happen on some occasions where the owner swears off hired help completely, and vows that only he will operate his equipment. It will pay you back several times over to hire an operator who will treat your equipment like it’s his.

To summarize, taking good care of your tractors is well worth doing. Some people might say something like “I’m never going to sell it, so why does it matter what kind of resale value it has?”. Well, none of us are going to live forever, so at some point, the tractor will likely be sold. Whether it’s your family that sells the tractor or an estate sale, it will bring a better price if it’s clean. The side benefit of keeping your tractor in good shape is that it’s less likely to have mechanical issues, which can be expensive to repair. Hopefully, these simple tips will help you maximize the value of your tractors when it’s time to sell or trade. -Greg Beaver