

[Your firm name and logo]

[Appraisal firm name]

[Appraiser name], [credential], [state] license or certification no. [number]

[Date]

[Client name]

[Client address]

Re: Appraisal of [property address]

Dear [Client contact name],

Client and intended users

You, [client name], are our client for this assignment. The intended users of the report are [client name] and [other named users]. No other person may rely on the report, including a borrower or owner who receives a copy.

Intended use

The appraisal is to be used only for [intended use, for example a lending choice on a first mortgage / the estate tax return of (name) / a charitable gift deduction / settlement of a marital estate]. It is not valid for any other use.

Property and rights appraised

Subject property: [address], [legal description or parcel number], a [property type]. We will appraise the [fee simple / leased fee / leasehold] interest. Personal property, business value and other intangibles are [excluded / included as follows: (list)].

Type of value and effective date

We will develop an opinion of [market value / other type of value], as defined in [definition and its source], as of [the date of our inspection / (retrospective date) / (prospective date) on completion].

Assumptions and conditions

This assignment relies on the following extraordinary assumptions: [list]. It uses the following hypothetical conditions: [list, or none]. If any of them proves untrue, the opinion of value may change.

Scope of work

We will make an [interior and exterior / exterior only / desktop] inspection on [date], research the market from [data sources], and consider the [sales comparison / cost / income] approaches. If we find that an approach does not apply, the report will say why.

Report

We will deliver an [Appraisal Report / Restricted Appraisal Report] in [narrative / form] format by [due date], provided we have received the items listed below. Revisions requested after delivery that do not stem from our error are billed at [rate] per hour.

Records and access

By [date], please provide: rent roll; current leases; operating statements for [years] and the current year to date; the latest property tax bill; plans and permits; a list of recent capital work; and any prior appraisals. Please arrange access to every part of the property on [inspection date]. Late items move the report date by the same number of days.

Lender rider (optional)

Our fee does not depend on whether the loan closes. You agree not to communicate a desired value or a predetermined threshold. We will deliver the report to you, and you will provide the borrower's copy under the rules that apply to you.

Charitable gift or estate use (optional)

For a charitable gift, we will prepare a qualified appraisal, signed no earlier than the period the regulations allow before the date of the gift, and our fee is not based on the appraised value. For an estate, the effective date is the date of death or the alternate valuation date you choose.

Fee

Our fee is [amount], with [amount] due on signing and the balance on delivery. Our fee does not depend on the value we report, on reaching any stated value, or on any result that follows from the report. Testimony, depositions and court preparation are not included and are billed at [rate] per hour if needed.

Prior services

We have [not performed any services / performed the following services] regarding this property, as an appraiser or in any other capacity, within the three years before this assignment: [describe, or none].

Workfile

We will keep a workfile for this assignment for at least [retention period] after the report is delivered, or longer if a legal proceeding requires it, and make it available as our professional standards and the law require.

Confidentiality

We will not disclose the results of this appraisal or your confidential information to anyone other than you and the intended users, except as our professional standards or the law require.

Cancellation

If you cancel before delivery, you will pay for work done to the date of cancellation at [rate] per hour, up to the full fee.

Liability and disputes (optional)

Our total liability for any claim about this assignment is limited to [the fee paid / (amount)], except where the law does not allow such a limit. This letter is governed by the laws of [state], and any dispute will first go to non-binding mediation in [city, state].

Authorization

Please sign below to confirm the assignment terms above. We will schedule the inspection once we receive the signed letter and the deposit.

Respectfully,

[Appraiser name], [credential]

[Appraisal firm name]

Signature: _____ Date: _____

Engaged by [Client name]: [Signer name], [Title]

Signature: _____ Date: _____