

Real Estate Appraisal Engagement Letter

Date: [Month Day, Year]

To:

[Client Name]

[Company Name]

[Address]

From:

[Appraiser Name], Certified [Residential/General] Appraiser

[License # and State]

[Business Name]

[Address]

[Phone] | [Email]

1. Purpose of Engagement & Problem Identification

You [Client Name/Company] (“Client”) have engaged [Appraiser Name/Company] (“Appraiser”) to perform an independent real estate appraisal of the property identified below in compliance with the Uniform Standards of Professional Appraisal Practice (USPAP).

Problem Identification:

- Client & Intended Users: [Identify Client and any other intended users, if applicable].
- Intended Use: [e.g., mortgage financing, estate planning, tax appeal, divorce settlement].
- Type of Value & Valuation Scenario(s): [Market Value, Retrospective Value as of a prior date, Prospective Value, “As-Is,” “As-Complete,” etc.].
- Effective Date(s) of Value: [State the valuation date(s) clearly].
- Subject Property & Relevant Characteristics: [Legal description, address, parcel number, property type, physical and economic characteristics relevant to the valuation].
- Property Rights Appraised: [Fee Simple, Leased Fee, Leasehold, or other defined interest].

Assignment Conditions: The assignment is subject to any extraordinary assumptions and/or hypothetical conditions required to develop credible results. Any such conditions will be explicitly stated, explained, and their impact on the value opinion discussed in the final report.

2. Scope of Work

The Appraiser will:

- Develop an appropriate scope of work to solve the appraisal problem, such as: inspect the subject property [interior/exterior, as agreed].
- Research and analyze relevant market data and comparable sales, leases, cost.
- Develop and report a credible opinion of value consistent with the valuation scenario(s) and effective date(s) identified above.
- Clearly disclose any extraordinary assumptions or hypothetical conditions and explain their effect on the assignment results.

3. Deliverables

Appraiser will provide one electronic PDF copy of the signed appraisal report to the Client. Any additional copies or hard-copy reports will be provided upon request for an additional fee.

4. Fees & Payment

The fee for this assignment is \$[Amount], based on the agreed scope of work and property complexity.

- Payment Terms: [e.g., 50% retainer upon acceptance of this engagement and balance due upon delivery of the report] or [full payment due prior to release of the report].
- Invoices will be issued via [QuickBooks/Open Invoice/other method].

5. Turnaround Time

The completed report will be delivered within [X] business days after property access is granted and all requested documents (e.g., profit loss, leases, plans, title report) have been provided.

6. Assumptions & Limiting Conditions

This engagement and the resulting report are subject to the Assumptions and Limiting Conditions typically included in appraisal reports, including but not limited to:

- Reliance on information provided by the client or third parties as being accurate and complete.
- No legal, engineering, or environmental survey or analysis is performed.
- The appraisal is not a home inspection and does not guarantee condition or compliance with building codes.

7. Confidentiality

All information provided and the final report will be kept confidential and disclosed only as required by law or USPAP.

8. Non-Reliance

This report is intended solely for the client and intended users for the stated intended use. No other party may rely on the report for any purpose without the appraiser's prior written consent.

9. Dispute Resolution

Any dispute arising from this engagement shall first be subject to mediation, and if unresolved, to binding arbitration in accordance with the laws of the State of [State], with maximum fees and costs not to exceed \$[the amount of the stated fee in the engagement] per property.

10. Acceptance

Please indicate acceptance of this engagement by signing below and returning a copy (email or electronic signature acceptable).

Client Acceptance:

Name: _____

Title: _____

Date: _____

Appraiser:

Name: _____

License #: _____

Date: _____