[Date]

[Client Name]
[Client Address]
[City, State, Zip Code]

RE: Advisory Services for Non-Performing Loan (NPL) Portfolio Valuation - [Portfolio Name/Reference Number]

Dear [Contact Name],

This letter serves to confirm the engagement of [Advisory Firm Name] by [Client Name] to provide valuation advisory services regarding the non-performing loan portfolio identified as [Portfolio Name].

1. Scope of Work
Our advisory services will include, but are not limited to:

- Detailed analysis of loan documentation and collateral data.
- Assessment of recovery strategies (e.g., restructuring, foreclosure, or debt sale).
- Estimation of Net Present Value (NPV) based on projected cash flows and recovery timelines.
- Market benchmarking and risk factor analysis.

2. Valuation Methodology
The valuation will be conducted using [Specify Methodology, e.g., Discounted Cash Flow (DCF) / Market Approach]. We will apply discount rates that reflect the current market risk for distressed assets and the specific legal environment of the underlying jurisdictions.

3. Data Requirements
To perform this valuation, [Client Name] shall provide a comprehensive Virtual Data Room (VDR) including borrower profiles, payment histories, collateral appraisals, and legal status updates for each asset within the portfolio.

4. Timeline and Deliverables
We anticipate providing a preliminary valuation report by [Date]. The final Valuation Advisory Report will be delivered by [Date], pending the timely receipt of all requested documentation.

5. Confidentiality
All data provided and the resulting valuation findings shall be treated as strictly confidential and used solely for the purpose of this engagement.

Please acknowledge your agreement to these terms by signing below.

Sincerely,

[Your Name]
[Your Title]
[Advisory Firm Name]

Accepted and Agreed:

Signature: ___________________________

Name: [Client Representative Name]

Date: ___________________________