

Date: [Insert Date]

To: [Seller's Name/Seller's Agent Name]

From: [Buyer's Name]

Property Address: [Insert Full Property Address]

RE: Notice of Appraisal Contingency

Dear [Seller's Name],

This letter serves as formal notice regarding the appraisal contingency as outlined in the Purchase Agreement dated [Insert Date of Agreement] for the property located at [Insert Property Address].

Pursuant to the terms of the contract, an independent appraisal was conducted by [Insert Appraisal Company Name] on [Insert Date of Appraisal]. The property has been appraised at a value of **[\$[Insert Appraised Value]]**, which is less than the agreed-upon purchase price of **[\$[Insert Purchase Price]]**.

Based on this appraisal, the mortgage lender will not provide financing for the full purchase price. Therefore, the Buyer is exercising their rights under the appraisal contingency and requests the following action:

- Reduction of the purchase price to the appraised value of **[\$[Insert Appraised Value]]**.
- [Alternative: Requesting the Seller to cover the gap or cancel the agreement].

Please provide a written response by [Insert Deadline Date/Time] indicating your acceptance of this amendment or your proposed resolution. Failure to reach an agreement may result in the termination of the Purchase Agreement and the return of the Buyer's earnest money deposit.

Sincerely,

[Buyer's Signature]

[Buyer's Printed Name]

cc: [Buyer's Agent Name], [Lender Name]