

SAMPLE FORMAT FOR CHALLENGING A POOR APPRAISAL

January 1, 2013

ATTN: [Lender Name]

Subject Property
XXXX McPherson Avenue
St. Louis, MO 63112

After reviewing the appraisal for XXXX Verbena Ct by [Appraiser Name], I would like to request further clarification and investigation by the appraiser. I would also like to ask for a "reconsideration of value" based on the following points:

- Critique Comp 1 (if necessary) with specific points (example on following page).
- Critique Comp 2 (if necessary) with specific points (example on following page).
- Critique Comp 3 (if necessary) with specific points (example on following page).
- Critique any additional listings or pending sales used in the appraisal report.
- In your critique, make sure to focus on comp selection, adjustments, significant errors, and items that impact value (as opposed to minor errors or typos which are not the main issue at hand):
 - Did the appraiser use sales similar to the subject in terms of condition and location?
 - Is there a significant difference in the level of upgrades between the subject and comps?
 - Did the appraiser use the most recent and similar comparables available as of the date of inspection?
 - Are there any significant differences between the reported square footage, bed or bath counts and level of upgrading for the subject vs what you know to be true and accurate?
 - Is there a difference between distressed and arm's length sales in the neighborhood?
 - Are there any major location or external differences which were not addressed? Next to gas station? Near power lines? Near freeway? Cul-de-sac? Superior neighborhood? Etc.
 - Are current listings similar to recent sales?
- Provide the appraiser with new comparable sales which were not used in the original appraisal.

Closing Paragraph: Summarize your main points and your opinion of the appraised value in the report. IE: "Overall the final opinion of value appears to be reconciled at the lower end of the market range and is out of sync with the expectation of market participants based on the points above."

I would humbly ask the appraiser to take a second look at the information above as it relates to data and adjustments in the appraisal report. I appreciate your time and consideration, and I can be reached with any further questions at 314-XXX-XXXX.

Respectfully,

Your Name
Your Company
TEL (314) XXX-XXXX

Your Company Name 123 Main St, Saint Louis, Mo 63112 Phone: 314-XXX-XXXX