

[Your Name]
[Your Address]
[City, State, Zip Code]
[Date]

[Seller's Name]
c/o [Listing Agent's Name]
[Brokerage Firm Name]

RE: Appraisal Shortfall and Request for Earnest Money Deposit Reduction
Property Address: [Property Address]

Dear [Seller's Name],

I am writing regarding the purchase agreement for the property located at [Property Address]. As part of the financing process, a professional appraisal was recently completed.

The appraisal report valued the property at \$[Appraised Value], which is \$[Difference Amount] below the agreed-upon purchase price of \$[Purchase Price].

Due to this appraisal shortfall, my lender has limited the maximum loan amount, creating a significant financing gap. To ensure the successful closing of this transaction, I am requesting a reduction in the Earnest Money Deposit (EMD) currently held in escrow by \$[Amount of Reduction Requested].

This reduction will allow me to reallocate those funds toward the increased down payment required by the lender to cover the valuation gap. All other terms of our agreement remain a priority, and I am committed to moving forward with the closing scheduled for [Closing Date].

Please review this request and provide your response or a formal addendum by [Date/Time]. Thank you for your understanding and cooperation.

Sincerely,

[Your Signature]
[Your Printed Name]