

[Date]

[Seller Name]
[Property Address]
[City, State, Zip]

Dear [Seller Name],

I am writing to provide an update regarding the recent appraisal conducted on your property by [Lending Institution/Appraisal Firm].

The formal appraisal report has valued the property at **\$(Appraised Value)**, which is **\$(Amount)** below our current contract price of **\$(Contract Price)**.

Because the buyer's financing is contingent upon the property appraising for the full purchase price, this "appraisal gap" presents a challenge to closing the sale. To keep the transaction moving forward, we have the following primary options:

- **Price Reduction:** Adjust the sale price to match the appraised value to ensure the buyer's loan is approved.
- **Buyer Contribution:** Request that the buyer cover the difference in cash (if they have the available funds).
- **Rebuttal:** Submit a formal appeal to the appraiser providing additional comparable sales for reconsideration.
- **Negotiated Split:** Meet the buyer in the middle by reducing the price partially while the buyer pays the remaining difference.

Based on the current market data and the specifics of this report, I recommend **[Recommended Strategy]**. This approach offers the highest probability of retaining this buyer and reaching a successful closing without further delays.

Please let me know how you would like to proceed so we can notify the buyer's agent and the lender immediately.

Best regards,

[Your Name]
[Your Title/Company]
[Phone Number]