



Form 801.06\*

Client File #:

Appraisal File #:

# Liquidation Value Addendum

Client:

Subject Property:

City:

State:

Zip:

## DEFINITION OF LIQUIDATION VALUE

*Liquidation Value* is defined in *The Dictionary of Real Estate Appraisal*, Seventh Edition as:

The most probable price that a specified interest in property should bring under the following conditions:

1. Consummation of a sale within a short time period.
2. The property is subjected to market conditions prevailing as of the date of valuation.
3. Both the buyer and the seller are acting prudently and knowledgeably.
4. The seller is under extreme compulsion to sell.
5. The buyer is typically motivated.
6. Both parties are acting in what they consider to be their best interests.
7. A normal marketing effort is not possible due to the brief exposure time.
8. Payment will be made in cash in US dollars (or the local currency) or in terms of financial arrangements comparable thereto.
9. The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

This definition can be modified to provide for valuation with specified financing terms.

The following data and analysis is offered as an addendum to the appraisal report, and cannot be relied upon without the complete appraisal report, with specific attention to the discussion of market conditions and normal market exposure. As specified by the client, the liquidation value is based upon the following market exposure: Less Than  30 days  60 days  90 days  Other \_\_\_\_\_

## DEVELOPMENT OF LIQUIDATION VALUE

The appraiser has relied upon the following method(s) to develop an opinion of liquidation value:

- Market value as reported within this appraisal report correlates with liquidation value (see comments below).
- Market Analysis (See Comparable Grid on following page).
- Statistical Analysis (See comments below).
- Secondary Analysis – e.g. Interviews with market participants, peers, news media research, etc (See comments below).
- Alternative Analysis – (See comments below).

Comments Regarding the Methods Used:

The appraisal is made  as is;  subject to the following hypothetical condition(s); or  subject to the following extraordinary assumption(s):

Based on the scope of work for this assignment, the statement of assumptions and limiting conditions included in this report, and appraiser(s) certification, the opinion of liquidation value of the real property that is the subject of this report is:

\$ \_\_\_\_\_ as of \_\_\_\_\_ which is the effective date of this appraisal.

## APPRAISERS SIGNATURES

**APPRAISER:**

Signature \_\_\_\_\_

Name \_\_\_\_\_

Report Date \_\_\_\_\_

Trainee  Licensed  Certified Residential  Certified General

License # \_\_\_\_\_ State \_\_\_\_\_

**CO-APPRAISER:**

Signature \_\_\_\_\_

Name \_\_\_\_\_

Report Date \_\_\_\_\_

Trainee  Licensed  Certified Residential  Certified General

License # \_\_\_\_\_ State \_\_\_\_\_

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Expiration Date _____	Expiration Date _____
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**COMPARABLE PROPERTIES**

ITEM	SUBJECT		COMPARISON 1		COMPARISON 2		COMPARISON 3	
Address								
Proximity to Subject								
Data Source/ Verification								
Original List Price	\$		\$		\$		\$	
Final List Price	\$		\$		\$		\$	
Sale Price	\$		\$		\$		\$	
Sale Price % of Original List		%		%		%		%
Sale Price % of Final List		%		%		%		%
Closing Date								
Days On Market								
Price/Gross Living Area	\$		\$		\$		\$	
	<b>DESCRIPTION</b>		<b>DESCRIPTION</b>	+ (-) Adjustment	<b>DESCRIPTION</b>	+ (-) Adjustment	<b>DESCRIPTION</b>	+ (-) Adjustment
Financing								
Concessions								
Contract Date								
Location								
Site Size								
Site Views/Appeal								
Design and Appeal								
Quality of Construction								
Age								
Condition								
Above Grade Bedrooms	Bedrooms		Bedrooms		Bedrooms		Bedrooms	
Above Grade Baths	Baths		Baths		Baths		Baths	
Gross Living Area	Sq.Ft.		Sq.Ft.		Sq.Ft.		Sq.Ft.	
Below Grade Area								
Below Grade Finish								
Other Area								
Functional Utility								
Heating/Cooling								
Car Storage								
Net Adjustment (total)			<input type="checkbox"/> + <input type="checkbox"/> -	\$	<input type="checkbox"/> + <input type="checkbox"/> -	\$	<input type="checkbox"/> + <input type="checkbox"/> -	\$
			Net Adj.	%	Net Adj.	%	Net Adj.	%
Adjusted Sale Price			Gross Adj.	% \$	Gross Adj.	% \$	Gross Adj.	% \$
Prior Transfer History								
Comments and reconciliation:								

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