
COMPANY LETTERHEAD

[date of report]

[optional: Sent via email to *email address*]

[name of client]
[street address]
[city, state, zip]

[Include Subject: or Ref: line if need be.]

Dear _____:

As you requested, this appraisal report has been prepared for your use in claiming a deduction for a noncash charitable contribution.

This transmittal letter contains the assignment-specific elements of information that are required to be included in this report by the *Uniform Standards of Professional Practice* (USPAP) as promulgated by The Appraisal Foundation of Washington, DC. This report also satisfies the IRS requirements for a “qualified appraisal.”

The required item-specific information including the identity and value-relevant characteristics of the subject property, my opinions of value, and the market data on which my opinions of value were based are contained in the Valuation Section enclosure of this report along with thumbnail images of the subject property. For your convenience, a CD containing high resolution images of the subject property is enclosed with this report.

Executive Summary

On [date of inspection] I conducted an appraisal inspection of [name of property] located at [address] in the presence of [responsible party present] in order to identify the subject property and its value-relevant characteristics so that I could properly develop an opinion of its fair market value for your income tax purposes.

In summary, the fair market value of the subject property as of its date of donation was [total FMV].

Report Option Used

This appraisal report has been prepared making use of USPAP’s Self-Contained appraisal report option.

Identity of Client and Other Intended Users

This report is intended for use only by you (my client), your agent and by [e.g., the Internal Revenue Service.]

With the exception of you and the appraiser-identified intended users listed herein, this appraisal report is not intended to be used by or influence any particular person(s) or class(es) of persons which might take some action in reliance upon it. Unless otherwise stated, I am not aware that you or your agent intend to transmit any information contained in this report to any other person(s) or group(s) other than to the appraiser-identified intended users listed herein. My liability is limited to you and to the identified intended users of this report to the exclusion of all others. Parties other than those specifically listed as authorized intended users of this report who take some action in reliance upon this report do so at their own risk.

Intended Use of the Appraisal

You stated that you will use this report to establish an income tax deduction for a noncash charitable contribution. Any other use of this appraisal report renders it null and void.

Ownership Interest Being Appraised

The appraised values are based upon 100% of your interest in the property undiminished by any liens, fractional interests or any other form of encumbrance. I understand that you are the sole owner of the property listed in this report; however, mere possession of this appraisal report is not an indication or certificate of title or ownership. Ownership and ownership interest have been represented to me by you, my client, and no inquiry or investigation has been made nor is any opinion to be given as to the accuracy of such representation.

Value Type and Definition

In this appraisal assignment I developed an opinion of Fair Market Value. Opinions of value are in terms of cash.

The definition of Fair Market Value is set forth in Treasury Regulation §1.170A-1(c)(2) which states that the Fair Market Value is “The price at which the property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or to sell and both having reasonable knowledge of relevant facts.” Estate Tax Regulation §20.2031-1(b) expands the definition by stating “...nor is the fair market value of an item of property to be determined by the sale price of the item in a market other than that in which such item is most commonly sold to the public, taking into account the location of the item wherever appropriate.”

Relevant Dates

Relevant dates associated with this assignment include the following:

- Date of Inspection: The subject property was inspected on **[date of inspection]**.
- Effective Date of Appraisal: Value opinions are effective as of the date of donation which you stated was **[date of donation]**.
- Date of Report: This report was prepared and signed this date, **[date of report]**.

Scope of Work

Scope of work is defined by USPAP as the work actually performed in order to develop credible assignment results. The scope of work employed in this assignment was determined by me in close consultation with the client. Scope of work was dependent upon the needs of the client, the intended use of the report, the definition of value that I used, the effective date of the report, and the subject property's value relevant characteristics.

The scope of work for this assignment included:

- A personal inspection of the subject property was conducted in order to properly determine its identity and value-relevant property characteristics.
- While on site, I documented the relevant information in writing and took digital images of the property.
- Identification research was later conducted as necessary making use of relevant books authored by subject property experts.

- Value research for past sales of comparable properties was conducted at local and national auction galleries including [auction, auction, auction] and by searching Internet website databases including [website, website and website].
- I analyzed the market data, making adjustments as necessary for differences in value characteristics between the comparable and subject property.
- I reconciled the data and arrived at my final opinion of value.
- **[Describe here the assistance provided by other appraisers, experts, specialists, consultants, etc., if any.]**

Information Analyzed, Approach to Value

In this assignment, the sales comparison approach to value was employed to determine fair market value. In the sales comparison approach, the most appropriate market is researched to locate comparable items which have sold in the past on which an opinion of value can be based. Adjustments in value are made to reflect differences (if any) in value relevant characteristics between the comparable properties and the subject properties. Specific market data which formed the basis for my value conclusions is contained in the Valuation Section enclosure of this report.

Neither the cost approach to value nor the income approach to value were employed:

- The cost approach to value was not used in this assignment. The cost approach makes use of the cost to replace the subject property with a brand new property. Since all the appraised items have value-relevant characteristics of age, provenance and rarity, they cannot be suitably replaced with a brand new item; therefore, the cost approach to value, while considered, was not applied to this assignment.
- The income approach to value was not used in this assignment. In the income approach, anticipated future income of investment property (i.e., income-generating property) is capitalized in order to calculate its present worth. Since the subject property is not investment property, the income approach to value, while considered, was not applied to this assignment.

Listings/Offers/Prior Sales

There are no known current agreements of sale, validated offers or third-offers to sell, options, or listings of the subject property as of the effective date of the appraisal. There are no known prior sales of the subject property that have occurred within a reasonable time preceding the effective date of this appraisal.

Use of Property and Opinion of Appropriate Market

The subject property is appreciating in nature and is used for household decorative purposes. The definition of the type of value being used in this assignment mandates the use of the market in which comparable items are most commonly sold at retail to the public, i.e., to the end user. In my opinion, for this assignment the most appropriate market consists of **[for example, use as applicable:** local, national and international auction houses.] **[or on occasion:** retail galleries if considered to be the market in which the subject property type is most commonly sold.]

Value Opinions and Conclusions

My final value opinions and conclusions are contained in this transmittal letter's Valuation Section enclosure.

Assignment Conditions Encountered

- Limiting Conditions: [clearly and accurately disclose, if any]
- Extraordinary Assumptions: [clearly and accurately disclose, if any, and state that their use “might have affected the assignment results.”]
- Hypothetical Conditions: [clearly and accurately disclose, if any, and state that their use “might have affected the assignment results.”]
- Jurisdictional Exceptions: [clearly and accurately disclose, if any, but normally there are not]
- Other: [disclose any assignment conditions to help ensure that the report is not misleading]

Disclaimers and Terms of Use

In general, the condition of the property is good. Serious damages and repairs, if any, will be noted in the Valuations Section enclosure of this report. Ordinary wear and tear common to this type of property is not noted.

Unless otherwise noted herein:

- This appraisal is based only on the readily apparent identity of the items appraised. In my opinion, no further opinion or guarantee of authenticity, genuineness, attribution or authorship is necessary.
- With the exception of the you (my client), your agent, or any identified intended user noted herein, this appraisal is not intended to be used by or influence any particular person(s) or class(es) of persons which might take some action in reliance upon it. Unless otherwise noted in this transmittal letter, I am not aware that you intend to transmit any information contained in this report to any persons or parties other than the intended users listed herein.

Regardless of who receives a copy of this report, my liability is limited to the you, your agent and the identified intended users of this report as indicated herein to the exclusion of all others. Parties other than those specifically listed as authorized intended users of this report who take some action in reliance upon this appraisal do so at their own risk.

If this report is reproduced, copied or otherwise used by those authorized, the report must be used in its entirety which includes this transmittal letter and all enclosures and attachments.

No changes can be made to this report by anyone other than myself. I am not responsible for any unauthorized changes to this report, and any such unauthorized changes immediately render this report null and void.

USPAP Certification

With the below signature I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have [no (or the specified)] present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have performed [no (or the specified)] services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.

- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- I **[have (or have not)]** made a personal inspection of the property that is the subject of this report.
- No one provided significant personal property appraisal assistance to the person signing this certification. **[If there are exceptions, the name of each individual(s) providing appraisal, appraisal review, or appraisal consulting assistance must be stated.]**

Statement of Confidentiality

I regard all information concerning this appraisal assignment as confidential. I retain a copy of this document along with my original notes in the assignment workfile, and I will not allow others to have access to these records without your written permission unless so ordered by a court of law.

IRS Declaration

My background, education, experience and membership in professional associations qualify me to make appraisals of the type of property that is the subject of this appraisal. A complete list of my qualifications can be found in my Professional Profile which is attached in the addenda to this report. I understand that this appraisal will be used for income tax purposes.

IRS Form 8283

For noncash charitable contributions in excess of \$5,000, IRS Form 8283, Side B, must be completed and attached to the taxpayer's federal income tax return. The form has sections that must be completed and signed not only by the taxpayer, but also by the appraiser and the donee. For your convenience, I have enclosed a copy of Form 8283 on which I've filled in Section B, Part I, columns 5 a, b, and c. I have also completed and signed Section B, Part III as required.

Electronic Transmission of Report [use if applicable]

In addition to a hard copy of this report being mailed to you, this appraisal report has also been transmitted to you electronically (less Enclosures 3 and 4) and includes my signatures in electronic form. I affirm that I maintain sole personal control over the use of the electronic signature appended hereto. Electronically affixing my signature to this report carries the same level of authenticity and responsibility for this report's content, analyses and conclusions as would appending an original ink signature on a paper copy of this report.

Sincerely,

Appraiser's Signature

[appraiser's typed name]

Enclosures :
1. Valuation Section
2. Appraiser's Professional Profile
3. High resolution images CD
4. IRS Form 8283
[others as necessary]