



AI Reports®

Form 801.07*

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 _____

Expiration Date _____

CO-APPRAISER:

Signature _____

Name _____

Report Date _____

Trainee ☐ Licensed ☐ Certified Residential ☐ Certified General ☐

License # _____ State _____

Expiration Date _____

Client:		Client File #:	
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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				\$		\$		\$	
		DESCRIPTION		DESCRIPTION	+ (-) Adjustment	DESCRIPTION	+ (-) Adjustment	DESCRIPTION	+ (-) 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	
Above Grade 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)				☐ + ☐ -	\$	☐ + ☐ -	\$	☐ + ☐ -	\$
				Net Adj.	%	Net Adj.	%	Net Adj.	%
Adjusted Sale Price				Gross Adj.	%	Gross Adj.	%	Gross Adj.	%
Prior Transfer									
History									
Comments and reconciliation:									

*NOTICE: The Appraisal Institute publishes this form for use by appraisers where the appraiser deems use of the form appropriate. Depending on the assignment, the appraiser may need to provide additional data, analysis and work product not called for in this form. The Appraisal Institute makes no representations, warranties or guarantees as to, and assumes no responsibility for, the data, analysis or work product, or third party certifications, verifications, data specifications, scores, indexes, or valuation tools, used or provided by the individual appraiser(s) or others in the specific contents of the AI Reports®. AI Reports® AI-801.07 Liquidation Value Addendum© Appraisal Institute 2025, All Rights Reserved.