

FANHD Nevada Property Tax Disclosure Report

TERMS and CONDITIONS

This document summarizes (a) the methods used in creating this Report, (b) the limitations with respect to the data provided, and (c) the responsibilities and liabilities of the First American Real Estate Disclosures Corporation, a California corporation, ("FAREDC") under this FANHD Report. Please read this entire document carefully to understand the limitations of this Report and FAREDC's responsibilities.

- A. Limitations on Tax Information.** FAREDC has accurately reported the information in the Databases as of the Report Date included in this Report. With respect to the Databases, it is important to understand that:
- The Databases may not be accurate, current, fully detailed, or complete.
 - A parcel of real property may be subject to an assessment district that has been approved but not created or funded as of the Report Date.
 - Changes may have occurred in the Databases since the Report Date.
 - There may be other governmental databases with relevant information which are not included in this Report.
 - Personal property taxes are not included in this Report.
 - Supplemental taxes can be assessed based on improvements to the real property after they have been completed and the assessor becomes aware of same. Supplemental taxes are **not** included in the Databases.
- B. Databases.** Each Database used in this Report is updated by the applicable governmental agency at various intervals as determined by that agency having responsibility for the database and may be made at any time and without notice.
- C. Limitations in this Report.** FAREDC does not make any representations as to:
- The accuracy, validity or completeness of the Databases.
 - Any information in a Database after the Report Date for that Database.
 - Any information regarding the Residential Property after the Report Date.
 - This Report only provides information electronically derived from the Databases in accordance with the Terms and Conditions
- D. Only the Parties May Rely on this Report.** This Report is valid, the Parties may rely on the Report, and a contract is formed with FAREDC, **only** (a) upon receipt by FAREDC of payment of the full price of the Report, and (b) as of the Sale Date. This Report may be relied upon only by the Parties to the transaction for which it has been purchased. This Report cannot be relied upon (a) by any persons other than Seller, Buyer and their Agents, (b) for any other real property, or (c) for any future transactions involving the Residential Property. The price paid for the Report does not include any amounts for protection of such other parties.
- E. FAREDC Does Not Constantly Check Databases for Changes.** Each database used in this Report is updated by the responsible agency at various intervals. Updates for a database are determined by the responsible agency and may be made at any time and without notice. FAREDC maintains an update schedule and makes reasonable efforts to use updated information but it cannot feasibly do so on a constant basis, and the complexities of obtaining and adapting the data into a usable format for preparing this Report necessitates some delay once the updated information is obtained. For these reasons, FAREDC reports information as of the date when the database was last updated by FAREDC.
- F. Limitations on FAREDC's Liability.** FAREDC is not responsible for:
- Any inaccuracies or incompleteness of the information in the Databases.

- Inaccurate address information provided for the Residential Property.
- Any other information not contained in the specified Databases.
- Any information known by one of the Parties.
- Any changes to the information in the Databases after the Report Date.

Except as otherwise expressly set forth in these Terms and Conditions, FAREDC's total liability and responsibility to all Parties collectively for any and all liabilities, causes of action, claim or claims, including but not limited to claims for breach of contract or negligence, shall be for actual proven damages only caused directly by FAREDC's error up to a maximum of \$10,000. FAREDC expressly disclaims any liability for Parties indirect, incidental and/or consequential damages, including without limitation lost profits even if such damages are foreseeable. In the event of any error, omission or inaccuracy in the FAREDC Report for which FAREDC is liable, FAREDC shall have no duty to defend or pay any attorneys' fees, costs or expenses incurred by the Parties, or any of them.

G. Governing Law. The Report shall be governed by, and construed in accordance with, the laws of the State of Nevada.

H. Small Claims or Arbitration. This provision constitutes an agreement to arbitrate disputes on an individual basis. Any party may bring an individual action in small claims court instead of pursuing arbitration. All disputes and claims arising out of or relating to the Report must be resolved by binding arbitration. This Report to arbitrate includes, but is not limited to, all disputes and claims between FAREDC, Transferor(s) and Transferee(s) and claims that arose prior to purchase of the Report. This agreement to arbitrate applies to Transferor(s) and Transferee(s) successors in interest, assigns, heirs, spouses, and children. As noted above, a party may elect to bring an individual action in small claims court instead of arbitration, so long as the dispute falls within the jurisdictional requirements of small claims court.

Any arbitration must take place on an individual basis, FAREDC, transferor(s) and transferee(s) agree that they are waiving any right to a jury trial and to bring or participate in a class, representative, or private attorney general action, and further agree that the arbitrator lacks the power to consider claims for injunctive or declaratory relief, or to grant relief affecting anyone other than the individual claimant.

The arbitration is governed by the Commercial Arbitration Rules and the Supplementary Procedures for Consumer Related Disputes (the "AAA Rules") of the American Arbitration Association ("AAA"), as modified by this Agreement, and will be administered by the AAA. Company will pay all AAA filing, administration and arbitrator fees for any arbitration it initiates and for any arbitration initiated by another party for which the value of the claims is \$75,000 or less, unless an arbitrator determines that the claims have been brought in bad faith or for an improper purpose, in which case the payment of AAA fees will be governed by the AAA Rules. **A COPY OF THESE RULES IS AVAILABLE FROM THE AAA'S WEB SITE AT WWW.ADR.ORG OR ON REQUEST FROM THE COMPANY. THE ARBITRATION AWARD MAY INCLUDE ATTORNEY'S FEES IF ALLOWED BY FEDERAL, STATE, OR OTHER APPLICABLE LAW AND MAY BE ENTERED AS A JUDGMENT IN ANY COURT OF PROPER JURISDICTION.**

The arbitration will take place in the same county in which the property covered by the Report is located. The Federal Arbitration Act will govern the interpretation, applicability and enforcement of this arbitration agreement. This arbitration agreement will survive the termination of this Report.

I. Severability. Except as otherwise provided above, if any provision of these Terms and Conditions is determined to be invalid or unenforceable for any reason, then such provision shall be treated as severed from the remainder of the Terms and Conditions and shall not affect the validity and enforceability of all of the other provisions of the Terms and Conditions.

J. Seller and Seller's Agent's Responsibility of Full Disclosure. Sellers of real property and their Agents should always fully disclose all material facts regarding the real property which they are selling. Regardless of the information in this Report, if Seller or Seller's Agent has any actual knowledge of tax



information potentially affecting the Residential Property, that information should be promptly disclosed in writing to the Buyer and the Buyer's Agent.

- K. Other Agreements.** This Report sets forth the complete, integrated agreement between FAREDC and the Parties. Evidence of prior or contemporaneous statements, representations, promises or agreements shall not be admissible to vary the terms of this written agreement. This agreement may not be changed or amended except by a written document signed by an authorized representative of FAREDC and the Parties. In the event that any dispute arises between FAREDC and any Parties arising out of or relating to this Report or its subject matter, or any act or omission of FAREDC, the prevailing party shall be entitled to recover his, her or its reasonable costs, including attorneys' fees, from the losing party.