

## FANHD Nevada Property Hazard Disclosure Report™

### TERMS and CONDITIONS

#### ACCEPTANCE OR USE OF THIS REPORT CONSTITUTES APPROVAL AND ACCEPTANCE OF THE TERMS, CONDITIONS, AND LIMITATIONS STATED HEREIN.

- A. Limitations on Public Record Information and this Report.** FANHD has accurately reported the information in the Public Records as of the dates of the Report Date. With respect to the Public Records, it is important to understand that:
- The Public Records may not be accurate, current, fully detailed, or complete.
  - A parcel of real property may be affected by hazards that have not been identified in the Public Records.
  - There may be other governmental Public Records with relevant information which are not included in this Report.
  - FANHD does not make any representations as to:
    - The significance or extent of any hazard disclosed.
    - Any related health or risk of the hazard to humans or animals or how they may affect the Property.
    - The drinking water sources for the Property.
    - Any information regarding the Property after the Report Date.
- B. Reporting Standards.** The reporting standards utilized by FANHD in making each determination are specified in the Disclosure Explanation (Section 2) of this Report. If the Property is near the state border, hazards which may be in the adjoining state are not disclosed in this Report. Where appropriate, FANHD uses the assessor's rolls, cadastral- type maps, photographic enlargements of maps and various cartographic techniques to locate the site on the appropriate map. The respective determination is made as accurately as reasonably possible using these said maps. For purposes of defining property lines, the assessor's parcel number and parcel maps are used. Any errors in the assessor's rolls may affect the determination procedures.
- C. Not an Inspection Report.** FANHD does not perform a physical examination or any testing of the Property. This Report only provides information electronically derived from the specific Public Record identified for each disclosure in the Disclosure Explanation (Section 2) of this Report. This Report should not be considered a substitute for an on-site environmental and/or geological or engineering assessment. If additional information is desired, the Parties are encouraged to investigate other sources and to consult an environmental expert, a geologist, an engineer or other expert.
- D. Changes to Public Record After Report Date.** The Parties are advised that the Public Records may change after the Report Date and FANHD is not responsible for advising the Parties of any changes to the determinations that may occur after the Report Date. As a courtesy, FANHD will update this Report at no cost during the transaction process for which this Report was issued, if requested.
- E. No Third-Party Reliance on This Report.** A contract is formed with FANHD, only upon receipt by FANHD of payment of the full price of the Report. This Report cannot be relied upon (a) by any persons or entities other than the Parties, (b) for any other real property, or (c) for any future transactions involving the Property. The price paid for the Report does not include any amounts for protection of such other parties.
- F. Limitations on FANHD's Liability**
1. FANHD is not responsible for:
    - Any inaccuracies or incompleteness of the information in the Public Records.

- Inaccurate address information provided for the Property.
  - Any other information not contained in the Public Records as of the Report Date.
  - Any information which would be disclosed by a physical inspection of the Property.
  - Any information known by one of the Parties.
  - The health or risk to humans or animals that may be associated with any of the disclosed hazards.
  - The costs of investigating or remediating any of the disclosed hazards.
2. Except as otherwise expressly set forth in these Terms and Conditions, FANHD's total liability and responsibility to all Recipients 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 FANHD's error up to a maximum of \$100,000. FANHD expressly disclaims any liability for Recipients 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 FANHD Report for which FANHD is liable, FANHD shall have no duty to defend or indemnify for third party claims.

- G. Reporting of Risk Elements for Condominium Projects, Planned Unit Developments, and Other Properties with Common or Undivided Interests.** Because California's Residential Natural Hazard Disclosure Law requires disclosure if any portion of the Property is located within a specified natural hazard area/zone, the Report must indicate that the subject Property falls within the area/zone if any portion of such a condominium project, planned unit development, or common area is located within a specified hazard area/zone.
- H. FANHD Database Updates.** 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. FANHD maintains an update schedule and makes reasonable efforts to use updated information. For these reasons, FANHD reports information as of the date when the database was last updated by FANHD.
- I. Governing Law.** The Report shall be governed by, and construed in accordance with, the laws of the State of California.
- J. 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 FANHD, 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, FANHD, 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](http://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 Federal Arbitration Act will govern the interpretation, applicability and enforcement of this arbitration agreement. This arbitration agreement will survive the termination of this Report.

- K. Severability.** If any provision of the Terms and Conditions to this Report 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.
- L. 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 hazards potentially affecting the Property, that information should be promptly disclosed in writing to the Buyer and the Buyer's Agent.
- M. Other Agreements.** This Report sets forth the complete, integrated agreement between FANHD 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 FANHD and the Parties.