

**CHAPTER 1060****REAL PROPERTY INSPECTION REPORTS***H.F. 2369*

**AN ACT** relating to real property by establishing a real property inspection report.

*Be It Enacted by the General Assembly of the State of Iowa:*

Section 1. NEW SECTION. 114.35 EXCEPTION – REAL PROPERTY INSPECTION REPORT.

1. "Real property inspection report" means a report stating whether, after visual examination, a parcel of real property which is being collateralized is materially impaired.

2. A real property inspection report is not a property survey or an engineering document and is exempt from the provisions of this chapter and the rules adopted under this chapter which apply to property surveys. A real property inspection report shall not be filed or recorded with the county recorder. The real property inspection report shall include all of the following:

a. A clear and prominent statement of disclosure to the buyer that the real property inspection report is not a property survey or an engineering document and should not be relied upon as such, and that property boundaries shown may be approximate only.

b. A clear and prominent statement that the report is for the use of the mortgage lender or its assigns and determination of the actual placement of boundary lines should be addressed by a property survey in accordance with the provisions of this chapter.

c. A person who completes the real property inspection report shall not represent themselves as a registered land surveyor or a professional engineer for purposes of the report.

Approved March 26, 1990

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**CHAPTER 1061****MOTOR VEHICLE ARBITRATION***H.F. 2453*

**AN ACT** relating to arbitration agreements between manufacturers, distributors, or importers of motor vehicles and motor vehicle dealers.

*Be It Enacted by the General Assembly of the State of Iowa:*

Section 1. Section 322.3, Code 1989, is amended by adding the following new subsection:

NEW SUBSECTION. 10. A manufacturer, distributor, or importer of motor vehicles or agent or representative of such manufacturer, distributor, or importer shall not require a motor vehicle dealer to submit to arbitration to resolve a controversy before the controversy arises. The parties may enter into a voluntary agreement to arbitrate a controversy after it arises. Such an agreement shall require that the arbitrator apply Iowa law in resolving the controversy. Either party may appeal a decision of an arbitrator to the district court on the grounds that the arbitrator failed to apply Iowa law.

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