



BUSINESS DISCLOSURE STATEMENT

(C.A.R. Form BDS, Revised 10/01)

1. **INTENT AND PURPOSE:** This Business Disclosure Statement ("BDS") is provided by _____

_____ ("Owner"), Owner of the
business known as _____ ("Business"),

as (i) a tool to assist in establishing the listing price; (ii) a disclosure of material facts regarding the operation of the Business; and (iii) a proposal of items to be included in or excluded from the offering of the Business for sale. **The BDS is for information purposes only and is not part of any agreement.** Owner authorizes Broker to provide this BDS to prospective buyers. OWNER DECLARES THAT THE INFORMATION PROVIDED HEREIN IS BASED ON FIGURES SUPPLIED BY OWNER AND THAT OWNER INTENDS THAT BROKERS AND PROSPECTIVE BUYERS RELY ON SUCH INFORMATION. OWNER HAS DOCUMENTATION SUPPORTING SUCH FIGURES AND AGREES TO PROVIDE SUPPORTING DOCUMENTATION UPON REQUEST. **BROKER HAS NOT INDEPENDENTLY VERIFIED THE INFORMATION PROVIDED HEREIN.**

2. **RELATION TO PURCHASE AGREEMENT:** Owner acknowledges that: (i) the agreement between Owner and buyer supersedes any intention expressed in the BDS and will ultimately determine which items are either included in or excluded from the agreement; and (ii) Broker is not responsible for and does not guarantee that the items included or excluded in the BDS will be in the agreement.

3. **OWNER WARRANTY:** Owner warrants the accuracy of the information furnished herein, or as modified hereafter, with respect to the Business. OWNER FURTHER WARRANTS THAT, EXCEPT AS SPECIFIED IN WRITING, OWNER HAS GOOD AND MARKETABLE TITLE TO THE BUSINESS AND PERSONAL PROPERTY THAT ARE OFFERED FOR SALE.

4. **ITEMS OFFERED FOR SALE:** The following items, as listed on the attached lists, are included in the offer to sell, subject to any lessor rights, and transferability and disclosed restrictions (if checked):

- | | |
|---|--|
| <input type="checkbox"/> Inventory, including work in progress | <input type="checkbox"/> Signs and advertising materials |
| <input type="checkbox"/> Machinery | <input type="checkbox"/> Telephone and fax numbers |
| <input type="checkbox"/> Furniture, fixtures, and other equipment | <input type="checkbox"/> Websites, URL addresses and E-mail addresses |
| <input type="checkbox"/> Other personal property | <input type="checkbox"/> Vendor lists and catalogs |
| <input type="checkbox"/> Leasehold improvements | <input type="checkbox"/> Goodwill |
| <input type="checkbox"/> Government licenses and permits | <input type="checkbox"/> Agreements not to compete |
| <input type="checkbox"/> Customer lists | <input type="checkbox"/> Franchise agreements |
| <input type="checkbox"/> Fictitious business name statements | <input type="checkbox"/> Distribution rights |
| <input type="checkbox"/> Trade names and trademarks | <input type="checkbox"/> Employee lists and information |
| <input type="checkbox"/> Logos | <input type="checkbox"/> Computer and customer software |
| <input type="checkbox"/> Copyrights and patents | <input type="checkbox"/> Customer deposits |
| <input type="checkbox"/> Schedule of accounts receivable | |
| <input type="checkbox"/> Other assets: _____ | |
| <input type="checkbox"/> Schedule of accounts payable | <input type="checkbox"/> Service, maintenance and advertising agreements |
| <input type="checkbox"/> Other liabilities: _____ | |

5. **ITEMS EXCLUDED FROM OFFER TO SELL:** The following items are not included in the offer to sell: _____

6. **APPROXIMATE VALUE OF CURRENT INVENTORY, including work in progress:** \$ _____

7. **ADDITIONAL AVAILABLE INFORMATION:**

- | | |
|---|----------------|
| <input type="checkbox"/> Business appraisal | |
| <input type="checkbox"/> Lease | |
| <input type="checkbox"/> Sales tax returns for the years | _____ to _____ |
| <input type="checkbox"/> Federal and state income tax returns for the years | _____ to _____ |
| <input type="checkbox"/> Financial statements for the years | _____ to _____ |
| <input type="checkbox"/> Employment withholding returns for the years | _____ to _____ |

Owner's Initials (____) (____)



Business: _____ Date: _____

8. PREMISES INFORMATION:

A. EXISTING LEASE:

- (1) Current monthly base rent \$ _____. Average CAM* or NNN monthly expenses \$ _____
- (2) Lease term: ☐ Month-to-month ☐ Fixed term ending on _____. ☐ Option(s) (explain) _____
- (3) Lease deposit amount \$ _____
- (4) Lease assumable or assignable ☐ Yes ☐ No
- (5) Rent increases ☐ Yes ☐ No (explain) _____
- (6) Percentage rent ☐ Yes ☐ No (explain) _____
- (7) ☐ Other lease terms (see attached lease agreement)

B. FACILITY:

- (1) Building size (approximate) _____ sq.ft. Lot Size (approximate) _____ sq. ft.
- (2) Building type: ☐ Freestanding, ☐ Strip center, ☐ In line, ☐ In mall (name) _____
- (3) ☐ In major shopping center (name) _____, anchor tenant (name) _____
- (4) ☐ Other _____
- (5) Square footage of Business location _____
- (6) Maximum occupancy (seating) of Business location _____
- (7) Parking: Total number of on-site parking spaces _____ ☐ Number specifically reserved for Business _____
Off-site parking (explain) _____
- (8) Additional building information _____

(9) Landlord _____ Telephone _____

- C. ☐ **REAL PROPERTY:** (If checked) Owner owns the real property on which the Business operates.
Proposed lease terms (explain, or ☐ see attached) _____

9. FINANCIAL INFORMATION FOR THE MOST RECENT YEAR-TO-DATE AND THE PRECEDING THREE YEARS:
or (if checked) ☐ see attached Schedule C:

	YEAR TO DATE	YEAR _____	YEAR _____	YEAR _____
A. Total Sales	\$ _____	\$ _____	\$ _____	\$ _____
B. Cost of Goods Sold	\$ _____	\$ _____	\$ _____	\$ _____
C. Gross Profit	\$ _____	\$ _____	\$ _____	\$ _____
D. Expenses				
Rent	\$ _____	\$ _____	\$ _____	\$ _____
CAM* charges	\$ _____	\$ _____	\$ _____	\$ _____
Utilities	\$ _____	\$ _____	\$ _____	\$ _____
Telephone	\$ _____	\$ _____	\$ _____	\$ _____
Insurance	\$ _____	\$ _____	\$ _____	\$ _____
Repairs	\$ _____	\$ _____	\$ _____	\$ _____
Licenses and Permits	\$ _____	\$ _____	\$ _____	\$ _____
Sales tax	\$ _____	\$ _____	\$ _____	\$ _____
Supplies	\$ _____	\$ _____	\$ _____	\$ _____
Equipment rental	\$ _____	\$ _____	\$ _____	\$ _____
Accounting	\$ _____	\$ _____	\$ _____	\$ _____
Advertising	\$ _____	\$ _____	\$ _____	\$ _____
Payroll	\$ _____	\$ _____	\$ _____	\$ _____
Payroll tax	\$ _____	\$ _____	\$ _____	\$ _____
Workers compensation	\$ _____	\$ _____	\$ _____	\$ _____
Employee benefits	\$ _____	\$ _____	\$ _____	\$ _____
Other _____	\$ _____	\$ _____	\$ _____	\$ _____
Other _____	\$ _____	\$ _____	\$ _____	\$ _____
Other _____	\$ _____	\$ _____	\$ _____	\$ _____
E. Total Expenses	\$ _____	\$ _____	\$ _____	\$ _____
F. Net Profit	\$ _____	\$ _____	\$ _____	\$ _____

*Common Area Maintenance

Owner's Initials (_____) (_____)



Business: _____ Date: _____

10. BUSINESS INFORMATION:

A. FORM OF OWNERSHIP: ☐ Sole Proprietor; ☐ Partnership; ☐ Corporation (type: ☐ S ☐ C);

☐ Limited Liability Company; ☐ Other _____

B. SPECIAL LICENSES: Operation of the Business requires the following licenses or permits:

(1) ☐ City license _____

(2) ☐ State license _____

(3) ☐ ABC license (type: ☐ 41 ☐ 47 ☐ 48 ☐ Other _____)

(4) ☐ Other _____

NOTICE: The transfer of some or all of the licenses required to operate the Business may be subject to regulatory approval. If any licenses are included in the purchase price, their transfer is subject to such approval, if required.

C. FRANCHISE: The Business ☐ is ☐ is not a franchise. Transfer of the Business must be approved by Franchisor: ☐ Yes ☐ No Franchisor's name: _____

Telephone number _____ Transfer fee \$ _____

D. FURNITURE, FIXTURES, MACHINERY AND EQUIPMENT:

(1) Approximate value of machinery \$ _____

(2) Approximate value of furniture, fixtures and other equipment \$ _____

E. OPERATIONS:

(1) Approximate number of employees _____ Full time _____ Part time _____

(2) Number of days open per week _____

(3) Closed on _____

(4) Days and times open _____

(5) Business established _____ Present owner since _____

(6) Reason for sale _____

(7) ☐ Owner operator (number of hours worked per week _____), or ☐ Absentee owner.

11. ☐ CONSULTATION: (If checked) Owner will consider providing a consultation period to buyer.

12. ADDITIONAL PURCHASE TERMS: _____

OWNER REPRESENTS THAT THE BOOKS AND RECORDS PROVIDED BY OWNER ARE THOSE MAINTAINED IN THE ORDINARY AND NORMAL COURSE OF BUSINESS

Owner warrants that Owner has the authority to execute this Statement.

Owner _____ Date _____

By _____ Title _____

Telephone _____ Fax _____ E-mail _____

Owner _____ Date _____

By _____ Title _____

Telephone _____ Fax _____ E-mail _____

BUYER ACKNOWLEDGEMENT: Buyer acknowledges receipt of a copy of the BDS for informational purposes only and not as a part of any agreement between Owner and buyer. Buyer further acknowledges that: (i) the agreement between Owner and buyer supersedes any intention expressed in the BDS and will ultimately determine which items are either included in or excluded from the sale; and (ii) Broker is not responsible for and does not guarantee that the items included or excluded in the BDS will be in the agreement.

Buyer ☒ _____ Date _____

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