



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):

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

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:

- Business appraisal
Lease
Sales tax returns for the years _____ to _____
Federal and state income tax returns for the years _____ to _____
Financial statements for the years _____ to _____
Employment withholding returns for the years _____ to _____

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REVISION DATE 10/01
BDS-11 (PAGE 1 of 3)

Owner acknowledges receipt of a copy of this page.

Owner's Initials (_____) (_____)

Reviewed by
Broker or Designee _____ 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**

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REVISION DATE 10/01
BDS-11 (PAGE 2 of 3)

Owner acknowledges receipt of a copy of this page.
Owner's Initials (_____) (_____)

Reviewed by _____
Broker or Designee _____ Date _____



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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REVISION DATE 10/01
BDS-11 (PAGE 3 of 3)

BDS-11 (PAGE 3 of 3)

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Broker or Designee _____



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