BUSINESS DISCLOSURE REPORT

BUSINESS NAME: Merry's

BUSINESS OWNER/SELLER: David L Kusz

THIS DISCLOSURE REPORT CONCERNS THE REAL ESTATE INTEREST AND/OR THE BUSINESS ASSETS LOCATED AT 5100 W Howard Ave
IN THE _____ (CITY) (VILLAGE) (TOWN) OF Milwaukee, COUNTY OF Milwaukee STATE OF WISCONSIN. THIS REPORT IS A DISCLOSURE OF THE CONDITION OF THAT REAL ESTATE INTEREST AND/OR BUSINESS ASSETS AS OF October (MONTH) 01 (DAY) 2026 (YEAR).

When listing real estate Wis. Admin. Code § REEB 24.07(1)(b) requires licensees to inspect real estate improved by structures and vacant land and to make inquiries of the seller on the condition of the structure, mechanical systems and other relevant aspects of the real estate. The licensee shall request the seller provide a written response to the licensee's inquiry. This Business Disclosure Report helps the licensee fulfill this license law duty.

This is not a warranty of any kind by the owner or any agents representing any party in this transaction and is not a substitute for any inspections, testing or warranties the parties may wish to obtain. This is an optional disclosure report, not required by Wis. Stat. Ch. 709, that gives the business owner selling real estate and/or business assets the opportunity to make disclosures and comment on the condition of the property.

NOTICE TO PARTIES REGARDING ADVICE OR INSPECTIONS

Real estate licensees may not provide advice or opinions concerning whether or not an item is a defect or deficiency for the purposes of this report or concerning the legal rights or obligations of parties to a transaction. The parties may wish to obtain professional advice or inspections of the real estate and business assets and to include appropriate provisions in a contract between them with respect to any advice, inspections, defects, or warranties.

A. OWNER'S INFORMATION

A1. In this form, "aware" means the "owner(s)" have notice or knowledge. "Property" refers to the business real estate and/or business assets, or any part thereof, as applicable (Property).

A2. In this form, "defect" means a condition that would have a significant adverse effect on the value of the Property; that would significantly impair the health or safety of future occupants of the Property; or that if not repaired, removed, or replaced would significantly shorten or adversely affect the expected normal life of the premises. "Deficiency" means an imperfection that materially impairs the worth or utility of an asset other than real estate; makes such asset unusable or significantly harmful; or substantially prevents such asset from functioning or operating as designed or intended.

A3. In this form, "owner" means the person or persons, entity, or organization that owns the above-described Property.

A4. The owner represents that to the best of the owner's knowledge, the responses to the following questions have been accurately checked as "yes," "no," or "not applicable (N/A)" to the Property being sold. If the owner responds to any question with "yes," the owner shall provide an explanation of the reason why the response to the question is "yes" in the area provided following each group of questions.

A5. The owner discloses the following information with the knowledge that, even though this is not a warranty, prospective buyers may rely on this information in deciding whether and on what terms to purchase the Property. The owner hereby authorizes the owner's agents and the agents of any prospective buyer to provide a copy of this report, and to disclose any information in the report, to any person in connection with any actual or anticipated sale of the Property.

CAUTION: The lists of defects or deficiencies following each question below are examples only and are not the only defects or deficiencies that may properly be disclosed in response to each respective question.

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B. STRUCTURAL AND MECHANICAL

		YES	NO	N/A
B1.	Are you aware of defects in the roof? Roof defects may include items such as leakage or significant problems with gutters or eaves.	☐	☒	☐
B2.	Are you aware of defects or deficiencies in the electrical system including fire safety, security and lighting and wiring not in compliance with applicable code?	☐	☒	☐
B3.	Are you aware of defects or deficiencies in part of the plumbing system (including the water heater, water softener, and swimming pool)? Other plumbing system defects may include items such as leaks or defects in pipes, toilets, interior or exterior faucets, bathtubs, showers, or any sprinkler system.	☐	☒	☐
B4.	Are you aware of defects or deficiencies in the heating and air conditioning system on the Property (including the air filters and humidifiers)? Heating and air conditioning defects may include items such as defects in the heating, ventilation and air conditioning (HVAC) equipment, supplemental heaters, ventilating fans or fixtures, or solar collectors, panels and system.	☐	☒	☐
B5.	Are you aware of defects in the Property basement or foundation (including cracks, seepage, and bulges)? Other basement defects may include items such as flooding, defects in drain tiling or sump pumps, or movement, shifting, or deterioration in the foundation.	☐	☒	☐
B6.	Are you aware of defects or deficiencies in any structure or structural component or system on the Property (including walls)? Structural defects with respect to structures or other improvements may include items such as movement, shifting, or deterioration in walls; major cracks or flaws in interior or exterior walls, partitions, or the foundation; wood rot; and significant problems with driveways, sidewalks, patios, decks, fences, waterfront piers or walls, windows, doors, floors, ceilings, stairways, or insulation.	☐	☒	☐
B7.	Are you aware of defects or deficiencies in mechanical equipment or systems on the Property included in the sale?	☐	☒	☐
B8.	Are you aware of rented items located on the Property such as a water softener or other water treatment systems or other rented items affixed to or closely associated with the Property?	☐	☒	☐
B9.	Are you aware of basement, window, or plumbing leaks, overflow from sinks, bathtubs, or sewers, or other ongoing water or moisture intrusions or conditions on the Property?	☐	☒	☐
B10.	Are you aware of defects in a woodburning stove or fireplace or of other defects caused by a fire in a stove or fireplace or elsewhere on the Property? Such defects may include items such as defects in the chimney, fireplace flue, inserts, or other installed fireplace equipment; or woodburning stoves not installed pursuant to applicable code.	☐	☐	☒
B11.	Are you aware of defects related to smoke detectors or carbon monoxide detectors or a violation of applicable state or local smoke detector or carbon monoxide detector laws?	☐	☒	☐
B12.	Explanation of "yes" responses _____			

C. BUSINESS AND COMMERCIAL CONCERNS

		YES	NO	N/A
C1.	Are you aware of any violation of federal, state or local regulations, ordinances, laws or rules; any government agency or court orders requiring repair, alteration or correction of any existing condition; or any potential, threatened or pending claims against the business or its agents or materially affecting the Property?	☐	☒	☐
C2.	Are you aware of a material violation of the Americans with Disabilities Act (ADA) or other state or local laws requiring minimum accessibility for persons with disabilities with regard to the Property? NOTE: A building owner's or tenant's obligations under the ADA may vary dependent upon the financial or other capabilities of the building owner or tenant.	☐	☒	☐
C3.	Are you aware of any material defects or deficiencies in any of the equipment, appliances, business fixtures, fixtures, tools, furniture or other business personal property included in the transaction?	☐	☒	☐

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		YES	NO	N/A
C4.	Are you aware of any encumbrances on the business or the Property, all integral parts thereof, or the assets, except as stated in any schedule attached to this report?	☐	☒	☐
C5.	Are you aware of any litigation, condemnation action, government proceeding or investigation in progress, threatened or in prospect against or related to the business or the Property?	☐	☒	☐
C6.	Are you aware of any right granted to underlying lien holder(s) to accelerate the debtor's obligation by reason of the transfer of ownership of the Property, or any permission to transfer being required and not obtained?	☐	☒	☐
C7.	Are you aware, with regard to the business or the Property, of any unpaid business taxes such as: income; sales; payroll; Social Security; unemployment; or any other employer/employee taxes due and payable or accrued; or any past due debts?	☐	☒	☐
C8.	Are you aware of any material failure of the financial statements, or schedules to the financial statements, to present the true and correct condition of the business as of the date of the statements and schedules or a material change in the financial condition or operations of the business since the date of the last financial statements and schedules provided by owner, except for changes in the ordinary course of business which are not in the aggregate materially adverse?	☐	☒	☐
C9.	Are you aware of any unresolved insurance claims, outstanding lease or contract agreements, back wages, due or claimed, product liability exposure, unpaid insurance premiums, unfair labor practice claims, or unpaid past due debts regarding the business or the Property?	☐	☒	☐
C10.	Are you aware of any other defects affecting the real estate, deficiencies affecting the assets, or conditions or occurrences which would significantly reduce the value of the Property to a reasonable person with knowledge of the nature and scope of the condition or occurrence?	☐	☒	☐

C11. Explanation of "yes" responses _____

D. TAXES, SPECIAL ASSESSMENTS, PERMITS, ETC.

		YES	NO	N/A
D1.	Have you received notice of property tax increases, other than normal annual increases, or are you aware of a completed or pending reassessment of the Property?	☐	☒	☐
D2.	Are you aware that remodeling was done that may increase the Property's assessed value?	☐	☒	☐
D3.	Are you aware of pending special assessments or pending condominium special assessments affecting the Property?	☐	☒	☐
D4.	Are you aware the Property is located within a special purpose district, such as a drainage district, that has the authority to impose assessments against the real property located within the district?	☐	☒	☐
D5.	Are you aware of any proposed, planned or commenced construction of a public project or public improvements that may result in special assessments or materially affect the business or Property or the use of the Property?	☐	☒	☐
D6.	Are you aware of any construction, remodeling, replacements, or repairs affecting the Property or the Property's structure or mechanical systems that were done or additions to this Property made during your period of ownership without the required permits and approvals?	☐	☒	☐
D7.	Are you aware of any land division involving the Property for which a required state or local permit was not obtained?	☐	☒	☐

D8. Explanation of "yes" responses _____

E. LAND USE

		YES	NO	N/A
E1.	Are you aware of any zoning or building code violations with respect to the Property?	☐	☒	☐
E2.	Are you aware of any zoning variance or conditional use permit regarding the Property?	☐	☒	☐

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		YES	NO	N/A
E3.	Are you aware of the property or any portion of the Property being located in a 100-year floodplain, wetland, or shoreland zoning area under local, state, or federal regulations, or of flooding, standing water, or drainage or other water problems affecting the property?	☐	☒	☐
E4.	Are you aware of nonconforming uses of the Property or nonconforming structures on the Property? A nonconforming use is a use of land, a dwelling, or a building that existed lawfully before the current zoning ordinance was enacted or amended, but that does not conform to the use restrictions in the current ordinance.	☐	☒	☐
E5.	Are you aware of conservation easements on the Property? A conservation easement is a legal agreement in which a property owner conveys some of the rights associated with ownership of his or her property to an easement holder such as a governmental unit or a qualified nonprofit organization to protect the natural habitat of fish, wildlife, or plants or a similar ecosystem, preserve areas for outdoor recreation or education, or for similar purposes.	☐	☒	☐
E6.	Are you aware of restrictive covenants, conditions, or deed restrictions on the Property?	☐	☒	☐
E7.	Other than public rights of way, are you aware of nonowners having rights to use part of the Property, including, but not limited to, private rights-of-way and easements other than recorded utility easements?	☐	☒	☐
E8.	Are you aware of the Property being subject to a mitigation plan, required under the Department of Natural Resources administrative rules regarding county shoreland zoning ordinances, that requires the owner to establish or maintain certain measures?	☐	☒	☐
E9.	The use value assessment system values agricultural land based on the income that would be generated from its rental for agricultural use rather than its fair market value. When a person converts agricultural land to a non-agricultural use (e.g., residential or commercial development), that person may owe a conversion charge. For more information visit https://www.revenue.wi.gov/Pages/FAQS/slf-useassmt.aspx or (608) 266-2486.			
	a. Are you aware of all or part of the Property having been assessed as agricultural land under Wis. Stat. § 70.32 (2r) (use value assessment)?	☐	☒	☐
	b. Are you aware of the Property having been assessed a use-value assessment conversion charge relating to this Property? (Wis. Stat. § 74.485 (2))	☐	☒	☐
	c. Are you aware of the payment of a use-value assessment conversion charge having been deferred relating to this Property? (Wis. Stat. § 74.485 (4))	☐	☒	☐
E10.	Is all or part of the Property subject to or in violation of a farmland preservation agreement?	☐	☒	☐
E11.	Is all or part of the Property subject to, enrolled in, or in violation of the Forest Crop Law, Managed Forest Law, the Conservation Reserve Program, or a comparable program?	☐	☒	☐
E12.	Are you aware of a dam totally or partially located on the Property or ownership in a dam not located on the Property that will be transferred with the Property because it is owned collectively by members of a homeowners' association, lake district, or similar group? (If "yes," contact the Wisconsin Department of Natural Resources to find out if dam transfer requirements or agency orders apply.)	☐	☒	☐
E13.	Are you aware of boundary or lot line disputes, encroachments, or encumbrances affecting the Property? Encroachments often involve some type of physical object belonging to one person but partially located on or overlapping on land belonging to another; such as, without limitation, fences, houses, garages, driveways, gardens, and landscaping. Encumbrances include, without limitation, a right or claim of another to a portion of the property or to the use of the property such as a joint driveway, liens, and licenses.	☐	☒	☐
E14.	Are you aware there is not legal access to the Property, or of any proposed road change, road work or change in road access which would materially affect the present use or access to the business or assets?	☐	☒	☐
E15.	Are you aware of federal, state, or local regulations requiring repairs, alterations, or corrections of an existing condition or orders to correct building code violations?	☐	☒	☐
E16.	Are you aware of a pier attached to the Property that is not in compliance with state or local pier regulations? See http://dnr.wi.gov/topic/waterways for more information.	☐	☒	☐
E16m.	Are you aware of a written agreement affecting riparian rights related to the property?	☐	☒	☐
E16n.	Are you aware that the property abuts the bed of a navigable waterway that is owned by a hydroelectric operator?	☐	☒	☐

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Under Wis. Stat. s. 30.132, the owner of a property abutting the bed of a navigable waterway that is owned by a hydroelectric operator, as defined in s. 30.132 (1) (b), may be required to ask the permission of the hydroelectric operator to place a structure on the bed of the waterway.

		YES	NO	N/A
E17.	Are you aware of one or more burial sites or archeological artifacts on the Property? (For information regarding the presence, preservation, and potential disturbance of burial sites, contact the Wisconsin Historical Society at www.wihist.org/burial-information or 800-342-7834).	☐	☒	☐

E18. Explanation of "yes" responses _____

F. ENVIRONMENTAL

		YES	NO	N/A
F1.	Are you aware of the presence of unsafe levels of mold on the Property?	☐	☒	☐
F2.	Are you aware of a defect or deficiency caused by unsafe concentrations of, or unsafe conditions relating to, radon, radium in water supplies, high voltage electric (100 KV or greater) or steel natural gas transmission lines located on but not directly serving the Property or business, lead in paint, lead in soil, pesticides, medical or infectious waste, or other potentially hazardous or toxic substances on the Property, or by previous storage or disposal of such substances on the Property or premises occupied by the business?	☐	☒	☐
F3.	Are you aware of the presence of asbestos or asbestos-containing materials such as vermiculite insulation on the Property?	☐	☒	☐
F4.	Are you aware of the presence of or a defect or deficiency caused by unsafe concentrations of, unsafe conditions relating to, or the storage of hazardous or toxic substances on neighboring properties?	☐	☒	☐
F5.	Are you aware of current or previous termite, powder post beetle, or carpenter ant infestations or defects caused by animal, reptile, or insect infestations?	☐	☒	☐
F6.	Are you aware of water quality issues caused by unsafe concentrations of or unsafe conditions relating to lead?	☐	☒	☐
F7.	Are you aware of the manufacture of methamphetamine or other hazardous or toxic substances on the Property?	☐	☒	☐
F8.	Are you aware of governmental investigation or private assessment/audit (of environmental matters) ever being conducted or material violations of environmental or other laws or agreements regulating the Property, the business or the use of the assets?	☐	☒	☐
F9.	Are you aware of conditions constituting a significant health or safety hazard for occupants, invitees or employees of the business?	☐	☒	☐

F10. Explanation of "yes" responses _____

G. WELLS, SEPTIC SYSTEMS, STORAGE TANKS

		YES	NO	N/A
G1.	Are you aware of defects in a well on the Property or in a well that serves the Property, including unsafe well water? Well defects may include items such as an unused well not properly closed in conformance with state regulations, a well that was not constructed pursuant to state standards or local code, or a well that requires modifications to bring it into compliance with current code specifications. Well water defects might include, but are not limited to, unsafe levels of bacteria (total Coliform and E. coli), nitrate, arsenic, or other substances affecting human consumption safety.	☐	☐	☒
G2.	Are you aware of a joint well serving the Property?	☐	☐	☒
G3.	Are you aware of a defect related to a joint well serving the Property?	☐	☐	☒
G4.	Are you aware that a septic system or other private sanitary disposal system serves the Property?	☐	☒	☐

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		YES	NO	N/A
G5.	Are you aware of defects in the septic system or other private sanitary disposal system on the Property or any out-of-service septic system that serves the Property and that is not closed or abandoned according to applicable regulations? Septic system defects may include items such as backups in toilets or in the basement; exterior ponding, overflows, or backups; or defective or missing baffles.	☐	☒	☐
G6.	Are you aware of underground or aboveground fuel storage tanks on or previously located on the Property? (If "yes," the owner, by law, may have to register the tanks with the Wisconsin Department of Agriculture, Trade and Consumer Protection at P.O. Box 8911, Madison, Wisconsin, 53708, whether the tanks are in use or not. Regulations of the Wisconsin Department of Agriculture, Trade and Consumer Protection may require the closure or removal of unused tanks.)	☐	☒	☐
G7.	Are you aware of defects in the underground or aboveground fuel storage tanks on or previously located on the Property? Defects in underground or aboveground fuel storage tanks may include items such as abandoned tanks not closed in conformance with applicable local, state, and federal law; leaking; corrosion; or failure to meet operating standards.	☐	☒	☐
G8.	Are you aware of an "LP" tank on the Property? (If "yes," specify in the additional information space whether the owner of the Property either owns or leases the tank.)	☐	☒	☐
G9.	Are you aware of defects in an "LP" tank on the Property?	☐	☒	☐
G10.	Explanation of "yes" responses _____			

H. ADDITIONAL INFORMATION

		YES	NO	N/A
H1.	Are you aware of a structure on the Property or occupied by the business that is designated as a historic building or that all or any part of the Property is in a historic district?	☐	☒	☐
H2.	Are you aware of any agreements binding subsequent owners of the Property, such as a lease agreement or an extension of credit from an electric cooperative?	☐	☒	☐
H3.	Have you filed any insurance claims relating to damage to the Property or premises within the last five years?	☐	☒	☐
H4.	Are you aware of material damage to the Property from fire, wind, floods, earthquake, expansive soils, erosion or landslides?	☐	☒	☐
H5.	Are you aware of nearby airports, freeways, railroads or landfills, or significant odor, noise, water intrusion or other irritants emanating from neighboring property?	☐	☒	☐
H6.	Are you aware of any shared usages with respect to the Property such as shared fences, walls, driveways, or signage, or any defect relating to the shared use?	☐	☒	☐
H7.	Are you aware of leased parking serving the Property?	☐	☒	☐
H8.	Are you aware of other defects affecting the Property? Other defects might include items such as drainage easement or grading problems; excessive sliding, settling, earth movements, or upheavals; or any other defect or material condition.	☐	☒	☐
H9.	Is the owner a foreign person, as defined in 26 USC 1445 (f)? (E.g., a nonresident alien individual, foreign corporation, foreign partnership, foreign trust, or foreign estate.) Section 1445 of the Internal Revenue Code (26 USC 1445), also known as the Foreign Investment In Real Property Tax Act or FIRPTA, provides that a transferee (buyer) of a U.S. real property interest must be notified in writing and must withhold tax if the transferor (seller) is a foreign person, unless an exception under FIRPTA applies to the transfer.	☐	☒	☐
H10.	The owner has owned the Property for 2 years.			
H11.	Explanation of "yes" responses _____			

Note: Any sales contract provision requiring inspection of a residential dumbwaiter or elevator must be performed by a state-licensed elevator inspector.

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Notice: You may obtain information about the sex offender registry and persons registered with the registry by contacting the Wisconsin Department of Corrections at http:www.doc.wi.gov or by phone at 608-240-5830.

OWNER'S CERTIFICATION

The owner certifies the information in this report is true and correct to the best of the owner's knowledge as of the date on which the owner signs this report.

Entity Name (if any): Merry J's Inc

Name & Title of Authorized Representative Signing for Entity: _____

Authorized Signature for Entity: _____ Date _____

Owner David Kurz Date 10-1-26

Owner _____ Date _____

Owner _____ Date _____

CERTIFICATION BY PERSON SUPPLYING INFORMATION

A person other than the owner certifies that the person supplied information on which the owner relied for this report and that the information is true and correct to the best of the person's knowledge as of the date on which the person signs this report.

Person _____ Items _____ Date _____

Person _____ Items _____ Date _____

BUYER'S ACKNOWLEDGEMENT

The prospective buyer acknowledges that technical knowledge such as that acquired by professional inspectors may be required to detect certain defects such as the presence of asbestos, building code violations, and floodplain status.

I acknowledge receipt of a copy of this statement.

Entity Name (if any): _____

Name & Title of Authorized Representative Signing for Entity: _____

Authorized Signature for Entity: _____ Date _____

Prospective buyer _____ Date _____

Prospective buyer _____ Date _____

Prospective buyer _____ Date _____

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No representation is made as to the legal validity of any provision or the adequacy of any provision in any specific transaction.
This report form does not satisfy Wis. Stat. chapter 709 which generally applies to transfers of real estate containing 1-4 dwelling units or vacant land.

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