

Sales Agreement Date 10/15/2015  
 Project Number 11108  
 Delivery Date 12/9/2015  
 Job #  
 Customer PO #  
 Customer #

# SALES AGREEMENT



**Customer:** City of Hermosa Beach  
 1315 Valley Drive  
 Hermosa Beach, CA 90254  
 Tel:  
 Email:

Building Information:  
 Make/Model: OSI  
 Serial Number: 61650  
 Size: 36x60

DESCRIPTION	PURCHASE PRICE
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Used Unit# 3660: 36x60 2 OSHA Steps	\$ 93,825.00
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<b>Delivery</b> Delivered to: Michael Garofano 310-376-2479 Hermosa Beach Fire Dept., Bard Street and 11th Place, Hermosa Beach, CA 90254	
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<b>Setup</b> 72 Wood Pads and Metal Piers	\$ 1,956.00
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<b>Additional</b>	
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<p><b>Summary of Project:</b></p> <p><b>Conditions:</b> Customer site must be dried, compacted level and accessible by normal truck delivery. Extra costs for equipment or labor will be the Buyer's responsibility and will be handled by a change order.</p> <p><b>Warranty:</b> Used Building - 90 Day limited warranty on electrical and HVAC</p> <p><b>Exclusions:</b> None</p>	
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THIS AGREEMENT CONTAINS THE ENTIRE UNDERSTANDING BETWEEN BUYER AND SELLER AND NO OTHER REPRESENTATION OR INDUCEMENT, VERBAL OR WRITTEN, HAS BEEN MADE WHICH IS NOT CONTAINED IN THIS AGREEMENT, Buyer and Seller certify that the additional terms and conditions printed on the other side of this agreement are agreed to as a part of this agreement, the same as if printed above the signatures.

<b>SubTotal</b>	\$ 95,781.00
<b>License &amp; Transfer Fees</b>	\$ 456.00
<b>Tax</b>	\$ 8,620.29
<b>Total</b>	\$ 104,857.29

**Payment Terms** Purchase option with no rental charges applied expires 30 days from delivery date.  
 Purchase payment must be paid in full prior to expiration date.

\_\_\_\_\_  
 Authorized Representative Signature Date

## ADDITIONAL TERMS AND CONDITIONS

1. **AGREEMENT** The essence of the contract set forth on the face page of this Agreement is that Pacific Mobile Structures, Inc. ("Seller") agrees to provide and deliver the specified mobile/modular building(s) and related equipment (Property); and, in exchange, Buyer will fulfill the specified payment terms. Seller and Buyer's signatures acknowledge the following terms and conditions have been reviewed and are also part of this Agreement.
2. **PAYMENT FINANCING** Buyer agrees to indicate in writing (under the payment terms on the face page of this Agreement) if Buyer's purchase is subject to financing. Buyer agrees that representing in bad faith or without a reasonable basis that financing is forthcoming from a third-party is deemed a breach of this Agreement and will subject Buyer to the default clause remedies set forth below. If Buyer makes a good faith and reasonable representation but is unable to ultimately obtain third-party financing sufficient to satisfy the payment terms, Buyer agrees that Seller has the option to extend reasonable financing terms and Buyer will be obligated to enter into a retail installment contract and sign a security agreement or other agreement as may be required for Seller to finance Buyer's purchase.
3. **DEFAULT AND REMEDIES** Buyer is in material default and breaches this contract if Buyer: (1) fails or refuses to timely make the agreed upon payments; or, (2) delays the Seller's delivery or services over 30 days; or (3) otherwise fails to satisfy the Agreement terms and conditions. If Buyer defaults, Seller may cancel this contract; and/or repossess its Property; and/or retain a portion of any payments already made by Buyer, sufficient to adequately compensate Seller for expenses or losses caused by Buyer's default. If Seller has canceled the contract, or if Buyer has committed a material breach, then Buyer cannot thereafter claim to be canceling the contract and be entitled to a return of any payments already made by Buyer until Seller has had a reasonable opportunity to account for and deduct any damages (including costs incurred up to the time of cancellation) owed from any payments already made by Buyer. If Buyer has not made any payments or made payments that are insufficient to cover all losses, Seller will take other collection action (including legal). If repossession is necessary, Buyer will be liable for all repossession costs.
4. **SITE CONDITIONS** Buyer/Owner is aware that the delivery site must be dry, compacted level and accessible for industry standard maneuvering by normal mobile/modular truck tow. If the site's condition reasonably prevents delivery, then the extra costs for equipment, labor and down time to remedy the situation are the Buyer/Owner's responsibility and will be addressed by change order.
5. **SCHEDULE; DELAYS; INCREASE IN PRICE AND/OR TIME; STORAGE** Delivery and any setup work will begin and be substantially completed on the dates set forth on the face page of this agreement and/or in an addendum modifying the dates. However, delays may occur due to unforeseen circumstance beyond Seller's control, including, but not limited to: extreme weather conditions; fire; transportation delays; unavoidable accidents or circumstances; unacceptable site conditions; Buyer's acts or omissions. Excusable delays do not subject Seller to penalties or damages. In reasonable instances, Seller may modify the Contract price to reflect additional incurred expenses and/or modify the Schedule to account for delays. If Buyer delays delivery, a pro-rated monthly storage fee at a rate of \$0.20 per square foot of each floor will be assessed. If space is unavailable, Buyer must either transport to an alternative site or Seller will do so unilaterally and pass the expense to Buyer.
6. **CHANGES** Seller may add to or deduct from the amount of work covered by this Agreement, and any changes so made in the amount of work involved, or any other parts of this Agreement, shall be by a written change order hereto setting forth in detail the changes involved and the value thereof which shall be mutually agreed upon between the Seller and the Buyer.
7. **TAXES** Buyer shall be solely responsible for filing the appropriate federal, state and local tax forms, and paying all such taxes or fees, including sales taxes, estimated taxes and employment taxes, due with respect to Buyer's purchase under this Agreement.
8. **TITLE AND RISK OF LOSS** Ownership title to the Property shall pass to Buyer when the purchase price is paid in full. However, Buyer assumes and bears the risk of Property loss the moment the Property is delivered to the Buyer's site. It is Buyer's responsibility to arrange with Buyer's insurance representative adequate and timely insurance coverage. Buyer waives any claims against Seller relating to risk or loss after delivery, even if Buyer's insurance is not yet effective. The sole exception to the above is that any loss caused by Seller's operations during delivery and/or any agreed upon set-up will be covered to the extent it falls within Seller's CGL insurance policy coverage.
9. **INDEMNITY, INSURANCE AND WAIVER OF SUBROGATION** Buyer/Owner shall be responsible for obtaining and maintaining its own liability and property insurance. Seller/Contractor agrees to defend, indemnify and hold harmless Buyer/Owner from claims for bodily injury and property damage caused by Seller's negligence. However, this indemnification is contingent upon Seller's CGL insurer providing coverage and is limited to the amounts paid by Seller's CGL insurer. Buyer/Owner agrees to defend, indemnify and hold harmless Seller/Contractor and its Subcontractors from claims for bodily injury and property damage caused by the negligence of Buyer/Owner and its agents. Buyer/Owner and Seller/Contractor waive all non-trustee rights against each other for damages caused by risks covered by insurance.
10. **WARRANTIES** **Used units are sold "As Is."** Buyer is not relying on any written, oral, implied or other representations, statements or warranties by Seller or any of Seller's affiliates, or any of Seller's respective agents, officers, representatives, or otherwise. Seller specifically makes no representations, express, implied, statutory or otherwise, with respect to the unit being purchased, its current condition, or its fitness or suitability for any particular use or purpose.
11. **DISPUTE RESOLUTION** The parties shall first endeavor to settle disputes through informal direct discussions. If unsuccessful, any party may serve a written Notice requesting resolution that: explains the dispute in detail and provides all supporting evidence; and appoints a senior representative to negotiate the Dispute on its behalf. Buyer must serve such Notice to Seller's corporate office. If unsuccessful, the parties may seek non-binding mediation. Lastly, either party may submit the Dispute to the American Arbitration Association for arbitration.
12. **ATTORNEY FEES; COLLECTION FEES; LIMITATION OF LIABILITY** Seller/Contractor is entitled to recover reasonable pre-judgment and post judgment interest and other collection expenses, including attorney fees, incurred if Buyer/Owner defaults on payments. Except for collection, arbitration or litigation actions, remedies shall be limited to direct out of pocket costs, unless noted otherwise herein.
13. **SAFETY** Buyer/Owner shall assure, insofar as is reasonably possible, safe and healthful site conditions, including, but not limited to: assuring Buyer's site complies with all applicable health, safety and environmental laws; and, assuming supervisory responsibility and function of all non-construction related parties on site during delivery and any set-up. Buyer/Owner shall be solely liable and responsible for any safety violation or deficiency.
14. **GENERAL** This Agreement: (a) contains the entire Agreement between the parties and supersedes any and all other documents or information exchanged; (b) shall not be assigned or transferred in any manner without the prior written consent of the other party; (c) may be modified only in a writing signed by both parties; (d) shall be governed by Washington State law and, if necessary, litigated in Washington State, either, in King, Thurston or Lewis Counties at Seller's discretion; (e) the failure to insist on the performance of any part(s) of this Agreement, or to exercise any rights, shall not be construed as a waiver or relinquishment of such term, covenant or condition or right; and, (f) if any part of this Agreement, its Addendum or other related documents are found to be unenforceable, the remaining parts shall still be in full force and effect. This Agreement may be executed and delivered via facsimile or other electronic means, with the same effect as the original.