

**Special Restrictions
for Affordable Housing
Located at The Homesteads at Teton Village Second Filing**

These Special Restrictions for Affordable Housing (the "Special Restrictions"), are made and entered into this ___ day of _____, 2018, by the undersigned Declarant ("Declarant").

RECITALS:

WHEREAS, Declarant holds fee ownership interest in that certain real property, located in Teton County, Wyoming, Teton County Wyoming, and more specifically described as follows:

Lot ___ of The Homesteads at Teton Village Second Filing, Teton County, Wyoming, according to that plat recorded in the Office of the Teton County Clerk on _____ as Plat No. _____
PIN: _____ (the "Land");

WHEREAS, in furtherance of Teton County's goal of making the purchase of a residential housing unit realistically attainable to qualified, full-time, working, middle-income Teton County residents who will occupy the housing as their primary residence;

WHEREAS, as a condition of its approval of Area Two Planned Unit Development of Teton Village Planned Unit Development District for Planned Resort, as amended (the "RMP"), the Declarant is required to provide a three bedroom Category 3 housing unit on the Land;

WHEREAS, the Income Ranges are defined in the Jackson/Teton County Housing Department Rules and Regulations (Guidelines) formerly known as The Guidelines (defined below) enforced by the Jackson/Teton County Affordable Housing Department (hereafter "Housing Department"), such rules and regulations defined in Section 1 below;

WHEREAS, in furtherance of the goals, objectives, requirements and conditions of the RMP, or other Approval, Declarant agreed to restrict the initial and all subsequent sales and transfers of each Residential Unit, defined below, to a "Qualified Household", which meets employment, income and asset qualifications set forth herein and in the Guidelines;

WHEREAS, a Qualified Household means natural persons meeting the income, asset and all other qualifications at the time of the closing of the purchase of a Residential Unit, and who agree by acceptance of a deed and pursuant to these Special Restrictions to occupy the Residential Unit as their primary place of residence, not to purchase a Residential Unit for speculation or engage in any unpermitted business activity in or at a Residential Unit, or to rent a Residential Unit, and to otherwise comply with the terms and conditions of

these Special Restrictions;

WHEREAS, Declarant desires that the Jackson/Teton County Housing Authority (JTCHA) shall have an option to purchase a Residential Unit in certain circumstances as described herein;

WHEREAS, Declarant desires that the Housing Department shall facilitate the transfer, sale or resale of each Residential Unit to a Qualified Household; and

WHEREAS, Declarant desires that the Land and each individual lot or unit located on the Land (such lot (s) or unit(s) referred to herein as a "Residential Unit" or collectively as "Residential Units," and the Land and the Residential Units collectively referred to herein as the "Property") shall be held, sold, and conveyed in perpetuity subject to these Special Restrictions, which shall be in addition to all other covenants, conditions or restrictions of record affecting the Property, and shall be enforceable by the JTCHA, and/or the Housing Department, and/or by Teton County, Wyoming.

RESTRICTIONS:

NOW, THEREFORE, in satisfaction of the conditions in and consideration of the requirements of the RMP and in further consideration of the foregoing Recitals, which are incorporated herein by this reference, Declarant hereby declares, covenants and agrees for itself and each and every person acquiring ownership of a Residential Unit, that the land and each Residential Unit shall be held, used, occupied, developed, transferred and conveyed subject to the following Special Restrictions in perpetuity.

SECTION 1. HOUSING DEPARTMENT RULES AND REGULATIONS (GUIDELINES).

References made herein to the "Rules and Regulations" are references to the written policies, procedures and regulations of the Housing Department, as the same may be amended, modified or updated from time to time, and which policies and Rules and Regulations are on file with the Housing Department, or otherwise with Teton County, Wyoming, or if there are no such written policies, procedures or regulations (or a written policy, procedure or regulation with respect to a specific matter) then the reference shall be to the current applied policy or procedure of the Housing Department, or its successor (the "Rules and Regulations"). Procedural and administrative matters not otherwise addressed in these Special Restrictions shall be as set forth in the Rules and Regulations.

SECTION 2. PURCHASE BY QUALIFIED HOUSEHOLD ONLY.

- A. Qualified Household. The purchase of each Residential Unit shall be limited to natural persons who meet the definition of a "Qualified Household" at the time of purchase, as defined in the Rules and Regulations, and who further meet the "General Eligibility Criteria for Purchase" as outlined in the Rules and Regulations. Such criteria include, without limitation, a restriction on the use of a Residential Unit, employment eligibility, an income eligibility requirement, and a household asset limitation that meet a minimum of 80% and a maximum of 120% of median

family income as published by the Department of Housing and Urban Development (HUD) annually. Notwithstanding the foregoing, JTCHA may also purchase or own a Residential Unit as further set forth herein.

- B. **Determination of Qualified Household.** The Housing Department shall determine whether a prospective purchaser is a Qualified Household and therefore eligible to purchase a Residential Unit. In addition to any requirements set forth in the Rules and Regulations, such determination shall be based upon written applications, representations, information and verification as are deemed by the Housing Department to be necessary to establish and substantiate eligibility.
- C. **No Legal Action.** No owner of a Residential Unit, prospective purchaser of a Residential Unit, or other party shall have the right to sue or bring other legal process against JTCHA, the Housing Department or any person affiliated with JTCHA or the Housing Department arising out of these Special Restrictions, and JTCHA or the Housing Department shall have no liability to any person aggrieved by the decision of the Housing Department regarding qualification of a prospective purchaser or any other matter relating to these Special Restrictions.

SECTION 3. RESTRICTIONS ON OCCUPANCY, IMPROVEMENT AND USE OF RESIDENTIAL UNITS. In addition to any restrictions included in the Rules and Regulations, occupancy and use of a Residential Unit shall be restricted as follows:

- A. **Occupancy.** Each Residential Unit shall be occupied as the Qualified Household's sole and exclusive primary residence, and each owner of a Residential Unit shall physically reside therein on a fulltime basis, at least ten months out of each calendar year. Except for permitted guests, no persons other than the members of the Qualified Household may occupy the Property;
- B. **Business Activity.** No business activities shall occur at a Residential Unit, other than a home occupation use that is: (i) permitted by applicable zoning; (ii) permitted by the declaration(s) of covenants, conditions and restrictions for the Property as the same may be amended, restated, or supplemented from time to time (the "Declaration"); (iii) permitted by the Rules and Regulations; and (iv) not prohibited by any law, statute, code, rule, ordinance, covenant, or regulation ("Laws") affecting the Property;
- C. **Guests.** No guests shall be permitted to reside in a Residential Unit for periods in excess of thirty (30) cumulative days per calendar year;
- D. **Renting.** No Residential Unit, or any part thereof, including without limitation, the garage, any portion of any structure, or any room within any structure, may be rented or otherwise occupied by persons other than the members of the Qualified Household;
- E. **Occupancy By Person Other Than Owner.** No person shall occupy a Residential

Unit for more than thirty (30) days without concurrent occupancy of the owner;

- F. Maintenance. Each owner shall take good care of the Residential Unit and shall make all repairs and maintain the Residential Unit in a safe, sound, habitable, and good condition and state of repair. In case of damage to a Residential Unit, the owner shall repair the damage or replace or restore any destroyed parts of the Residential Unit, as speedily as practical.
- G. Capital Improvements. The Owner may only undertake capital improvements to the Residential Unit in accordance with the policies set forth in the Rules and Regulations, which policies may include but are not limited to, a limitation on the valuation of such improvements at resale, requirements regarding the advance written approval of such improvements, and documentation of proposed and completed improvements. Prior to undertaking any capital improvement to a Residential Unit, an owner shall contact the Housing Department and may only undertake such improvements, if permitted, in accordance with Housing Department policies and approvals;
- H. Compliance with Laws, Declaration. The Residential Unit shall be occupied in full compliance with all Laws, including without limitation, the Declaration, and all supplements and amendments thereto, and any other rules and regulations of any applicable homeowners association, as the same may be adopted from time to time;
- I. Insurance. Each owner shall keep the Residential Unit continuously insured against "all risks" of physical loss, using Insurance Services Office (ISO) Form HO 00 03, or its equivalent, for the full replacement value of the Residential Unit, either by purchasing such insurance or by the Homeowners Association purchasing such insurance; and
- J. Periodic Reporting, Inspection. In order to confirm compliance with these Special Restrictions, the Rules and Regulations or other covenants, regulations, ordinances, or rules governing the ownership, occupancy, use, development or transfer of a Residential Unit, each owner shall comply with any reporting or inspection requirements as may be requested by the Housing Department from time to time.

Notwithstanding the foregoing, the Housing Department may approve uses inconsistent with this Section in accordance with the Rules and Regulations.

SECTION 4. RESALE AND TRANSFER LIMITATIONS. Each Residential Unit may only be sold or otherwise transferred to a Qualified Household, or JTCHA, except:

- A. Divorce. In the event of the divorce of an owner, the Housing Department may consent to the transfer of a Residential Unit to a spouse of an owner, which spouse may not otherwise qualify as a Qualified Household, only upon receipt of an order

issued by a Court of competent jurisdiction ordering such transfer.

- B. Death. In the event of the death of an owner, the Housing Department may consent to the transfer of a Residential Unit to an heir or devisee of such deceased owner, which heir or devisee may not otherwise qualify as a Qualified Household, only upon receipt of an order issued by a Court of competent jurisdiction ordering such transfer.
- C. Nonqualified Transferee. If title to a Residential Unit vests in a Nonqualified Transferee, as defined in the Rules and Regulations, the Residential Unit shall immediately be listed for sale in accordance with these Special Restrictions and the Rules and Regulations, or in the alternative, JTCHA may exercise its option herein to purchase the Residential Unit. The following shall apply when the Housing Department determines there is a Nonqualified Transferee:
 - 1. A Nonqualified Transferee shall cooperate with the Housing Department to effect the sale, conveyance or transfer of the Residential Unit to a Qualified Household (or JTCHA in the event of its exercise of its option to purchase) and shall execute any and all documents necessary to such sale, conveyance or transfer;
 - 2. A Nonqualified Transferee shall comply with these Special Restrictions, the Rules and Regulations, the Declaration, zoning and all Laws governing the ownership, occupancy, use, development or transfer of the Residential Unit, and further may only occupy the Residential Unit with the prior written consent of the Housing Department.

SECTION 5. SALE OF A RESIDENTIAL UNIT. An owner desiring to sell a Residential Unit shall give written notice to the Housing Department of such desire (the "Notice to Sell"), and after receipt of such notice, the Housing Department shall determine the "Maximum Resale Price," as provided herein and in accordance with the Rules and Regulations. Upon the Housing Department's determination of the Maximum Resale Price, the sale of the Residential Unit shall be facilitated by the Housing Department and shall be completed in accordance with the procedure set forth in the Rules and Regulations, which procedure may include, without limitation: a fee (not to exceed two percent (2%) of the Maximum Resale Price paid to the Housing Department for such facilitation; requirements regarding listing the Residential Unit with the Housing Department and/or a licensed real estate agent, as the Housing Department may direct; standard terms for the sales contract; and procedure for the selection of the purchaser (which selection procedure may include a lottery process). Each purchaser of a Residential Unit shall execute a Buyer's Acknowledgment of Special Restrictions and Option, on a form to be provided by the Housing Department. Notwithstanding the foregoing, upon receipt of notice from an owner of such owner's desire to sell a Residential Unit, JTCHA may purchase such Residential Unit. So long as such owner is not otherwise in default as defined herein, the purchase price in such case shall be the Maximum Resale Price as calculated below and subject to adjustment as

provided herein. If an owner is in default, other provisions of these Special Restrictions may apply in determining the purchase price.

SECTION 6. MAXIMUM RESALE PRICE. To further Teton County, Wyoming's goal of providing affordable housing, a Residential Unit may not be sold for a purchase price in excess of the "Maximum Resale Price". The Maximum Resale Price is the current owner's purchase price plus an increase in price of two and one-half percent (2.5%) per year of ownership compounded annually until such time as the owner of the Property, the Housing Department and Teton County may determine that such percentage should be increased to align with applicable indexes, including but not limited to the CPI Index. The Maximum Resale Price shall be adjusted to include the depreciated cost of pre-approved or government-required capital improvements, plus any other costs allowed by the Housing Department, less any required maintenance and/or repair adjustment, all as more fully described in the Rules and Regulations. Notwithstanding the determination of the Maximum Resale Price, the actual sales proceeds delivered to a selling owner may be reduced to account for restoration or repair of a Residential Unit (including without limitation, replacement of carpets, painting, roof repair, siding maintenance/replacement, etc.) determined necessary in the Housing Department's sole and absolute discretion. Finally, to ensure that the sales price of any Residential Unit is limited to the Maximum Resale Price, no purchaser of a Residential Unit shall assume any obligation of a selling owner, nor shall such purchaser pay or provide to a selling owner any other form of consideration in connection with the sale of the Residential Unit. The calculation of the Maximum Resale Price, as made by the Housing Department, shall be final and binding on all parties.

NOTHING HEREIN SHALL BE CONSTRUED TO CONSTITUTE A REPRESENTATION OR GUARANTY THAT UPON THE RESALE OF A RESIDENTIAL UNIT, THE OWNER SHALL OBTAIN THE ENTIRE MAXIMUM RESALE PRICE.

SECTION 7. DEFAULT. The following shall be considered a default ("Default"):

- A. A violation of any term of these Special Restrictions, Rules and Regulations, the Declaration, or any Laws affecting a Residential Unit.
- B. Failure to pay or default of any other obligations due or to be performed with respect to a Residential Unit which failure to pay or default could result in a lien against a Residential Unit, including without limitation, homeowner dues, property taxes, payment required by a promissory note or mortgage purporting to affect a Residential Unit. An owner shall notify the Housing Department in writing of any notification received from any lender or third party of past due payments or default in payment or other obligations due or to be performed within five calendar days of the owner's notification.
- C. If the Residential Unit is taken by execution or by other process of law, or if the owner is judicially declared bankrupt or insolvent according to law, or if any assignment is made of the property of the owner for the benefit of creditors, or if

a receiver, trustee in involuntary bankruptcy or other similar officer is appointed to take charge of any substantial part of the Residential Unit or the owner's property by a court of competent jurisdiction, or if a petition is filed for the reorganization of the owner under any provisions of the Bankruptcy Act now or hereafter enacted, or if the owner files a petition for such reorganization, or for arrangements under any provision of the Bankruptcy Act now or hereafter enacted and providing a plan for a debtor to settle, satisfy or extend the time for payment of debts; or

- D. Fraud or misrepresentation by a purchaser in its application to the Housing Department whereby the Housing Department determines, in its sole and absolute discretion, that the purchaser of a Residential Unit was not a Qualified Household.

SECTION 8. DEFAULT REMEDIES. In addition to any other remedies the Housing Department may have at law or equity, in the event of a Default, the Housing Department's remedies shall include the following:

A. Purchase Option.

1. JTCHA shall have the option to purchase the Residential Unit for a purchase price equal to the Maximum Resale Price, or the appraised value whichever is less, subject to the Housing Department's ability to limit appreciation as provided in this Section ("Option") and further subject to the Housing Department's ability to reduce proceeds as provided above.
2. If JTCHA desires to exercise its Option, the Housing Department shall provide written notice to the owner of such election. Such notice shall include the purchase price and the timing for the closing of the purchase. JTCHA and the Housing Department shall use reasonable efforts to close the purchase within ninety (90) days of such notice.
3. Upon JTCHA's purchase of the Residential Unit, unless otherwise required by law or statute, all proceeds will be applied in the following order:

FIRST, to the payment of any Qualified Mortgage;

SECOND, to the payment of any unpaid taxes;

THIRD, to assessments, claims and liens on the Residential Unit (not including any mortgage or lien purportedly affecting the Residential Unit which is not a Qualified Mortgage);

FOURTH, to the payment of the closing costs and fees;

FIFTH, to the 2% facilitation fee to the Housing Department;

SIXTH, to the payment of any penalties assessed against the owner by the Housing Department;

SEVENTH, to the repayment to JTCHA or the Housing Department of any monies advanced in connection with a mortgage or other debt with respect to a Residential Unit, or any other payment made by JTCHA on owner's behalf;

EIGHTH, to any repairs needed for the Residential Unit; and

NINTH, any remaining proceeds shall be paid to the owner.

If there are insufficient proceeds to satisfy the foregoing, the owner shall remain personally liable for such deficiency.

- B. **Forced Sale.** The Housing Department may require the owner to sell the Residential Unit in accordance with the resale procedures set forth in these Special Restrictions and the Rules and Regulations. In the event of such a sale, all proceeds will be applied in the following order:

FIRST, to the payment of any Qualified Mortgage;
SECOND, to the payment of any unpaid taxes;
THIRD, to assessments, claims and liens on the Residential Unit (not including any mortgage or lien purportedly affecting the Residential Unit which is not a Qualified Mortgage);
FOURTH, to the payment of the closing costs and fees;
FIFTH, to the 2% facilitation fee to the Housing Department;
SIXTH, to the payment of any penalties assessed against the owner by the Housing Department;
SEVENTH, to the repayment to JTCHA or the Housing Department of any monies advanced by JTCHA in connection with a mortgage or other debt with respect to a Residential Unit, or any other payment made on owner's behalf;
EIGHTH, to any repairs needed for the Residential Unit;
and NINTH, any remaining proceeds shall be paid to the owner.

If there are insufficient proceeds to satisfy the foregoing, the owner shall remain personally liable for such deficiency.

- C. Appointment of Housing Department as Owner's Attorney -in-Fact. In the event of JTCHA's exercise of its Option or election of the Housing Department to require the Residential Unit's sale, the owner hereby irrevocably appoints the then serving Housing Manager of the Housing Department as such owner's attorney-in-fact to effect any such purchase or sale on the owner's behalf (including without limitation the right to cause an inspection of the Residential Unit and make such repairs to the Residential Unit as the Housing Department may reasonably deem necessary), and to execute any and all deeds of conveyance or other instruments necessary to fully effect such purchase or sale and conveyance.
- D. Limitation on Appreciation at Resale. The Housing Department may fix the Maximum Resale Price of a defaulting owner's Residential Unit to the Maximum Resale Price for the Residential Unit as of the date of an owner's Default (or as of such date after the Default as the Housing Department may determine), and in such event, the Maximum Resale Price shall cease thereafter to increase.
- E. Equitable Relief. JTCHA and/or the Housing Department shall have the right of

specific performance of these Special Restrictions and the right to obtain from any court of competent jurisdiction a temporary restraining order, preliminary injunction and permanent injunction to obtain such performance. Any equitable relief provided for herein may be sought singly or in combination with such other remedies as the Housing Department may be entitled to, either pursuant to these Special Restrictions or under the laws of the State of Wyoming.

SECTION 9. QUALIFIED MORTGAGE.

- A. Only a mortgage which is a "Qualified Mortgage" shall be permitted to encumber a Residential Unit. A "Qualified Mortgage" is a mortgage that:
1. the principal amount of such mortgage at purchase does not exceed 96.5% of the purchase price, and thereafter the principal amount of such mortgage, any refinanced mortgage and/or additional mortgages combined do not exceed ninety-five percent 95% of the then current Maximum Resale Price as the same is determined by the Housing Department at the time or times any such mortgage purports to encumber the Residential Unit; and
 2. runs in favor of a "Qualified Mortgagee", defined as:
 - a. An "institutional lender" such as, but not limited to, a federal, state, or local housing finance agency, a bank (including savings and loan association or insured credit union), an insurance company, or any combination of the foregoing, the policies and procedures of which institutional lender are subject to direct governmental supervision; or
 - b. A "community loan fund", or similar non-profit lender to housing projects for income-eligible persons (e.g., is not given to or acquired by any individual person); or
 - c. A non-affiliated, legitimate, "finance company". In no event may such finance company be an individual or any company that is affiliated with or has any affiliation with the owner or any family member of the owner.
- B. Any mortgage, lien or other encumbrance executed or recorded against a Residential Unit that is not a Qualified Mortgage shall:
1. be deemed unsecured; and
 2. only be a personal obligation of an owner and shall not affect or burden, and shall not be enforceable against, such Residential Unit.

Additionally, the execution or recordation of such mortgage, lien or other encumbrance shall be deemed a default hereunder and JTCHA and/or the Housing Department may exercise any and all of its remedies hereunder or otherwise, including without limitation the right of JTCHA to purchase and the Housing Department's right to force a sale.

- C. In the event an owner fails to make timely payment owed or otherwise breaches any of the covenants or agreements made in connection with any mortgage, lien or other encumbrance purporting to affect the Residential Unit, including without limitation a Qualified Mortgage, fails to timely make any other payment required in connection with the Residential Unit, including without limitation homeowner association dues and fees, assessments, payments to contractors, materialmen, or other vendors for work undertaken for which a lien could be filed against the Residential Unit, or declares bankruptcy, JTCHA and/or the Housing Department shall have (in addition to the any other remedies) the right to:
1. Cure such default and assume the payments and other obligations of the owner. In such event, the owner shall be in default of these Special Restrictions, and JTCHA and/or the Housing Department may exercise any and all of its remedies hereunder or otherwise, including without limitation its option to purchase and its right to force a sale. In addition to such remedies, the owner shall also be liable to JTCHA and/or the Housing Department for any amounts advanced.
 2. Acquire the loan from the lender by paying the balance due together with reasonable accrued interest and costs, and JTCHA and/or the Housing Department shall thereafter have the right to foreclose upon the Residential Unit in accordance with the mortgage and other loan documents, or take such other action as JTCHA and/or the Housing Department shall determine.
 3. Purchase the Residential Unit at any foreclosure sale, and in such event, notwithstanding anything to the contrary herein, the Residential Unit shall remain subject to these Special Restrictions.

ANY LENDER BY ENTERING INTO A LOAN TRANSACTION WITH AN OWNER OF A RESIDENTIAL UNIT HEREBY CONSENTS TO THE FOREGOING.

SECTION 10. TERMINATION AND MODIFICATION OF SPECIAL RESTRICTIONS.

- A. Termination by Teton County, Wyoming. These Special Restrictions may be terminated after a determination by Teton County, Wyoming that these Special Restrictions are no longer consistent with the goal of providing affordable housing and that they should therefore be terminated.
- B. Termination Resulting from Foreclosure by a Qualified Mortgagee. These Special Restrictions as applied to a Residential Unit may be terminated by a Qualified

Mortgagee in the event of a lawful foreclosure of the Residential Unit by such Qualified Mortgagee, as follows:

1. The Qualified Mortgagee provided to the Housing Department copies of all notices of intent to foreclose and all other notices related to the foreclosure contemporaneously with its service of such notices upon an owner.
2. Neither JTCHA nor the Housing Department have exercised its rights as provided in Section 9. Qualified Mortgage.
3. Termination may occur only after expiration of all applicable redemption periods and subsequent recordation of a Sheriff's Deed (or other transfer document as approved by the Housing Department in its sole and absolute discretion) conveying title to a purchaser, who is not (i) the owner, (ii) a member of the Qualified Household, (iii) a person affiliated with or related to the owner or any member of the Qualified Household, or (iv) the JTCHA
4. In the event of a foreclosure hereunder, the Qualified Mortgagee shall pay to the Housing Department all proceeds remaining, if any, after payment of the Qualified Mortgage loan amount, interest, penalties and fees, which proceeds would have been payable to the owner of the foreclosed Residential Unit.
5. Notwithstanding the notice requirements to the Housing Department in this Section, if a Qualified Mortgagee has failed to provide the Housing Department copies of all notices of intent to foreclose and all notices related to the foreclosure contemporaneously with its service on an owner, such Qualified Mortgagee, prior to foreclosing on the Residential Unit, shall provide the Housing Department with notice of its intent to foreclose ("Mortgagee Notice to the Housing Department"). The Mortgagee Notice to the Housing Department shall include all information relevant to the owner's default and the actions necessary to cure such default. The Housing Department shall have forty-five (45) days from the date of the Mortgagee Notice to the Housing Department to exercise its rights under Section 9, Qualified Mortgage. If the Housing Department fails to exercise its rights within such 45-day period, the Qualified Mortgagee may foreclose on the Residential Unit as provided herein.

Nothing herein shall limit or restrict an owner's right of statutory redemption, in which event, if an owner redeems, these Special Restrictions shall remain in full force and effect. **Notwithstanding the foregoing and for purposes of clarity, any termination of these Special Restrictions will not impact or void the Declarant's satisfaction of its requirement under the RMP to provide a three bedroom Category 3 unit, which obligation was met as of the date of recording of these Special Restrictions.**

C. Amendment. These Special Restrictions may be amended, in whole or in part, as follows:

1. With the written consent of both the owner of a Residential Unit and the Housing Department.
2. The Housing Department may unilaterally amend these Special Restrictions to provide clarification (i) to any provisions hereto which may be unclear or subject to differing interpretations, (ii) to correct any errors identified herein or (iii) where the Housing Department deems such modification necessary to effectuate the purposes and intent of the Special Restrictions, and where such modification does not, in the Housing Department's reasonable discretion, materially impair the owner or the lender's rights..

SECTION 11. SPECIAL RESTRICTIONS AS COVENANT. These Special Restrictions shall constitute covenants running with the Property and each Residential Unit, as a burden thereon, and shall be binding on all parties having any right, title, or interest in the Property, a Residential Unit, or any part thereof, their heirs, devisees, successors and assigns, and shall inure to the benefit of and shall be enforceable by JTCHA, the Housing Department and/or the Town of Jackson.

SECTION 12. NOTICES. Any notice, consent or approval which is required to be given hereunder to an owner shall be in writing and shall be deemed given by mailing the same, certified mail, return receipt requested, properly addressed and with postage fully prepaid to the owner's mailing address on such owner's Buyer's Acknowledgement or such address as is on record with the Teton County Assessor. Any notice which is required to be given hereunder to the Housing Department shall be given by mailing the same, certified mail, return receipt requested, properly addressed and with postage fully prepaid to JTC Housing Department, P.O. Box 714, Jackson, WY 83001. Alternatively, notice may be hand delivered, but any such hand delivery shall require a signed receipt from the owner or Housing Department staff respectively, evidencing the same. Failure of either party to pick up and/or sign for a certified mailing does not constitute failure to provide notice provided it was properly addressed and evidence of that mailing is retained. In the event of mailing, notice shall be deemed given when deposited in the U.S. Mail.

SECTION 13. ATTORNEY'S FEES. In the event any party shall be required to retain counsel and file suit for the purpose of enforcing the terms and conditions of these Special Restrictions, the prevailing party shall be entitled to recover, in addition to any other relief recovered, a reasonable sum as determined by the court for attorney's fees and costs of litigation.

SECTION 14. CHOICE OF LAW, FORUM,. These Special Restrictions and each and every related document, are to be governed by and construed in accordance with the laws of the State of Wyoming. The parties agree that the appropriate court in Teton County, Wyoming and/or the Ninth Judicial District for the State of Wyoming shall have sole and

exclusive jurisdiction over any dispute, claim, or controversy which may arise involving these Special Restrictions or its subject matter.

SECTION 15. SEVERABILITY. Each provision of these Special Restrictions and any other related document shall be interpreted in such a manner as to be valid under applicable law; but, if any provision, or any portion thereof, of any of the foregoing shall be invalid or prohibited under said applicable law, such provision shall be deemed modified to the extent necessary and possible to render it valid and enforceable, or if such modification is not possible, such provision shall be ineffective to the extent of such invalidity or prohibition without invalidating the remaining provision(s) of such document.

SECTION 16. SECTION HEADINGS. Paragraph or section headings within these Special Restrictions are inserted solely for convenience or reference, and are not intended to, and shall not govern, limit or aid in the construction of any terms or provisions contained herein.

SECTION 17. WAIVER. No claim of waiver, consent or acquiescence with respect to any provision of these Special Restrictions shall be valid against any party hereto except on the basis of a written instrument executed by the parties to these Special Restrictions. However, the party for whose benefit a condition is inserted herein shall have the unilateral right to waive such condition.

SECTION 18. INDEMNIFICATION. Each owner shall indemnify, defend, and hold Declarant and JTCHA and its directors, officers, agents and employees, as well as the Housing Department and its employees harmless against any and all loss, liability, claim, or cost (including reasonable attorneys' fees and expenses) for damage or injury to persons or property from any cause whatsoever on or about the Property or a Residential Unit, or for an owner's breach of any provision of these Special Restrictions. Each owner waives any and all such claims against Declarant, JTCHA and/or the Housing Department; provided, however, that the Housing Department shall remain liable for damage or injury due to the grossly negligent acts or omissions, or willful or wanton misconduct of the Housing Department or its agents and employees.

SECTION 19. SUCCESSORS AND ASSIGNS. These Special Restrictions shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors, heirs, devisees, administrators and assigns.

SECTION 20. SOVEREIGN IMMUNITY. Neither Teton County, Wyoming, JTCHA, or the Housing Department waives governmental immunity by executing these Special Restrictions and each specifically retain immunity and all defenses available to either of them as sovereigns pursuant to Wyo. Stat. ' 1-39-104(a) and any other applicable law.

IN WITNESS WHEREOF, the Declarant has executed this instrument on the _____ day of _____, 20__ (the "Effective Date").

DECLARANT:

Lodges at Fish Creek, LLC
a Wyoming limited liability company

By: John L. Resor
Its: Manager

STATE OF WYOMING)
) ss.
COUNTY OF TETON)

On the _____ day of _____, 201____, the foregoing Special Restrictions for Affordable Housing was acknowledged before me by John L. Resor, as Manager of Lodges at Fish Creek, LLC., a Wyoming limited liability company.

Witness my hand and official seal.

(Seal)

Notary Public

TETON COUNTY HOUSING AUTHORITY

Chair Attest:

_____, Secretary

STATE OF WYOMING)
) ss.
COUNTY OF TETON)

On the [Click here to enter day.](#) day of [Click here to enter month.](#), 20[Click here to enter year](#), the foregoing Special Restrictions for Affordable Housing was acknowledged before me by _____ and _____.

Witness my hand and official seal.

(Seal)

Notary Public

Affirmed:

TETON COUNTY BOARD OF COUNTY COMMISSIONERS:

[Click here to enter name of Chair.](#), Chair

ATTEST

[Click here to enter name of Clerk](#), County Clerk