

**Special Restrictions
for Rental Workforce Housing
Located at
_____ (Either Town of Jackson or Teton
County)**

These Special Restrictions for Rental Workforce Housing located at _____
_____, Lot ___, is made this ___ day of _____, 20__ (the
"Effective Date"), by the undersigned Declarant ("Declarant").

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

Lot [insert lot # of land], [insert name of subdivision] Addition to the Town of Jackson, according to that plat recorded in the Office of the Teton County Clerk on [insert date of plat] as Plat No. [insert plat number].

PIN: [insert property identification number] (the "Residential Unit");

WHEREAS, the Residential Unit is a Rental Workforce Housing unit;

WHEREAS, as a condition of its Final Development Plan Approval (_____), dated _____, 20__ for the _____ to the (Either Town of Jackson or Teton County) (the "FDP Approval"), the Declarant agreed to dedicate _____ condominium units as Rental Workforce Housing units to be rented to households who work in Teton County and will occupy the units as their sole primary residences (the "____ Units");

WHEREAS, in furtherance of the goals, objectives, requirements and conditions of the FDP Approval, and consistent with the (Either Town of Jackson or Teton County)'s goals of providing decent, safe, sanitary and affordable housing to qualified employees working in Teton County, Declarant has agreed to restrict the use and occupancy of the ____ Units to "Qualified Households", and to limit the permitted increases in the rental amount of the ____ Units;

WHEREAS, a "Qualified Household" means natural persons meeting the employment, income and real estate ownership qualifications at the time of occupancy of the Residential Unit and during the course of such occupation;

WHEREAS, the determination of the whether a household is qualified to rent the Residential Unit is determined by the Jackson/Teton County Housing Authority, a duly constituted Housing Authority pursuant to W.S. §15-10-116, as amended, and its successors or assigns (collectively, "JTCHA") and or the Jackson/Teton County Affordable Housing Department ("Housing Department");

WHEREAS, the (Either Town of Jackson or Teton County) permits an owner of a Rental Workforce Housing Unit to change the use of the unit from Rental Workforce Housing to Ownership Workforce Housing, so that the Unit may be owner-occupied (so long as such owner can qualify as a "Qualified Household") and in such case these Special Restrictions shall be amended and restated in their entirety to reflect such change;

WHEREAS, Declarant desires that JTCHA shall have an option to purchase a Residential Unit upon sale by owner, along with such other rights in the event of a breach of these Special Restrictions, all as described herein and in the Housing Rules and Regulations (defined below); and

WHEREAS, consistent with the foregoing, Declarant desires to adopt these Special Restrictions and declare that the Residential Unit, also sometimes referred to herein as the "Unit", shall be held, sold, occupied and conveyed in perpetuity subject to these Special Restrictions, which Special Restrictions shall be in addition to all other covenants, conditions or restrictions of record affecting the Unit, and shall be enforceable by JTCHA, Jackson/Teton County Affordable Housing Department (the "Housing Department"), or by the (Either Town of Jackson or Teton County);

RESTRICTIONS:

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

SECTION 1. HOUSING RULES AND REGULATIONS (GUIDELINES). References made herein to the "Housing Rules and Regulations" are references to the written policies, procedures and guidelines of JTCHA and/or the Housing_Department, as the same may be amended, modified, or updated from time to time and which policies, procedures and guidelines are on file with Housing Department or otherwise with the (Either Town of Jackson or Teton County), or if there are no such written policies, procedures or guidelines (or a written policy, procedure or guideline with respect to a specific matter) then the reference shall be to the current applied policy or policies of JTCHA or the Housing

Department or its successor (the "Housing Rules and Regulations"). Procedural and administrative matters not otherwise addressed in these Special Restrictions shall be as set forth in the Housing Rules and Regulations.

SECTION 2. OCCUPANCY BY QUALIFIED HOUSEHOLD.

- A. Qualified Household. The use and occupancy of the Residential Unit shall be limited to natural persons who meet the definition of a Qualified Household for Workforce Housing, as set forth below and as may be further detailed in the Housing Rules and Regulations ("Qualified Household").
1. Employment Requirement. At least one member of the Qualified Household must maintain an average of thirty (30) hours per week employment on an annual basis, or a minimum of one thousand five hundred and sixty (1,560) hours per year, from a local business, and the entire Qualified Household must earn at least seventy-five percent (75%) of the Household's income from a local business, all as may be further set forth in the Housing Rules and Regulations. A "local business" shall mean a business physically located within Teton County, Wyoming, serving clients and customers locally, holding a business license with the Town of Jackson or one that can provide other verification of business status physically located in Teton County, Wyoming).
 2. Sole Residence Requirement. No member of the Qualified Household may own or have any interest (whether direct, indirect or beneficial) in whole or in part in any other residential real estate within one hundred fifty (150) miles of Teton County, Wyoming.
 3. Determination by the Housing Department. The Housing Department shall determine whether a prospective renter is a Qualified Household. In addition to any requirements set forth in the Housing 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.
 4. Continuing Obligation to Remain a Qualified Household. The occupants of the Residential Unit shall satisfy the definition of a Qualified Household at all times during the occupancy of the Residential Unit.
- B. No Legal Action. No owner of the Residential Unit, prospective purchaser of the Residential Unit, renter or occupant, or other party shall have the right to sue or bring other legal process against JTCHA, the Housing Department, or the (Either Town of Jackson or Teton County) or any person affiliated with JTCHA, Housing Department, or the (Either Town of Jackson or Teton County) arising out of these Special Restrictions, and neither shall JTCHA, Housing Department or the (Either Town of Jackson or Teton County) have any liability to any person aggrieved by

the decision of JTCHA or the Housing Department regarding qualification of a Qualified Household or any other matter relating to these Special Restrictions.

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

- A. Rental Unit. Except as provided herein, the Residential Unit shall remain a rental unit for Qualified Households. The owner of the Residential Unit shall provide to the Housing Department at least annually, as well as each time the Residential Unit is proposed to be rented, written verification of the tenant's income, asset ownership, and employment in Teton County. The owner shall provide or shall cause the tenant (existing or proposed) such information as the Housing Department may require for it to qualify such tenant at the time of or during the rental term, as a Qualified Household.
- B. Rental Term. The Residential Unit shall be offered for rent in periods of not less than three (3) months and not more than three (3) years. The Residential Unit shall not be used as a guest house or guest facility.
- C. Rental Rates. The initial rental rate for the Residential Unit shall be _____ dollars (\$_____.00) per month. The rental rate shall include basic utilities (heat, gas, electricity, water, and sewer). The initial rate may not be increased by more than two percent (2%) annually. Notwithstanding the foregoing, the rental rate charged by the owner may be less than the above calculated rates.
- D. Preference. The owner of the Unit, at such owner's option, may give first priority to rent the Residential Unit to an employee of owner, so long as such employee can qualify as a Qualified Household.
- E. Vacancies. The Residential Unit may be vacant intermittently between tenancies to allow for proper verification, advertisement for Qualified Households and reasonable maintenance. However, the Residential Unit shall not be vacant for a period greater than sixty (60) days, unless authorized by the Housing Department. If the Residential Unit remains vacant for more than sixty (60) days without approval, then the Housing Department shall have the right, but not the obligation, to identify a Qualified Household to rent the Unit. Anything herein notwithstanding, the owner shall have the right to deny occupancy to any proposed tenant who in such owner's reasonable discretion does not meet the owner's standard for occupancy, so long as such denial does not violate Federal or state fair housing laws.

- F. Occupancy by Qualified Household. The Residential Unit may only be occupied by a Qualified Household, shall be such Qualified Household's sole and exclusive primary residence, and shall physically occupy it on a full-time basis, at least ten months out of each calendar year; Except for permitted guests, no person other than those who comprise the Qualified Household may occupy the Unit, provided that such requirement does not violate Federal or state fair housing laws;
- G. No Owner Occupancy. Except with the advance written consent of the Housing Department, which consent may be withheld, conditioned or delayed in its sole and absolute discretion, no owner shall reside in or occupy the Residential Unit. For purposes of this paragraph, if an owner is an entity (including without limitation, a partnership, limited partnership, limited liability company, corporation, association, or other) or a trust, this prohibition on owner-occupancy shall extend to any partner, member, shareholder, other principal or owner of the entity, or trustee or beneficiary of the trust.
- H. Business Activity. No business activities shall occur at the Residential Unit, other than a home occupation use that is: (i) permitted by applicable zoning; (ii) permitted by any 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 Housing Rules and Regulations, and (iv) not prohibited by any law, statute, code, rule, ordinance, covenant or regulation ("Laws") affecting the Property;
- I. Guests. No persons other than those comprising the Qualified Household shall be permitted to occupy the Residential Unit for periods in excess of thirty (30) cumulative days per calendar year;
- J. Maintenance. The owner shall take good care of the interior of the Residential Unit and all other aspects of the Residential Unit not otherwise maintained by a homeowners association 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 the Residential Unit, the owner shall repair the damage or replace or restore any destroyed parts of the Residential Unit, as speedily as practical; In the event the owner fails to maintain the Residential Unit in a safe, decent and sanitary condition and such condition continues for fourteen (14) days after notice from the Housing Department, the Housing Department shall have the right but not the obligation to repair such condition and the owner shall reimburse the Housing Department for such reasonable repair costs. Payment to the Housing Department from the owner shall be due upon receipt of invoice;

- K. Insurance. The owner shall, keep the Residential Unit continuously insured against "all risks" of physical loss (not otherwise covered by a homeowners association insurance), for the full replacement value of the Residential Unit; and
- L. 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; and
- M. Periodic Reporting, Inspection. In order to confirm compliance with these Special Restrictions, the owner shall comply, and shall cause all occupants to comply, with any reporting or inspection requirements as set forth herein and as may be required by the Housing Department from time to time. Upon reasonable notice to owner, the Housing Department shall have the right to inspect the Residential Unit from time to time to determine compliance with these Special Restrictions and to review the written records required to be maintained by owner. Owner shall maintain such records for a period of two (2) years.

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

SECTION 4. SALE OF THE RESIDENTIAL UNIT. The Residential Unit may be bought and sold as the then owner may determine except that all reporting and record-keeping required herein shall be continuous and any new owner shall obtain the required records from the prior owner. Within ten (10) days prior to the closing of the sale or other transfer of the Unit, the then owner shall notify the Housing Department of the pending sale or transfer and after the close of transfer the new owner shall notify the Housing Department of their contact information (including without limitation, mailing address, phone number and email).

SECTION 5. DEFAULT. The following shall be considered a default ("Default"):

- A. Failure at any time of the occupants of the Residential Unit to qualify as a Qualified Household.
- B. A violation of any term of these Special Restrictions, the Housing Rules and Regulations, the Declaration, or any Laws affecting the Residential Unit.

In the event the Housing Department believes there to be a Default, the Housing Manager of the Housing Department shall send written notice to the owner informing the owner of the Default and the required action to cure. If the owner disputes the Housing

Department's decision, the owner shall proceed in accordance with the Housing Rules and Regulations.

SECTION 6. DEFAULT REMEDIES. In addition to any other remedies JTCHA and/or the Housing Department may have at law or equity, in the event of a Default, JTCHA's and/or the Housing Department's remedies shall include, without limitation, the following:

- A. Purchase Option; Forced Sale. In order to ensure the Residential Unit remains in use for rental housing purposes to Qualified Households, in the event of a default, JTCHA shall have an option to purchase the Unit ("Option"), or the Housing Department will have the right to require the owner to sell the Unit("Forced Sale"), as follows:
 - 1. If JTCHA determines to exercise its Option or the Housing Department determines to require the Forced Sale of the Unit, the Housing Department shall provide written notice to the owner. The notice shall include whether JTCHA is exercising its Option or the Housing Department is requiring the Forced Sale (collectively, the "Default Transfer"). Such notice shall include the purchase price and the timing for the closing of the Default Transfer.
 - 2. The purchase price shall be the Unit's appraised value. The Housing Department shall have reasonable access to the Unit for purposes of the appraisal. The cost of the appraisal along with any other costs incurred by the Housing Department in association with the purchase shall be charged against the sale proceeds.
 - 3. JTCHA and/or the Housing Department shall use reasonable efforts to cause the Default Transfer to close within ninety (90) days of the notice.
- B. Appointment of the Housing Department as Owner's Attorney-in-Fact. In the event of JTCHA's exercise of its Option or the Housing Department elects to require the Forced Sale, the owner hereby irrevocably appoints the then serving Housing Manager as such owner's attorney-in-fact to effect any such purchase or sale on the owner's behalf and to execute any and all deeds of conveyance or other instruments necessary to fully effect such purchase or sale and conveyance.
- C. 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 JTCHA and/or the Housing Department may be entitled to, either pursuant to these Special Restrictions or under the laws of the State of Wyoming.

SECTION 7. TERMINATION AND MODIFICATION OF SPECIAL RESTRICTIONS.

- A. Termination by the (Either Town of Jackson or Teton County). These Special Restrictions may be terminated after a determination by the (Either Town of Jackson or Teton County) that these Special Restrictions are no longer consistent with the Town's goals for workforce housing and that they should therefore be terminated.
- B. Termination and Restatement on Sale to Qualified Household. The Residential Unit may be converted from a Rental Workforce Unit to an Owner Workforce Residential Unit. If an owner desires to so convert the Residential Unit, the owner shall obtain approval from the (Either Town of Jackson or Teton County) and then the Housing Department and the owner, shall restate in their entirety these Special Restrictions, replacing such Special Restrictions with Special Restrictions for Ownership Workforce Housing, which Special Restrictions shall include without limitation that the owner of the Residential Unit be a Qualified Household as determined by the Housing Department, as well as such other requirements as the Housing Department and/or the JTCHA may require. The right to convert the Rental Workforce Housing Residential Unit into an Ownership Workforce Housing Residential Unit may only be exercised once and upon such exercise no owner shall be permitted to convert the Ownership Workforce Housing Residential Unit back to a Rental Workforce Housing Residential Unit.
- D. Amendment. These Special Restrictions may be amended, in whole or in part, as follows:
1. With the written consent of the owner of the Residential Unit and Housing Department.
 2. The Housing Department may unilaterally modify these Special Restrictions (i) to provide clarification 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 or the goals of the (Either Town of Jackson or Teton County) in providing decent, safe and affordable housing, and where such modification does not, in the Housing Department's reasonable discretion, materially impair the owner rights.

SECTION 8. SPECIAL RESTRICTIONS AS COVENANT. These Special Restrictions shall constitute covenants running with the Residential Unit, as a burden thereon, and shall be binding on all parties having any right, title, or interest in the 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 the (Either Town of Jackson or Teton County).

SECTION 9. 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 JTCHA or the Housing Department shall be given by mailing the same, certified mail, return receipt requested, properly addressed and with postage fully prepaid to JTCHA, 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 the Housing Manager of the Housing Department, 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 10. 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 11. 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 12. 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 13. 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 14. 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 15. INDEMNIFICATION. The owner shall indemnify, defend, and hold the JTCHA, the Housing Department and the (Either Town of Jackson or Teton County), and its directors, officers, agents and 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 Residential Unit, or for an owner's breach of any provision of these Special Restrictions. The owner waives any and all such claims against JTCHA, the Housing Department and the (Either Town of Jackson or Teton County).

SECTION 16. 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 17. SOVEREIGN IMMUNITY. Neither the (Either Town of Jackson or Teton County), nor JTCHA waives governmental immunity by executing these Special Restrictions and specifically retain immunity and all defenses available to them as sovereigns pursuant to Wyo. Stat. § 1-39-104(a) and any other applicable law.

IN WITNESS WHEREOF, the undersigned have executed this instrument as of the Effective Date.

Declarant:

STATE OF WYOMING)
) ss.
COUNTY OF TETON)

On the _____ day of _____, 20__, the foregoing instrument was acknowledged before me by _____, as _____, of _____.

Witness my hand and official seal.

(Seal)

Notary Public
My commission expires:

(EITHER TOWN OF JACKSON OR TETON COUNTY)

Mayor or Chair

STATE OF WYOMING)
) ss.
COUNTY OF TETON)

On the _____ day of _____, 20__, the foregoing instrument was acknowledged before me by _____ as Mayor or Chair, of the (Either Town of Jackson or Teton County), Wyoming.

Witness my hand and official seal.

(Seal)

Notary Public
My commission expires:

Approved as to form:

JACKSON/TETON COUNTY AFFORDABLE HOUSING DEPARTMENT:

Stacy A. Stoker, Housing Manager

STATE OF WYOMING)
) ss.
COUNTY OF TETON)

On the ____ day of _____, 20__, the foregoing instrument was acknowledged before me by Stacy A. Stoker, as Housing Manager of the Jackson/Teton County Affordable Housing Department.

Witness my hand and official seal.

(Seal)

Notary Public
My commission expires: