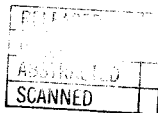


**SPECIAL RESTRICTIONS
FOR
WILSON MEADOWS SUBDIVISION**
(Attainable Housing Lots)



KNOW ALL MEN BY THESE PRESENTS that the undersigned Declarant, as owner of Lots 47 - 64 of Wilson Meadows Subdivision, according to that plat recorded in the Office of the Clerk of Teton County, Wyoming, adopts these special restrictions (the "Special Restrictions") and hereby declares that all of the properties described above shall be held, sold, and conveyed subject to the following restrictions, covenants, and conditions affecting all dwellings, appurtenances, and improvements, upon each lot described (hereinafter referred to individually as a "Lot") and shall be in addition to all other covenants, conditions or restrictions of record effecting such Lot, and shall be enforceable by the TETON COUNTY HOUSING AUTHORITY, a duly constituted Housing Authority established by Teton County, Wyoming pursuant to W. S. §15-10-116, as amended, (hereinafter referred to as "TCHA"), and by TETON COUNTY, WYOMING.

RECITALS:

WHEREAS, Grantor, as a condition of its subdivision and development approval for the Wilson Meadows subdivision by Teton County, agreed to restrict the purchase, use and transfer of each Lot so as to accomplish the County's goal of making the purchase of the Lot realistically attainable to full-time working, middle income, residents of the County who will occupy the dwelling thereon as their primary residence and not for unauthorized rental or speculation; and

WHEREAS, Grantor agreed, as a condition to subdivision approval, to restrict the initial and subsequent purchase and transfer of each Lot to "Qualified Buyers," as that term is defined in these Special Restrictions, who fall within the employment, asset, and income guidelines as maintained by the TCHA from time to time; and

WHEREAS, "Qualified Buyers" are natural persons meeting the income, asset and all other qualifications as set forth herein at the time of the closing of the sale from Declarant to the Qualified Buyer, and who agree pursuant to these Special Restrictions to occupy the Lot as their primary place of residence, not to purchase the Lot for speculation or engage in any unpermitted business activity on the Lot, or to rent the dwellings in violation hereof, and to otherwise comply with the terms and conditions of these Special Restrictions; and

NOW, THEREFORE, Declarant, in consideration of the approval of such subdivision, covenants and agrees for itself and each and every person acquiring ownership of such Lot, the following special covenants, conditions and deed restrictions;

1. Purchase by Qualified Buyers only. The purchase of each Lot shall be limited exclusively to natural persons who meet the following definition of "Qualified Buyers" at the time of the sale:

a. County employment requirement. One of the purchasing occupants is a person who is currently employed in Teton County on substantially a full-time basis (at least 9 months each year) or has been engaged to be employed on substantially a full-time basis in Teton County in the immediate future. In the event there is more than one prospective Qualified Buyer, preference shall be given, first, to persons working in Teton

Grantor: LAZY J A LIMITED LIABILITY*
Grantee: THE PUBLIC
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By JULIE HOBBS Deputy

County for more than 4 years; second, to those employed 2 to 4 years and, third, to those working less than 2 years in Teton County.

b. Sole residence requirement. Except in those cases where a Lot has not yet been improved with a dwelling, the buyer may not own any other full time residence.

c. Income eligibility requirement. The individual person, and their spouse or such other persons comprising the household buying or occupying the Lot, shall have combined stablized incomes no greater than 175% of the HUD "Area Median Income" for Teton County.

d. Household asset limitation. The individual person, and their spouse or such other persons comprising the household buying or occupying the Lot, shall have combined net assets having a fair market value no greater than the maximum value set forth herein. "Net assets" are defined as total assets minus liabilities, but shall not include funds in a qualified retirement fund. The initial maximum amount of net assets is \$200,000 at the time of recordation of this instrument; however such amount shall be adjusted by the amount of the change in the CPI-U, Denver - Boulder, Colorado, as published by the U.S. Dept. of Labor, to reflect inflation.

The Director of the Teton County Housing Authority shall be the party that determines whether a buyer is eligible to be a Qualified buyer, as defined above. Such determination shall be based upon such written applications, representations, information and verification as are deemed by its Director to be reasonably necessary under the circumstances to establish and substantiate legitimate eligibility. In the absence of fraud or misrepresentation, the written statement signed by such Director shall be conclusive evidence of a purchaser being a Qualified Buyer for purposes of these Restrictions. No prospective buyer or other party shall have the right to sue or bring other legal process against Declarant, Teton County, TCHA or any person affiliated with any of them arising out of this instrument, and none of said parties shall have any liability whatsoever to any person aggrieved by the decision of the Director regarding qualification of a prospective purchaser or any other matter relating to this agreement.

The foregoing restrictions on the qualification of a purchaser have relevance only at the time of acquisition of a Lot and, once determined to have been a Qualified Buyer, any changes in the employment, income or net assets of the Owner of a Lot after the purchase of a Lot shall have no force effect upon the Owner's continued ownership of such Lot.

2. Owner restriction on use of property. An owner of any affected Lot ("Owner"), in connection with the use of any Lot, shall:

a) construct a single family dwelling upon the lot within three (3) years after acquisition (with one year extension for good cause), if not already constructed;

b) occupy the dwelling on the Lot as his or her sole and exclusive primary residence (at least 9 months out of each year) during the time that such unit is owned, except in cases of illness, leaves of absence for education or training, or other exigent circumstances with the reasonable approval of TCHA;

c) not engage in any business activity in such dwelling, other than any home occupation use permitted in that zoning district and subject to the issuance of the necessary permits;

d) not rent permit any use or occupancy of such dwelling except

in compliance with these Special Restrictions.

3. Prohibition on rental of dwelling. No Owner of any Lot may rent the dwelling for any period of time; provided, however, that the Owner may rent a room of the dwelling, so long as the Owner also resides in the dwelling on a substantially full-time basis.

4. Resale of Lot limited to Qualified Buyers. So long as the restrictions contained herein remain in effect, no Lot may be sold or otherwise transferred to anyone who is not a Qualified Buyer at the time of sale or transfer; provided that, in the case of the death of an Owner, such Owner's interest may be passed, by right of survivorship, descent or distribution under a will, to the co-Owner, heirs, successors, devisees or beneficiaries of such deceased Owner, subject to the ongoing effectiveness of the provisions of these Restrictions. Any other purported sale, transfer, or other disposition to any other person or entity effected without following the procedures set forth herein, except in the case of a sale, transfer, or other disposition to a Qualified Buyer, or Qualified Mortgagee in lieu of foreclosure, in accordance with the terms hereof, shall be null and void and shall confer no title whatsoever upon the transferee and shall be grounds for the TCHA to exercise its purchase rights as contained herein.

In each event that Owner contemplates a sale, transfer or other disposition of its interest in the Lot, then not less than thirty (30) days prior to the contemplated closing thereof, the Owner shall give TCHA notice thereof together with such information as may be requested by TCHA in order for it to determine if the prospective transferee is a Qualified Buyer.

5. Breach. In the event that the TCHA has reasonable cause to believe the Owner is violating the provisions of these Special Restrictions, the TCHA, by it's authorized representative, may inspect the Lot between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday, after providing the Owner with no less than 24 hours written notice. If any person other than the record title holding Owner to the property (and their spouse and/or children) occupies the Lot for more than 30 days, such person shall be conclusively presumed *not* to be a permitted transferee who met the requirements of a Qualified Buyer, and *not* to be a permitted renter, as are required by these Restrictions, and such occupancy shall be considered a violation of the terms of these Restrictions unless and until the Owner cooperates with TCHA in providing necessary authoritative information required by TCHA and affirmatively establishes to the satisfaction of the TCHA that there is no violation of these Special Restrictions.

6. Violation and hearing. The TCHA, in the event a violation of these Special Restrictions is discovered, shall send a notice of violation to the Owner detailing the nature of the violation and allowing the Owner fifteen (15) days to cure such violation as well as any information required to be provided to TCHA. Said notice shall state that the Owner may request a hearing before the TCHA within fifteen (15) days to determine the merits of the allegations. If no hearing is requested and the violation is not cured within the fifteen (15) day period, the Owner shall be considered in violation of these Special Restrictions. If a hearing is held before the TCHA, the decision of the TCHA based on the record of such hearing shall be final for the purpose of determining if a violation has occurred, unless overturned in writing by the vote of a majority of the Board of County Commissioners upon review of the written record only in such matter.

7. Remedies. In the event that the Owner fails to cure any breach, the TCHA may resort to any and all available legal actions or remedies, including but not limited to specific performance of these Special Restrictions or mandatory injunction requiring the sale of the Lot by Owner

as specified below, as well as by eviction of unpermitted occupants of the Lot.

In addition, in the event the Owner fails to construct a dwelling on the Lot within the required three (3) years plus any extensions that may be granted for good cause by TCHA, TCHA shall have an option to purchase the Lot at a purchase price equal to the initial price paid by the Owner. Such option shall be exercisable by TCHA notifying Owner of its exercise and designating a closing date for such sale in not less than 30 days no more than 60 days. The purchase price shall be payable in cash at the closing of the sale.

In the event TCHA or Teton County must resort to litigation with respect to any or all provisions of these Special Restrictions, they shall be entitled to recover damages and costs from the Owner, including reasonable attorney's fees.

8. Option to purchase in the event of fraud or uncured violation of restrictions. In addition to any other remedies they may have under law or the terms of this instrument, in the event of fraud or misrepresentation whereby the purchaser of a Lot is not a Qualified Buyer, or in the event of any other uncured breach of the terms of these Special Restrictions, TCHA or its assignee shall have the option to purchase the Lot at a price equal to the greater of 90% of the appraised fair market value of the Lot as determined by a licensed appraiser engaged by TCHA or the full amount owed on a Qualified Mortgage encumbering the Lot. Such price shall be payable to Owner in cash, to the extent the purchase price exceeds the amount of Owner's mortgage if it is assumed or fully paid and satisfied, less any costs or attorneys fees to which TCHA is entitled as the result of such breach.

a) If TCHA shall elect to exercise the purchase option set forth herein it shall: (a) notify Owner of its election to purchase, and (b) exercise (or assign this option and have its assignee exercise such rights) the foregoing option to purchase within sixty (60) days of TCHA's notice of election to purchase.

b) In the event TCHA exercises its option to purchase as set forth above, Owner hereby irrevocably appoints TCHA its attorney-in-fact to effect such sale on Owner's behalf and to execute any and all deeds of conveyance or other instruments necessary to fully effect such sale and conveyance.

c) The costs of such sale shall be taxed against the proceeds of the sale with the balance being paid to the Owner.

9. Restriction as covenant. These Special Restrictions shall constitute covenants running with the real property, described above, as a burden thereon, and shall be binding on all parties having any right, title, or interest in the described properties or any part thereof (except the Declarant during its holding period prior to sales to individual Owners), their heirs, successors and assigns, and shall inure to the benefit of and shall be enforceable by the TCHA, the Board of County Commissioners for the County (the "County"), and their respective successors.

10. Restriction lifted after 30 years of continuous ownership. Lots sold after the passage of thirty (30) years from the date of an Owner's purchase may be sold without restriction and are not subject to the terms and conditions of these Special Restrictions. In order for this provision to take effect, the Owner must have owned the Lot for thirty (30) continuous years. An Owner may not tack-on time periods from a prior owner. Lots sold before the passage of thirty (30) years from the date of an Owner's purchase shall be subject to the terms of these Special Restrictions the same as if the new purchaser were a first time Owner.

11. Removal of Restrictions upon unredeemed foreclosure by Qualified Mortgagee. Notwithstanding anything herein contained to the contrary, the Special Restrictions contained herein shall lapse and become void and of no force or effect upon issuance of a Sheriff's Deed to any purchaser other than the Owner or a person affiliated with the Owner, after the running of the statutory redemption period, resulting from the foreclosure of a Qualified Mortgage encumbering the Lot by a Qualified Mortgagee; provided that the said mortgagee has given TCHA written copies of all notices of intent to foreclose and all other notices related to the foreclosure contemporaneously with its service of such notices upon the Owner.

Nothing herein shall limit or restrict Owner's right of statutory redemption, in which event these restrictions shall remain in effect. In addition, in the event of foreclosure of a Qualified Mortgage by a Qualified Mortgagee, TCHA or the County or their designee may purchase the Lot at the foreclosure sale. In such event, the Lot shall remain subject to these Special Restrictions.

If Owner receives any notice of default, as the result of any event of default under the Qualified Mortgage, whereby the Qualified Mortgagee has commenced any proceedings to foreclose said Mortgage, then Owner shall, immediately, notify TCHA and provide it with a copy of any such notice and, by the terms of this instrument, Owner hereby authorizes the Qualified Mortgagee to provide TCHA full and complete information relating to such default.

12. Definition of and requirements for a Qualifying Mortgage. A "Qualifying Mortgage" shall be a mortgage which:

- a) Is an encumbrance on the Lot given solely for the purpose of purchasing the Lot, or for the purpose of financing construction of, or improvements or repairs to a dwelling upon the lot, or refinancing a mortgage previously given for such purpose;
- b) The principal amount of the obligation(s) secured does not exceed the fair market value of the lot and any improvements to the Lot;
- c) Runs in favor of either (1) a so-called "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 (2) 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 (3) a non-affiliated, legitimate, "finance company". In no event may it be an individual or any company that is affiliated with or has any affiliation with the Owner or any family member of the Owner.

13. Severability. Whenever possible, 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 of any of the foregoing shall be invalid or prohibited under said applicable law, such provisions shall be ineffective to the extent of such invalidity or prohibition without invalidating the remaining provisions of such document.

14. 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.

15. 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.

16. Modifications. The parties to these Special Restrictions agree that any modifications of these Special Restrictions shall be effective only when made by writings signed by Declarant, or the applicable successor Owners and TCHA and recorded with the Clerk of Teton County, Wyoming.

17. Owner and Successors. The term "Owner" shall mean the person or persons who shall acquire an ownership interest in the Lot compliance with the terms and provisions of these Special Restrictions; it being understood that such person or persons shall be deemed an "Owner" hereunder only during the period of his, her or their ownership interest in the Lot and shall be obligated hereunder for the full and complete performance and observance of all covenants, conditions and restrictions contained herein during such period.

IN WITNESS WHEREOF, the Declarant has executed this instrument on the day and year above first written.

DECLARANT:

**THE LAZY J A LIMITED LIABILITY
COMPANY**

By: Helen Hardeman Robertson
Helen Hardeman Robertson,
Individually and as Manager

By: Warren M. Robertson
Warren M. Robertson,
Individually and as Manager

Helen Hardeman Robertson
Helen Hardeman Robertson,
Trustee of the Warren M. Robertson
Trust u/t/a 11/22/96 and as Trustee
of the Helen Hardeman Robertson
Trust u/t/a 11/22/96

Warren M. Robertson
Warren M. Robertson,
Trustee of the Warren M. Robertson
Trust u/t/a 11/22/96 and as Trustee
of the Helen Hardeman Robertson
Trust u/t/a 11/22/96

STATE OF WYOMING)
)
COUNTY OF TETON)

The foregoing instrument was acknowledged before me this 2nd day of December, 1997, by Warren M. Robertson and Helen Hardeman Robertson, individually and duly acting as the Managers of said Lazy J A Limited Liability Company and as Trustees of said Trusts .

Witness my hand and official seal.

Francesca Paolucci Rice
Notary Public

My Commission expires: 11-30-2000

