

**DECLARATION OF RECIPROCAL
EASEMENTS, RESTRICTIONS AND COVENANTS**

THIS DECLARATION OF RECIPROCAL EASEMENTS, RESTRICTIONS AND COVENANTS ("Declaration") is entered into as of the 8 day of July, 2025, by Lee Shore Holdings, LLC, a North Carolina limited liability company ("Lee") whose address is 2758 Pinecrest Dr. SE, Southport, NC 28461 and Gandy, LLC, a North Carolina limited liability company ("Gandy") whose address is 613 Lockwood Folly Rd., Bolivia, NC 28422. The designations Lee or Gandy as used herein shall include such party, its heirs, successors, and assigns, and shall include singular, plural, masculine, feminine, or neuter as required by context.

WITNESSETH:

WHEREAS, Lee is the fee simple owner of that certain parcel of land more particularly described as follows: Being all of that certain tract or parcel of land depicted and shown as **Lot 7, containing 343,007.67 Sq Ft, or 7.87 acres** ("Lot 7"), on that survey entitled "Subdivision Survey for Lee Shore Holdings, LLC and Gandy, LLC" prepared by Norris & Ward Land Surveyors, P.A., and recorded in Map Book 159, at Page 87 in the office of the Register of Deeds of Brunswick County (the, "Plat"); and

WHEREAS, Gandy is the fee simple owner of that certain parcel of land more particularly described as follows: Being all of that certain tract or parcel of land depicted and shown as **Lot 4 (Revised) containing 135,233.09 Sq Ft or 3.10 acres** ("Lot 4") on the Plat (Lot 7 and Lot 4 are referenced herein as "Lot" or "Lots" and collectively, the "Property"); and

WHEREAS, there is to be constructed on the Property, a new private 45 foot access and utility easement area labeled as "Access and Utility Easement" shown on the Site Plan attached hereto as **Exhibit "A"** ("Site Plan") and incorporated herein by reference and further described on **Exhibit "B"** ("Access and Utility Easement Area") for the benefit of each Lot comprising the Property and the Owner of each such Lot; together with all lines, conduits, pipes and other apparatus for water drainage, and all storage systems necessary in connection therewith, hereinafter called the "Water Detention and Drainage Facilities"; and

WHEREAS, Owners desires to establish certain easements, covenants and restrictions on portions of the Property for the benefit of each Lot comprising the Property and the Owner of each

such Lot.

NOW, THEREFORE, in consideration of the foregoing recitals, and other good and valuable consideration for which the sufficiency of which is hereby acknowledged, Owners, for themselves, their successors and assigns, hereby declares, establishes, grants, conveys, imposes and provides as follows:

1. Recitals. The foregoing Recitals are hereby incorporated by this reference.
2. Certain Definitions.
 - (a) “Owner” or “Owners” shall mean Lee and Gandy, individually and collectively, and any and all successors or assigns of such persons as the owner or owners of fee simple title to all or any portion of the Property encumbered hereby and subject to the terms hereof, whether by sale, assignment, inheritance, operation of law, trustee’s sale, foreclosure, or otherwise, but not including the holder of any lien or encumbrance on such real property.
 - (b) “Permittees” shall mean the tenant(s) or occupant(s) of any portion of the Property, and the respective employees, agents, contractors, customers, invitees and licensees of (i) the Owner of any portion of the Property, and (ii) any such tenant(s) or occupant(s).
 - (c) “Drainage Facilities” shall mean storm water drainage lines, related drainage facilities/features and detention pond(s) and/or basins for the Access and Utility Easements to be constructed for the benefit of the Access and Utility Easement Area.
 - (d) “Common Area” shall mean the Access and Utility Easement Area and the Drainage Facilities.
 - (e) With regard to Sections 3 & 4 below and in reference to the various easement rights provided to the Owners and their Permittees in each section, the words “Materially” or “Material” shall mean, to the extent such rights are exercised by an Owner, such rights shall be exercised in such a manner as to cause as little disturbance in the use of the Owner or Permittee’s Lot as is practicable under the circumstance, provided that in the event such action will result in the Owner or Permittee’s temporary loss of some or all of its easements rights, the Owners or their Permittees will exercise Owner’s rights in manner as to cause as little disturbance for as limited period of time as is practicable under the circumstance.
3. Grant of Access Easement. The Owners hereby impose and establish, for the benefit of the Owners, and each such Owner’s Permittees, a non-exclusive access easement (“Access Easement”) for vehicular and pedestrian ingress and egress in, upon, over and across the paved areas of the Access and Utility Easement Area, for the sole purpose of allowing, subject to applicable statutes, ordinances, and governmental rules and regulations (i) vehicular and pedestrian ingress and egress to and from SR 1526 Jabbertown Road 60’ public right of way as shown on the Site Plan; and (ii) the maintenance, repair, and replacement of the access drive, paving, curb and

gutter, and other related improvements constructed in the Access and Utility Easement Area. The Access Easement granted herein (i) shall be perpetual and non-exclusive, it being understood that the Owners hereby reserve and retain the right to grant and convey similar rights and easements to such other persons, firms and entities as the Owners may deem reasonable without the consent of each Owner or their Permittees, provided that the use of the Access and Utility Easement Area by such other persons, firms and entities does not materially obstruct or prevent the use of the same by each such Owner or their Permittees, for the uses and purposes herein described; (ii) shall be for the benefit of the Property or any part thereof; and (iii) shall not restrict the rights of each such Owner or their Permittees to use the Access and Utility Easement Area in any manner not inconsistent with the covenants and conditions contained herein, as long as such use does not materially interfere with the rights granted to each such Owner or their Permittees. In connection with the Access Easement established herein, Gandy does hereby give, grant and convey unto Lee and its Permittees, a temporary, non-exclusive easement (the "Temporary Construction Easement") on, over, under and upon the portions of the Lot 4 within ten (10') feet outside each boundary of the Access and Utility Easement Area and the areas designated for Drainage Facilities (the "Construction Easement Area") for the installation, construction and maintenance of the Improvements, in accordance with this Declaration. Prior to undertaking any installation, construction and maintenance of the Improvements, Lee shall provide Grandy with written notice of a proposed timeline and location for work to be completed (the "Construction Notice"). The Temporary Construction Easement granted for purposes of installing the Improvements shall expire upon the later of the following to occur: (a) completion of the Improvements; or (b) thirty-six (36) months from the date of recordation of this Declaration.

4. Grant of Utility Easement. Gandy hereby imposes and establishes for the benefit of Lot 7 and the Owners and their Permittees of Lot 7, a perpetual non-exclusive easement in, upon, over and across those utility easements ("Utility Easement") located or to be located within the Access and Utility Easement Area and where necessary to install the Drainage Facilities on Lot 4 in connection with the construction and establishment of the Access and Utility Easement Area, for the installation, maintenance, repair and replacement of water mains, sewers, water sprinkler system lines, telephone or electrical conduits or systems, cable, gas mains, storm water collection, retention, detention and distribution lines, conduits, pipes and other apparatus and other utility facilities ("Utilities") necessary for the orderly development and operation of Lot 7 and the Drainage Facilities.

5. Construction, Maintenance, Costs and Expenses.

(a) Construction. Lee shall be responsible for the construction of (i) all roads, Utilities, and sanitary sewer and water line improvements and facilities located within the Access and Utility Easement Area, and (ii) the Drainage Facilities (collectively, the "Improvements"). Lee shall obtain and comply with all necessary permits, licenses, and approvals required for the construction and use of the Improvements. The Drainage Facilities constructed by Lot 7 Owner shall be in accordance with that certain stormwater permit applicable to Lot 7 and the Access and Utility Easement Area to be obtained by the Lot 7 Owner (the "Stormwater Permit"). Once constructed the Lot 7 Owner and/or their successors and assigns, the owner of Lot 7 or their assignee, shall operate and maintain, or cause to be operated and maintained, in good order, condition and repair, the portions of the Utility

Easement established for the Drainage Facilities and make any and all repairs and replacements that may from time to time be required with respect thereto. Once the Drainage Facilities are installed pursuant to the easements granted herein, no permanent building, structures, trees or other improvements shall be placed over or permitted to encroach upon such portions of the Utility Easement. The Lot 4 Owner agrees to cooperate fully and in good faith with the Lot 7 Owner efforts in obtaining the Stormwater Permit and other necessary governmental permits, approvals, transfers, assignment or consents required for the installation, maintenance, operation, permitting and/or the future transfer of the Stormwater Permit to the parties described in Section 13, below, with respect to the Drainage Facilities. Such cooperation shall include, but not be limited to, signing permit applications and all such documentation within five (5) business days of receipt of same, and promptly take all such action as is reasonably necessary to procure same, all at the sole cost of the Lot 7 Owner, including but not limited to granting access to the Utility Easement areas which include the Drainage Facilities, and providing any information reasonably requested by the Lot 7 Owner and/or any regulatory authorities in connection with the permits, approvals, or consents described above

(b) Reciprocal Rights and Obligations. In the event Gandy decides to install the Improvements at his sole cost and expense prior to Lee developing Lot 7, Gandy shall deliver to the Lot 7 Owner for their approval one (1) complete set of preliminary plans and specifications showing proposed Improvements, together with such other detail as is necessary to define and illustrate the scope of such work. Approval of the Improvements shall in each case be approved in writing by the Lot 7 Owner upon the documents submitted within thirty (30) days from the receipt thereof. If Lot 7 Owner disapproves such documents it shall, within thirty (30) days from the receipt thereof, notify the Lot 4 Owner of its reasons for disapproval and the Lot 4 Owner shall within thirty (30) days of such notice of disapproval submit to the other Owners for their approval documents incorporating such modifications as are mutually acceptable to the Owners.

(c) Maintenance and Cost Allocation. The Owner that constructs the Improvements (including the Drainage Facilities) shall do so at their sole cost and expense. The constructing Owner shall also be responsible for all maintenance, repair, and replacement costs unless and until the non-constructing Owner begins to develop or use their respective residential lots. At that time, the non-constructing Owner shall pay a proportional share of the reasonable, actual costs of ongoing maintenance, repair, and replacement of the Improvements, based on the number of residential lots located on each Lot.

Notwithstanding the foregoing, each party shall be solely responsible for the cost of repairing any damage to the Improvements caused directly by their own activities, including, without limitation, construction-related damage caused by their contractors or equipment.

(d) Performance of Obligations / Self-Help. If an Owner fails to perform any required maintenance or repair obligations under this Agreement within thirty (30) days following written notice from another Owner, the non-defaulting Owner may perform such work and recover all reasonable, documented costs and expenses from the defaulting Owner. These

obligations shall be subordinate to the lien of any third-party mortgage or deed of trust, regardless of when such lien was created.

6. Expansion. The Owners may from, time to time, subject additional property to the provisions of this Declaration by recording a supplemental declaration describing the additional property to be subjected. Such grant shall be limited to the grant of rights of ingress, egress and regress upon, across and through and for the installation, maintenance, repair and replacement of water mains, sewers, water sprinkler system lines, telephone or electrical conduits or systems, cable, gas mains and other utility facilities necessary for the orderly development and operation of such additional property in, upon, over and across the Access and Utility Easement Area for the benefit of such additional property. The owner of such additional property shall be solely responsible for the cost of repairing any damage to the Improvements caused directly by activities, including, without limitation, construction-related damage caused by the owner of such additional property's contractors or equipment. Otherwise, any and all benefits and burdens of this Declaration shall not apply to such additional property. A supplemental declaration recorded pursuant to this Section 6 and the grant of easements over the Common Area benefiting any such additional property shall not require the consent of any person or entity except the Owner of such additional property. Nothing in this Declaration shall be construed to require any Owner or any successor to subject additional property to this Declaration or to develop any additional property in any manner whatsoever.

7. Amendments. This Declaration may be modified, amended or restated, in whole or in part, from time to time by a written document executed by all of the Owners. Notwithstanding the foregoing, each Owner has the exclusive right to subject additional property to the Access Easement and Utility Easement provisions of this Declaration, in accordance with Section 6, without the approval of the Owners; and (b) subject their respective Lots to additional covenants, conditions and restrictions provided that such additional covenants, conditions and restrictions without the approval of the other Owner

8. No Rights in Public. Neither this instrument nor the recordation hereof is intended to, and neither shall be construed to, create any rights, easements or privileges in the public generally by dedication or otherwise in and to the easements granted herein or any portions thereof.

9. Easements Run With the Land. All of the easements, restrictions, provisions, Declarations, rights, powers, covenants, conditions and obligations contained in this Declaration shall be binding upon the Owners, their successors and assigns, and all other persons acquiring any interest in the Property, or any portion thereof, whether by operation of law or in any manner whatsoever and shall inure to the benefit of the Owners' respective properties and their respective successors and assigns. All of the provisions of this Declaration shall constitute covenants running with the land.

10. Severability. Any provision of this Declaration which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision hereof, and the remaining provisions hereof shall nevertheless remain in full force and effect.

11. Successors and Assigns. The provisions of this Declaration shall be deemed to be

easements, covenants, and restrictions appurtenant to and running with the land and shall bind and inure to the benefit of the Owners, their successors and assigns.

12. **Insurance.** Each Owner will at all times maintain or cause to be maintained with respect to its portion of the Property: (i) casualty insurance against loss or damage by fire, lightning and other risks customarily covered by an all-risks policy of property and casualty for the full replacement cost of the improvements located thereon and (ii) commercial general liability insurance (including contractual liability coverage) against claims for bodily injury, death or property damage occurring on, in or about such Owner's portion of the Property, combined single limit coverage of not less than ONE MILLION DOLLARS (\$1,000,000.00) with respect to any one person, in the amount of ONE MILLION DOLLARS (\$1,000,000.00) with respect to any one accident or disaster, and in the amount of FIVE HUNDRED THOUSAND DOLLARS (\$500,000.00) with respect to property damage.

13. **Assignability/Future Development.** It is the intent of Lee to develop Lot 7, as a planned residential community consisting of single-family residences, including but not limited to townhomes, and cause Lot 7 and future phases of the residential community to be subjected to this Declaration. Subject to Lee's obligations in Section 5(a), Lee shall have the right to assign its rights and obligations under this Declaration in whole or in part, without the consent of Owners, to any Owner of a lot or the residential homeowners association for the planned residential community, or its successors and assigns. Each Owner shall have the exclusive right to subject their respective Lots to additional covenants, conditions and restrictions without the approval of the Owners provided that such additional covenants, conditions and restrictions shall not materially restrict the rights of the Owners or their Permittees to use the Access and Utility Easement Area in any manner not inconsistent with the covenants and conditions contained herein.

14. **Notices.** Except as otherwise required by law, any notice required or permitted hereunder shall be in writing and shall be given by personal delivery, e-mail, or by deposit in the U.S. Mail, certified or registered, return receipt requested, postage prepaid, addressed to the parties at the addresses set forth below, or at such other address as a Party may designate in writing pursuant hereto, or by any express or overnight delivery service (e.g., Federal Express), delivery charges prepaid:

Lot 7 Owner:	Lee Shore Holdings, LLC Attn: Adam Leseur 2758 Pinecrest Dr. SE Southport, NC 28461
--------------	--

Lot 4 (Revised) Owner:	Gandy, LLC Attn: Andrew Laing 613 Lockwood Folly Rd. Bolivia, NC 28422
------------------------	---

Notice shall be deemed to have been given and received on the date on which such



notice is delivered if notice is given by personal delivery, e-mail, telecopy, or overnight carrier.

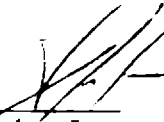
[SIGNATURE PAGES TO FOLLOW]



IN WITNESS WHEREOF, Lee and Gandy have caused this Declaration to be executed as of the date first above written.

LEE:

LEE SHORE HOLDINGS, LLC,
a North Carolina limited liability company

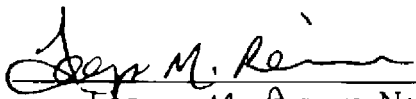
By: 
Name: Adam Leseur
Title: Manager

STATE OF NORTH CAROLINA

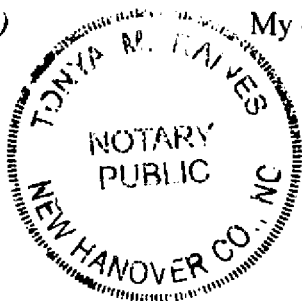
COUNTY OF New Hanover

I certify that the following person personally appeared before me this day, and acknowledged to me that he voluntarily signed the foregoing document for the purpose stated therein and, in the capacity, indicated: Adam Leseur.

Date: 6/16/25


Tonya M. Rains Notary Public

(Official Seal)




My commission expires: April 6, 2030



GANDY:

GANDY, LLC,
a North Carolina limited liability company


By: 
Name: Ronald F. Greger
Title: Manager

STATE OF NORTH CAROLINA

COUNTY OF New Hanover

I certify that the following person personally appeared before me this day, and acknowledged to me that he voluntarily signed the foregoing document for the purpose stated therein and, in the capacity, indicated: Ronald F. Greger.

Date: 7/8/2025


Misti S. Claude, Notary Public

(Official Seal)

My commission expires: 9/19/2027

MISTI S. CLAUDE
NOTARY PUBLIC
NEW HANOVER COUNTY, N.C.
My Commission Expires 9-19-2027



EXHIBIT "A"
SITE PLAN

EXHIBIT B
Legal Description

45' Access and Utility Easement

Beginning at an iron rebar found in the northern right-of-way of SR 1526 (Jabbertown Road), the Point of Beginning with NC Coordinates N: 69,890.98 E:2,297,645.31, running thence North 09 degrees 33 minutes 46 seconds East 199.49 feet to a concrete monument found; thence North 18 degrees 54 minutes 23 seconds East 459.00 feet to iron rebar found in the northeastern corner of that parcel owned by 556 Jabbertown, LLC; thence North 73 degrees 11 minutes 01 seconds West 379.01 feet to an iron rebar found in the northwestern corner of the aforesaid parcel; thence North 13 degrees 13 minutes 31 seconds East 45.09 feet to a point; thence South 73 degrees 11 minutes 01 seconds East 405.18 feet to the start of a curve (C9); thence along said curve to the right with a radius of 22.50 feet and chord bearing South 27 degrees 08 minutes 19 seconds East 32.39 feet; thence with a new line South 18 degrees 54 minutes 23 seconds West 478.66 feet to a point; thence South 09 degrees 33 minutes 46 seconds West 49.94 feet; thence North 87 degrees 09 minutes 47 seconds East 5.03 feet to an iron rebar found; thence South 09 degrees 33 minutes 46 seconds West 140.57 feet to an iron rebar found in the northern right-of-way of SR 1526 Jabbertown Road; thence along the northern right-of-way North 87 degrees 09 minutes 47 seconds West 50.35 feet to the Point of Beginning.