

BALLOT FOR LOT OWNERS
Hidden Lake Property Owners Association, Inc.

TO: Lot Owners/members, Hidden Lake Property Owners Association,
Inc. DATE: June 15, 2026
RE: Action by Written Ballot to Act Upon Proposed Amendments
FROM: Board of Directors, Hidden Lake Property Owners Association, Inc.

PLEASE TAKE NOTICE THAT:

The Board of Directors of Hidden Lake Property Owners Association, Inc. (“Association”) proposes to amend the Third Amended and Restated Declaration of Covenants, Conditions, Reservations and Restrictions of the Hidden Lake Section of Carolina Trace Subdivision recorded in Book 01698, Page 0185, Lee County Registry (“Third Amended Declaration”). The proposed Amendments are referenced below and the text of the amendments are provided along with this ballot. The Board of Directors for the Association has approved this ballot and the Amendments and recommends that the Lot owners vote affirmatively in favor of the Amendments to the Third Amended Declaration. North Carolina’s Nonprofit Corporation Act provides that any action that may be taken at a meeting of members may be taken without a meeting if approved by written ballot. This Ballot is being mailed to each Lot owner/member of the Association. The affirmative vote of lot owners of lots to which at least sixty-seven percent (67%) of the votes in the Association are allocated is required in order for the Third Amended Declaration to be amended.

Please cast your vote, complete the ballot with name, signature and address, and return it today or as soon as possible.

I vote for ____ or against ____ the First Proposed Amendment to the Third Amended Declaration to (the “Leasing Amendment”) to further regulate leasing.

I vote for ____ or against ____ the Second Proposed Amendment to the Third Amended Declaration to (the “Square Footage Amendment”) to increase the required square footage.

I vote for ____ or against ____ the Third Proposed Amendment to the Third Amended Declaration to (the “Commercial Use Amendment”) to provide the Board of Directors with authority to further regulate commercial uses of lots.

VOTING MEMBER: *By entering my name in the signature field, I understand this serves the purpose of recording my electronic signature for this document.*

SIGNATURE

TYPE OR PRINT YOUR NAME

TYPE OR PRINT YOUR ADDRESS OR ADDRESSES

Please return your completed Ballot by mail in the self-addressed, postage-paid envelope enclosed to Hidden Lake Property Owners Association, Inc., 1371-A Carolina Drive, Sanford, NC 27332, or by emailing a pdf of the completed ballot to cccrballot2026@hiddenlakepoa.com.

First Proposed Amendment to the Third Amended Declaration to (the “Leasing Amendment”) to further regulate leasing – Paragraph 8 of the Third Amended Declaration is amended to read as follows:

“8. LAND USE; RENTALS

No lot shall be used except for single family residential purposes. No group homes, houses of detention, reform schools, asylums, or any institutions of like character shall be permitted. No Lot may be leased for less than the entire Lot, including the house.

All lease agreements shall be for a period of not less than thirty (30) calendar days. Any owner of a lot as of the date of the recordation of the amendment in the Lee County Registry to add this paragraph to the Declaration is exempt from the minimum thirty (30) calendar day lease period for the duration of that owner’s ownership of the lot. All lease agreements shall be in writing. All leases shall incorporate the requirements of the Declaration, as it exists and as it may thereafter be amended, the Bylaws, and the Rules and Regulations of the Association, and shall require any lessee to abide by all of the obligations set forth in those documents as a condition of the lease agreement. Owners shall insure that the following language is made a part of any rental agreement for property in Hidden Lake: “The lot on which this house is located is subject to restrictive covenants, a copy of which you, by your signature below, acknowledge having received. You must obey all items in these restrictive covenants. Any violation by you of these restrictive covenants is a violation of this lease.” Owners must provide a copy of these covenants to all persons signing a rental agreement.

The owner of a rental property shall provide to the Property Owners Association the contact information for the person or agent who is responsible for the property. Upon renting a property, the owner shall in a timely manner provide to the Property Owners Association the name of the person(s) renting the property and the length of the rental term.

If requested to do so by the Property Owners Association, the owner of a rental property shall, in person or through a representative, come to the property to review the condition of the property.”

Second Proposed Amendment to the Third Amended Declaration to (the “Square Footage Amendment”) to increase the require square footage and footprint of lots -- Paragraph 5.g. of the Third Amended Declaration is amended to read as follows:

“Paragraph 5. ARCHITECTURAL CONTROL

...

g. The enclosed heated living area (exclusive of garages carports, porches, terraces, privacy yards, bulk storage and basements) of houses on lots acquired before August 15, 2000 shall be at least 1 200 square feet of living area covering a footprint of at least 1,200 square feet. The enclosed heated living area (exclusive of garages, carports, porches, terraces, privacy yards, bulk storage and basements) of houses on lots acquired after August 15, 2000 and before December 31, 2026 shall be at least 1,500 square feet of living area covering a footprint of at least 1,200 square feet. The enclosed heated living area (exclusive of garages, carports, porches, terraces, privacy yards, bulk storage and basements) of houses on lots acquired after December 31, 2026 shall be at least 1,750 square feet of living area covering a footprint of at least 1,200 square feet. Before any house may be occupied, it must be certified by the AC as being in compliance with the plans and specifications as approved by the AC. Such approval will not be unreasonably withheld. In addition, the owner must have been granted a Certificate of Occupancy by the appropriate government authorities.”

Third Proposed Amendment to the Third Amended Declaration to (the “Commercial Use Amendment”) to provide the Board of Directors with authority to further regulate commercial uses of lots – Paragraph 13 of the Third Amended Declaration is amended to read as follows:

“13. NUISANCES; COMMERCIAL ACTIVITY

a. Nuisances. No noxious or offensive trade or activity shall be carried on upon any building site or lot, nor shall anything be done thereon which may be or become any annoyance or nuisance to the neighborhood.

b. Commercial Activity. No lot shall be used except for single family residential purposes and purposes incidental or accessory thereto. No trade or business or commercial activity shall be carried on, in or upon any lot at any time by any owner or occupant of such lot except with the written approval of the Board of Directors. The Board of Directors may promulgate rules and regulations regarding permissible trade, business or commercial activities. This provision shall not be construed so as to prohibit the rental or leasing of a lot.”

END OF BALLOT