

*GlenOak Hills Community Association
July 2014*

Member
GlenOak Hills Community Association
Temecula, CA 92592

Re: Prohibition of Bounce Houses and Similar Equipment on the Common Areas of GlenOak Hills

Dear Members:

The prohibition of bounce houses and similar equipment on the common areas of GlenOak Hills was adopted by the Board of Directors at the open Board meeting on June 26th.

The purpose of the proposed prohibition is to limit the liability of the Association and exposure to insurance claims and potential costs to the Association resulting from the use of bounce houses and similar equipment.

The effect of the prohibition is that members will not be able to utilize bounce houses or similar equipment on the common areas of GlenOak Hills.

Please retain a copy of this notice for your records.

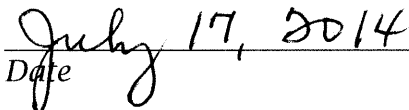
Sincerely,

BOARD OF DIRECTORS, GLENOAK HILLS COMMUNITY ASSOCIATION

CERTIFICATE OF SECRETARY:

The undersigned duly appointed or acting Secretary of the GlenOak Hills Community Association hereby certifies the above noted prohibition of bounce houses and similar equipment was duly moved, seconded and adopted by the requisite majority of the Board of Directors at a duly noticed open meeting of the Board of Directors held on June 26th, 2014, in Temecula, CA, held in accordance with Civil Code Section 1363.05.


Secretary, GlenOak Hills Community Association


Date

GlenOak Hills Community Association
May 2014

Members

GlenOak Hills Community Association
Temecula, CA 92592

Re: Proposed Prohibition of Bounce Houses and Similar Equipment on the Common Areas of GlenOak Hills

Dear Members:

After careful consideration, the Board has concluded that the risks inherent in the use of bounce houses on the Association's property are too high. Additionally, our ability to insulate the Association from insurance claims would be administratively cumbersome and ineffective. As a result, the Board is proposing to prohibit the use of bounce houses and similar equipment on the common areas of GlenOak Hills.

Issues considered:

- 1). A study in the *Journal of Pediatrics*, authored by Dr. Gary Smith of the Nationwide Children's Hospital, Columbus, Ohio, Center for Injury Research and Policy, concluded that in 2010 there were 30 bounce house injuries per day in the U.S. These were injuries requiring hospital visits.
- 2). If the Association were to require each member who chose to rent a bounce house to provide a \$ 1 million insurance policy to protect the Association, each person who used the bounce house would have to sign a waiver. The Association would have to hire someone to be on site to insure that this would happen. That in itself would provide another source of a lawsuit if the person did not perform properly.
- 3). The Association would have to add additional insurance coverage to its policy to cover this type of activity and the Association's insurance agent recommends the proposed prohibition.
- 4). The Association would have to verify the policy secured by the member for this purpose.
- 5). The Association's current claims record has put the Association in a high deductible situation. The Board does not want to risk additional claims resulting in even higher deductibles and premiums.
- 6). An HOA in Murrieta was sued in the past over an injury which occurred in a bounce house.

The purpose of the proposed prohibition is to limit the liability of the Association and exposure to insurance claims and potential costs to the Association resulting from the use of bounce houses and similar equipment.

The effect of the proposed prohibition would be that members would not be able to utilize bounce houses or similar equipment on the common areas of GlenOak Hills.

You may send your written comments to the Association's Board in care of The Avalon Management Group, Inc., via e-mail to John Ellett (john@avalonweb.com); or attend the open Board meeting scheduled for June 26, 2014 at 6:30 p.m. at the GlenOak Hills Clubhouse (40101 De Portola Road) and offer your comments in person at the Board meeting.

After considering any member comments, the Board of Directors will decide whether to adopt the proposed prohibition.

Sincerely,

BOARD OF DIRECTORS, GLENOAK HILLS COMMUNITY ASSOCIATION