



100TH GENERAL ASSEMBLY

State of Illinois

2017 and 2018

HB2932

by Rep. Robyn Gabel

SYNOPSIS AS INTRODUCED:

765 ILCS 605/9	from Ch. 30, par. 309
765 ILCS 605/9.1	from Ch. 30, par. 309.1
765 ILCS 605/14.1	from Ch. 30, par. 314.1
765 ILCS 605/18	from Ch. 30, par. 318
765 ILCS 605/18.5	from Ch. 30, par. 318.5
765 ILCS 605/18.6	
765 ILCS 605/18.7	
765 ILCS 605/22.1	from Ch. 30, par. 322.1

Amends the Condominium Property Act. Makes numerous changes in provisions concerning: common expenses; liens for nonpayment of common expenses; other liens; standing and capacity of the board of managers; disposition or removal of any portion of the property; the contents of bylaws; powers and duties of board of managers; master associations; display of the American flag or a military flag; standards for community association managers; and resale of a condominium unit.

LRB100 10224 HEP 20407 b

1 AN ACT concerning civil law.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Condominium Property Act is amended by
5 changing Sections 9, 9.1, 14.1, 18, 18.5, 18.6, 18.7, and 22.1
6 as follows:

7 (765 ILCS 605/9) (from Ch. 30, par. 309)

8 Sec. 9. Sharing of expenses - Lien for nonpayment.

9 (a) All common expenses incurred or accrued prior to the
10 first conveyance of a unit shall be paid by the developer, and
11 during this period no common expense assessment shall be
12 payable to the association. It shall be the duty of each unit
13 owner including the developer to pay his proportionate share of
14 the common expenses commencing with the first conveyance. The
15 proportionate share shall be in the same ratio as his
16 percentage of ownership in the common elements set forth in the
17 declaration.

18 (b) The condominium instruments may provide that common
19 expenses for insurance premiums be assessed on a basis
20 reflecting increased charges for coverage on certain units.

21 (c) Budget and reserves.

22 (1) The board of managers shall prepare and distribute
23 to all unit owners a detailed proposed annual budget,

1 setting forth with particularity all anticipated common
2 expenses by category as well as all anticipated assessments
3 and other income. The initial budget and common expense
4 assessment based thereon shall be adopted prior to the
5 conveyance of any unit. The budget shall also set forth
6 each unit owner's proposed common expense assessment.

7 (2) All budgets adopted by a board of managers on or
8 after July 1, 1990 shall provide for reasonable reserves
9 for capital expenditures and deferred maintenance for
10 repair or replacement of the common elements. To determine
11 the amount of reserves appropriate for an association, the
12 board of managers shall take into consideration the
13 following: (i) the repair and replacement cost, and the
14 estimated useful life, of the property which the
15 association is obligated to maintain, including but not
16 limited to structural and mechanical components, surfaces
17 of the buildings and common elements, and energy systems
18 and equipment; (ii) the current and anticipated return on
19 investment of association funds; (iii) any independent
20 professional reserve study which the association may
21 obtain; (iv) the financial impact on unit owners, and the
22 market value of the condominium units, of any assessment
23 increase needed to fund reserves; and (v) the ability of
24 the association to obtain financing or refinancing.

25 (3) Notwithstanding the provisions of this subsection
26 (c), an association without a reserve requirement in its

1 condominium instruments may elect to waive in whole or in
2 part the reserve requirements of this Section by a vote of
3 2/3 of the total votes of the association. Any association
4 having elected under this paragraph (3) to waive the
5 provisions of subsection (c) may by a vote of 2/3 of the
6 total votes of the association elect to again be governed
7 by the requirements of subsection (c).

8 (4) In the event that an association elects to waive
9 all or part of the reserve requirements of this Section,
10 that fact must be disclosed after the meeting at which the
11 waiver occurs by the association in the financial
12 statements of the association and, highlighted in bold
13 print, in the response to any request of a prospective
14 purchaser for the information prescribed under Section
15 22.1; and no member of the board of managers or the
16 managing agent of the association shall be liable, and no
17 cause of action may be brought for damages against these
18 parties, for the lack or inadequacy of reserve funds in the
19 association budget.

20 (5) A management company holding reserve funds of an
21 association shall at all times maintain a separate account
22 for each association; however, for investment purposes,
23 the board of managers of an association may authorize a
24 management company to maintain the association's reserve
25 funds in a single interest bearing account with similar
26 funds of other associations. The management company shall

1 at all times maintain records identifying all moneys of
2 each association in the investment account. The management
3 company may hold all operating funds of associations it
4 manages in a single operating account but shall at all
5 times maintain records identifying all moneys of each
6 association in the operating account. The operating and
7 reserve funds held by the management company for the
8 association shall not be subject to attachment by any
9 creditor of the management company.

10 As used in this subsection, "management company" means
11 a person, partnership, corporation, or other legal entity
12 entitled to transact business on behalf of others, acting
13 on behalf of or as an agent for a unit owner, unit owners,
14 or association of unit owners for the purpose of carrying
15 out the duties, responsibilities, and other obligations
16 necessary for the day to day operation and management of
17 any property subject to this Act.

18 (d) (Blank).

19 (e) The condominium instruments may provide for the
20 assessment, in connection with expenditures for the limited
21 common elements, of only those units to which the limited
22 common elements are assigned.

23 (f) Payment of any assessment shall be in amounts and at
24 times determined by the board of managers.

25 (g) Lien.

26 (1) If any unit owner shall fail or refuse to make any

1 payment of the common expenses or the amount of any unpaid
2 fine when due, the amount thereof together with any
3 interest, late charges, reasonable attorney fees incurred
4 enforcing the covenants of the condominium instruments,
5 rules and regulations of the board of managers, or any
6 applicable statute or ordinance, and costs of collections
7 shall constitute a lien on the interest of the unit owner
8 in the property prior to all other liens and encumbrances,
9 recorded or unrecorded, except only (a) taxes, special
10 assessments and special taxes theretofore or thereafter
11 levied by any political subdivision or municipal
12 corporation of this State and other State or federal taxes
13 which by law are a lien on the interest of the unit owner
14 prior to preexisting recorded encumbrances thereon and (b)
15 encumbrances on the interest of the unit owner recorded
16 prior to the date of such failure or refusal which by law
17 would be a lien thereon prior to subsequently recorded
18 encumbrances. Any action brought to extinguish the lien of
19 the association shall include the association as a party.

20 (2) With respect to encumbrances executed prior to
21 August 30, 1984 or encumbrances executed subsequent to
22 August 30, 1984 which are neither bonafide first mortgages
23 nor trust deeds and which encumbrances contain a statement
24 of a mailing address in the State of Illinois where notice
25 may be mailed to the encumbrancer thereunder, if and
26 whenever and as often as the manager or board of managers

1 shall send, by United States certified or registered mail,
2 return receipt requested, to any such encumbrancer at the
3 mailing address set forth in the recorded encumbrance a
4 statement of the amounts and due dates of the unpaid common
5 expenses with respect to the encumbered unit, then, unless
6 otherwise provided in the declaration or bylaws, the prior
7 recorded encumbrance shall be subject to the lien of all
8 unpaid common expenses with respect to the unit which
9 become due and payable within a period of 90 days after the
10 date of mailing of each such notice.

11 (3) The purchaser of a condominium unit at a judicial
12 foreclosure sale, or a mortgagee who receives title to a
13 unit by deed in lieu of foreclosure or judgment by common
14 law strict foreclosure or otherwise takes possession
15 pursuant to court order under the Illinois Mortgage
16 Foreclosure Law, shall have the duty to pay the unit's
17 proportionate share of the common expenses for the unit
18 assessed from and after the first day of the month after
19 the date of the judicial foreclosure sale, delivery of the
20 deed in lieu of foreclosure, entry of a judgment in common
21 law strict foreclosure, or taking of possession pursuant to
22 such court order. Such payment confirms the extinguishment
23 of any lien created pursuant to paragraph (1) or (2) of
24 this subsection (g) by virtue of the failure or refusal of
25 a prior unit owner to make payment of common expenses,
26 where the judicial foreclosure sale has been confirmed by

1 order of the court, a deed in lieu thereof has been
2 accepted by the lender, or a consent judgment has been
3 entered by the court.

4 (4) The purchaser of a condominium unit at a judicial
5 foreclosure sale, other than a mortgagee, who takes
6 possession of a condominium unit pursuant to a court order
7 or a purchaser who acquires title from a mortgagee shall
8 have the duty to pay the proportionate share, if any, of
9 the common expenses for the unit which would have become
10 due in the absence of any assessment acceleration during
11 the 6 months immediately preceding institution of an action
12 to enforce the collection of assessments, and which remain
13 unpaid by the owner during whose possession the assessments
14 accrued. If the outstanding assessments are paid at any
15 time during any action to enforce the collection of
16 assessments, the purchaser shall have no obligation to pay
17 any assessments which accrued before he or she acquired
18 title.

19 (5) The notice of sale of a condominium unit under
20 subsection (c) of Section 15-1507 of the Code of Civil
21 Procedure shall state that the purchaser of the unit other
22 than a mortgagee shall pay the assessments and the legal
23 fees required by subdivisions (g) (1) and (g) (4) of Section
24 9 of this Act. The statement of assessment account issued
25 by the association to a unit owner under subsection (i) of
26 Section 18 of this Act, and the disclosure statement issued

1 to a prospective purchaser under Section 22.1 of this Act,
2 shall state the amount of the assessments and the legal
3 fees, if any, required by subdivisions (g) (1) and (g) (4) of
4 Section 9 of this Act.

5 (h) A lien for common expenses shall be in favor of the
6 members of the board of managers and their successors in office
7 and shall be for the benefit of all other unit owners. Notice
8 of the lien may be recorded by the board of managers, or if the
9 developer is the manager or has a majority of seats on the
10 board of managers and the manager or board of managers fails to
11 do so, any unit owner may record notice of the lien. Upon the
12 recording of such notice the lien may be foreclosed by an
13 action brought in the name of the board of managers in the same
14 manner as a mortgage of real property.

15 (i) Unless otherwise provided in the declaration, the
16 members of the board of managers and their successors in
17 office, acting on behalf of the other unit owners, shall have
18 the power to bid on the interest so foreclosed at the
19 foreclosure sale, and to acquire and hold, lease, mortgage and
20 convey it.

21 (j) Any encumbrancer may from time to time request in
22 writing a written statement from the manager or board of
23 managers setting forth the unpaid common expenses with respect
24 to the unit covered by his encumbrance. Unless the request is
25 complied with within 20 days, all unpaid common expenses which
26 become due prior to the date of the making of such request

1 shall be subordinate to the lien of the encumbrance. Any
2 encumbrancer holding a lien on a unit may pay any unpaid common
3 expenses payable with respect to the unit, and upon payment the
4 encumbrancer shall have a lien on the unit for the amounts paid
5 at the same rank as the lien of his encumbrance.

6 (k) Nothing in Public Act 83-1271 is intended to change the
7 lien priorities of any encumbrance created prior to August 30,
8 1984.

9 (Source: P.A. 94-1049, eff. 1-1-07.)

10 (765 ILCS 605/9.1) (from Ch. 30, par. 309.1)

11 Sec. 9.1. ~~(a) Other liens, attachment and satisfaction.~~

12 (a) Subsequent to the recording of the declaration, no
13 liens of any nature shall be created or arise against any
14 portion of the property except against an individual unit or
15 units. No labor performed or materials furnished with the
16 consent or at the request of a particular unit owner shall be
17 the basis for the filing of a mechanics' lien claim against any
18 other unit. If the performance of the labor or furnishing of
19 the materials is expressly authorized by the board of managers,
20 each unit owner shall be deemed to have expressly authorized it
21 and consented thereto, and shall be liable for the payment of
22 his unit's proportionate share of any due and payable
23 indebtedness as set forth in this Section.

24 Each mortgage and other lien, including mechanics liens,
25 securing a debt incurred in the development of the land

1 submitted to the provisions of this Act for the sale of units
2 shall be subject to the provisions of this Act, subsequent to
3 the conveyance of a unit to the purchaser.

4 In the event any lien exists against 2 or more units and
5 the indebtedness secured by such lien is due and payable, the
6 unit owner of any such unit so affected may remove such unit
7 and the undivided interest in the common elements appertaining
8 thereto from such lien by payment of the proportional amount of
9 such indebtedness attributable to such unit. In the event such
10 lien exists against the units or against the property, the
11 amount of such proportional payment shall be computed on the
12 basis of the percentages set forth in the declaration. Upon
13 payment as herein provided, it is the duty of the encumbrancer
14 to execute and deliver to the unit owner a release of such unit
15 and the undivided interest in the common elements appertaining
16 thereto from such lien, except that such proportional payment
17 and release shall not prevent the encumbrancer from proceeding
18 to enforce his rights against any unit or interest with respect
19 to which such lien has not been so paid or released.

20 The owner of a unit shall not be liable for any claims,
21 damages, or judgments, including but not limited to State or
22 local government fees or fines, entered as a result of any
23 action or inaction of the board of managers of the association
24 other than for mechanics' liens as set forth in this Section.
25 Unit owners other than the developer, members of the board of
26 managers other than the developer or developer

1 representatives, and the association of unit owners shall not
2 be liable for any claims, damages, or judgments, including but
3 not limited to State or local government fees or fines, entered
4 as result of any action or inaction of the developer other than
5 for mechanics' liens as set forth in this Section. Each unit
6 owner's liability for any judgment entered against the board of
7 managers or the association, if any, shall be limited to his
8 proportionate share of the indebtedness as set forth in this
9 Section, whether collection is sought through assessment or
10 otherwise. A unit owner shall be liable for any claim, damage
11 or judgment entered as a result of the use or operation of his
12 unit, or caused by his own conduct. Before conveying a unit, a
13 developer shall record and furnish purchaser releases of all
14 liens affecting that unit and its common element interest which
15 the purchaser does not expressly agree to take subject to or
16 assume, and the developer shall provide a surety bond or
17 substitute collateral for or insurance against liens for which
18 a release is not provided. After conveyance of such unit, no
19 mechanics lien shall be created against such unit or its common
20 element interest by reason of any subsequent contract by the
21 developer to improve or make additions to the property.

22 Each mortgagee or other lienholder of ~~the unit of a common~~
23 ~~interest community or of~~ a unit subject to the Condominium
24 Property Act shall provide an address to the unit owners'
25 association at the time the lien or mortgage is recorded at
26 which address such unit owners' association shall send notice

1 to such mortgagee or lienholder of any eminent domain
2 proceeding to which the association thereafter becomes a party.
3 If the mortgagee or lienholder has not provided an address for
4 notice purposes to the association, then such notice shall be
5 sent to all mortgagees or lienholders which are named insureds
6 on the master policy of insurance which exists or may exist on
7 the ~~common interest community or~~ unit subject to the
8 Condominium Property Act.

9 (b) ~~Board of Managers' standing and capacity.~~ The board of
10 managers shall have standing and capacity to act in a
11 representative capacity in relation to matters involving the
12 common elements or more than one unit, on behalf of the unit
13 owners, as their interests may appear.

14 (Source: P.A. 91-616, eff. 8-19-99.)

15 (765 ILCS 605/14.1) (from Ch. 30, par. 314.1)

16 Sec. 14.1. Disposition or removal of any portion of the
17 property.

18 (a) The condominium instruments may provide for the
19 withdrawal of any portion of the property in connection with
20 eminent domain proceedings in compliance with the provisions of
21 this Act. Upon the withdrawal of any unit or portion thereof,
22 the percentage of interest in the common elements appurtenant
23 to such unit or portion thereof shall be reallocated among the
24 remaining units on the basis of the percentage of interest of
25 each remaining unit. If only a portion of a unit is withdrawn,

1 the percentage of interest appurtenant to that unit shall be
2 reduced accordingly, upon the basis of diminution in market
3 value of the unit, as determined by the board of managers. The
4 allocation of any condemnation award or other proceeds to any
5 withdrawing or remaining unit owner shall be on an equitable
6 basis, which need not be a unit's percentage interest. Any
7 condemnation award or other proceeds available in connection
8 with the withdrawal of any portion of the common elements, not
9 necessarily including the limited common elements, shall be
10 allocated on the basis of each unit owner's percentage interest
11 therein. The declaration may provide that proceeds available
12 from the withdrawal of any limited common element will be
13 distributed in accordance with the interests of those entitled
14 to their use. The condominium instruments shall provide for the
15 cessation of responsibility for the payment of assessments for
16 any unit or portion thereof withdrawn from the condominium. In
17 the event that the unit owners' association is named as
18 defendant in an eminent domain proceeding on behalf of all unit
19 owners, then the payment of the proceeds of the eminent domain
20 proceeding attributable to the taking or damaging of the common
21 element shall be according to this Section unless the
22 condominium instrument ~~or declaration of a common interest~~
23 ~~community~~ expressly provides for different procedures. ~~This~~
24 ~~Section shall also apply to eminent domain proceedings in which~~
25 ~~the unit owners' association of a common interest community is~~
26 ~~named as a defendant on behalf of all unit owners.~~

1 (b) Notwithstanding anything to the contrary contained in
2 this Section, in a leasehold condominium, any allocation of any
3 condemnation award or other proceeds available in connection
4 with the withdrawal of any portion of the property shall
5 include an equitable allocation to the lessor. The allocation
6 shall take into account any provisions of the lease described
7 in item (x) of Section 2 of this Act concerning such
8 allocations.

9 (Source: P.A. 89-89, eff. 6-30-95.)

10 (765 ILCS 605/18) (from Ch. 30, par. 318)

11 Sec. 18. Contents of bylaws. The bylaws shall provide for
12 at least the following:

13 (a) (1) The election from among the unit owners of a
14 board of managers, the number of persons constituting such
15 board, and that the terms of at least one-third of the
16 members of the board shall expire annually and that all
17 members of the board shall be elected at large; if there
18 are multiple owners of a single unit, only one of the
19 multiple owners shall be eligible to serve as a member of
20 the board at any one time;

21 (2) the powers and duties of the board;

22 (3) the compensation, if any, of the members of the
23 board;

24 (4) the method of removal from office of members of the
25 board;

1 (5) that the board may engage the services of a manager
2 or managing agent;

3 (6) that each unit owner shall receive, at least 25
4 days prior to the adoption thereof by the board of
5 managers, a copy of the proposed annual budget together
6 with an indication of which portions are intended for
7 reserves, capital expenditures or repairs or payment of
8 real estate taxes;

9 (7) that the board of managers shall annually supply to
10 all unit owners an itemized accounting of the common
11 expenses for the preceding year actually incurred or paid,
12 together with an indication of which portions were for
13 reserves, capital expenditures or repairs or payment of
14 real estate taxes and with a tabulation of the amounts
15 collected pursuant to the budget or assessment, and showing
16 the net excess or deficit of income over expenditures plus
17 reserves;

18 (8) (i) that each unit owner shall receive notice, in
19 the same manner as is provided in this Act for membership
20 meetings, of any meeting of the board of managers
21 concerning the adoption of the proposed annual budget and
22 regular assessments pursuant thereto or to adopt a separate
23 (special) assessment, (ii) that except as provided in
24 subsection (iv) below, if an adopted budget or any separate
25 assessment adopted by the board would result in the sum of
26 all regular and separate assessments payable in the current

1 fiscal year exceeding 115% of the sum of all regular and
2 separate assessments payable during the preceding fiscal
3 year, the board of managers, upon written petition by unit
4 owners with 20 percent of the votes of the association
5 delivered to the board within 14 days of the board action,
6 shall call a meeting of the unit owners within 30 days of
7 the date of delivery of the petition to consider the budget
8 or separate assessment; unless a majority of the total
9 votes of the unit owners are cast at the meeting to reject
10 the budget or separate assessment, it is ratified, (iii)
11 that any common expense not set forth in the budget or any
12 increase in assessments over the amount adopted in the
13 budget shall be separately assessed against all unit
14 owners, (iv) that separate assessments for expenditures
15 relating to emergencies or mandated by law may be adopted
16 by the board of managers without being subject to unit
17 owner approval or the provisions of item (ii) above or item
18 (v) below. As used herein, "emergency" means an immediate
19 danger to the structural integrity of the common elements
20 or to the life, health, safety or property of the unit
21 owners, (v) that assessments for additions and alterations
22 to the common elements or to association-owned property not
23 included in the adopted annual budget, shall be separately
24 assessed and are subject to approval of two-thirds of the
25 total votes of all unit owners, (vi) that the board of
26 managers may adopt separate assessments payable over more

1 than one fiscal year. With respect to multi-year
2 assessments not governed by items (iv) and (v), the entire
3 amount of the multi-year assessment shall be deemed
4 considered and authorized in the first fiscal year in which
5 the assessment is approved;

6 (9) (A) that every meeting of the board of managers
7 shall be open to any unit owner, except that the board may
8 close any portion of a noticed meeting or meet separately
9 from a noticed meeting to: (i) discuss litigation when an
10 action against or on behalf of the particular association
11 has been filed and is pending in a court or administrative
12 tribunal, or when the board of managers finds that such an
13 action is probable or imminent, (ii) discuss the
14 appointment, employment, engagement, or dismissal of an
15 employee, independent contractor, agent, or other provider
16 of goods and services, (iii) interview a potential
17 employee, independent contractor, agent, or other provider
18 of goods and services, (iv) discuss violations of rules and
19 regulations of the association, (v) discuss a unit owner's
20 unpaid share of common expenses, or (vi) consult with the
21 association's legal counsel; that any vote on these matters
22 shall take place at a meeting of the board of managers or
23 portion thereof open to any unit owner;

24 (B) that board members may participate in and act at
25 any meeting of the board of managers in person, by
26 telephonic means, or by use of any acceptable technological

1 means whereby all persons participating in the meeting can
2 communicate with each other; that participation
3 constitutes attendance and presence in person at the
4 meeting;

5 (C) that any unit owner may record the proceedings at
6 meetings of the board of managers or portions thereof
7 required to be open by this Act by tape, film or other
8 means, and that the board may prescribe reasonable rules
9 and regulations to govern the right to make such
10 recordings;

11 (D) that notice of every meeting of the board of
12 managers shall be given to every board member at least 48
13 hours prior thereto, unless the board member waives notice
14 of the meeting pursuant to subsection (a) of Section 18.8;
15 and

16 (E) that notice of every meeting of the board of
17 managers shall be posted in entranceways, elevators, or
18 other conspicuous places in the condominium at least 48
19 hours prior to the meeting of the board of managers except
20 where there is no common entranceway for 7 or more units,
21 the board of managers may designate one or more locations
22 in the proximity of these units where the notices of
23 meetings shall be posted; that notice of every meeting of
24 the board of managers shall also be given at least 48 hours
25 prior to the meeting, or such longer notice as this Act may
26 separately require, to: (i) each unit owner who has

1 provided the association with written authorization to
2 conduct business by acceptable technological means, and
3 (ii) to the extent that the condominium instruments of an
4 association require, to each other unit owner, as required
5 by subsection (f) of Section 18.8, by mail or delivery, and
6 that no other notice of a meeting of the board of managers
7 need be given to any unit owner;

8 (10) that the board shall meet at least 4 times
9 annually;

10 (11) that no member of the board or officer shall be
11 elected for a term of more than 2 years, but that officers
12 and board members may succeed themselves;

13 (12) the designation of an officer to mail and receive
14 all notices and execute amendments to condominium
15 instruments as provided for in this Act and in the
16 condominium instruments;

17 (13) the method of filling vacancies on the board which
18 shall include authority for the remaining members of the
19 board to fill the vacancy by two-thirds vote until the next
20 annual meeting of unit owners or for a period terminating
21 no later than 30 days following the filing of a petition
22 signed by unit owners holding 20% of the votes of the
23 association requesting a meeting of the unit owners to fill
24 the vacancy for the balance of the term, and that a meeting
25 of the unit owners shall be called for purposes of filling
26 a vacancy on the board no later than 30 days following the

1 filing of a petition signed by unit owners holding 20% of
2 the votes of the association requesting such a meeting, and
3 the method of filling vacancies among the officers that
4 shall include the authority for the members of the board to
5 fill the vacancy for the unexpired portion of the term;

6 (14) what percentage of the board of managers, if other
7 than a majority, shall constitute a quorum;

8 (15) provisions concerning notice of board meetings to
9 members of the board;

10 (16) the board of managers may not enter into a
11 contract with a current board member or with a corporation
12 or partnership in which a board member or a member of the
13 board member's immediate family has 25% or more interest,
14 unless notice of intent to enter the contract is given to
15 unit owners within 20 days after a decision is made to
16 enter into the contract and the unit owners are afforded an
17 opportunity by filing a petition, signed by 20% of the unit
18 owners, for an election to approve or disapprove the
19 contract; such petition shall be filed within 20 days after
20 such notice and such election shall be held within 30 days
21 after filing the petition; for purposes of this subsection,
22 a board member's immediate family means the board member's
23 spouse, parents, and children;

24 (17) that the board of managers may disseminate to unit
25 owners biographical and background information about
26 candidates for election to the board if (i) reasonable

1 efforts to identify all candidates are made and all
2 candidates are given an opportunity to include
3 biographical and background information in the information
4 to be disseminated; and (ii) the board does not express a
5 preference in favor of any candidate;

6 (18) any proxy distributed for board elections by the
7 board of managers gives unit owners the opportunity to
8 designate any person as the proxy holder, and gives the
9 unit owner the opportunity to express a preference for any
10 of the known candidates for the board or to write in a
11 name;

12 (19) that special meetings of the board of managers can
13 be called by the president or 25% of the members of the
14 board;

15 (20) that the board of managers may establish and
16 maintain a system of master metering of public utility
17 services and collect payments in connection therewith,
18 subject to the requirements of the Tenant Utility Payment
19 Disclosure Act; and

20 (21) that the board may ratify and confirm actions of
21 the members of the board taken in response to an emergency,
22 as that term is defined in subdivision (a) (8) (iv) of this
23 Section; that the board shall give notice to the unit
24 owners of: (i) the occurrence of the emergency event within
25 7 business days after the emergency event, and (ii) the
26 general description of the actions taken to address the

1 event within 7 days after the emergency event.

2 The intent of the provisions of Public Act 99-472
3 adding this paragraph (21) is to empower and support boards
4 to act in emergencies.

5 (b) (1) What percentage of the unit owners, if other
6 than 20%, shall constitute a quorum provided that, for
7 condominiums with 20 or more units, the percentage of unit
8 owners constituting a quorum shall be 20% unless the unit
9 owners holding a majority of the percentage interest in the
10 association provide for a higher percentage, provided that
11 in voting on amendments to the association's bylaws, a unit
12 owner who is in arrears on the unit owner's regular or
13 separate assessments for 60 days or more, shall not be
14 counted for purposes of determining if a quorum is present,
15 but that unit owner retains the right to vote on amendments
16 to the association's bylaws;

17 (2) that the association shall have one class of
18 membership;

19 (3) that the members shall hold an annual meeting, one
20 of the purposes of which shall be to elect members of the
21 board of managers;

22 (4) the method of calling meetings of the unit owners;

23 (5) that special meetings of the members can be called
24 by the president, board of managers, or by 20% of unit
25 owners;

26 (6) that written notice of any membership meeting shall

1 be mailed or delivered giving members no less than 10 and
2 no more than 30 days notice of the time, place and purpose
3 of such meeting except that notice may be sent, to the
4 extent the condominium instruments or rules adopted
5 thereunder expressly so provide, by electronic
6 transmission consented to by the unit owner to whom the
7 notice is given, provided the director and officer or his
8 agent certifies in writing to the delivery by electronic
9 transmission;

10 (7) that voting shall be on a percentage basis, and
11 that the percentage vote to which each unit is entitled is
12 the percentage interest of the undivided ownership of the
13 common elements appurtenant thereto, provided that the
14 bylaws may provide for approval by unit owners in
15 connection with matters where the requisite approval on a
16 percentage basis is not specified in this Act, on the basis
17 of one vote per unit;

18 (8) that, where there is more than one owner of a unit,
19 if only one of the multiple owners is present at a meeting
20 of the association, he is entitled to cast all the votes
21 allocated to that unit, if more than one of the multiple
22 owners are present, the votes allocated to that unit may be
23 cast only in accordance with the agreement of a majority in
24 interest of the multiple owners, unless the declaration
25 expressly provides otherwise, that there is majority
26 agreement if any one of the multiple owners cast the votes

1 allocated to that unit without protest being made promptly
2 to the person presiding over the meeting by any of the
3 other owners of the unit;

4 (9) (A) except as provided in subparagraph (B) of this
5 paragraph (9) in connection with board elections, that a
6 unit owner may vote by proxy executed in writing by the
7 unit owner or by his duly authorized attorney in fact; that
8 the proxy must bear the date of execution and, unless the
9 condominium instruments or the written proxy itself
10 provide otherwise, is invalid after 11 months from the date
11 of its execution; to the extent the condominium instruments
12 or rules adopted thereunder expressly so provide, a vote or
13 proxy may be submitted by electronic transmission,
14 provided that any such electronic transmission shall
15 either set forth or be submitted with information from
16 which it can be determined that the electronic transmission
17 was authorized by the unit owner or the unit owner's proxy;

18 (B) that if a rule adopted at least 120 days before a
19 board election or the declaration or bylaws provide for
20 balloting as set forth in this subsection, unit owners may
21 not vote by proxy in board elections, but may vote only (i)
22 by submitting an association-issued ballot in person at the
23 election meeting or (ii) by submitting an
24 association-issued ballot to the association or its
25 designated agent by mail or other means of delivery
26 specified in the declaration, bylaws, or rule; that the

1 ballots shall be mailed or otherwise distributed to unit
2 owners not less than 10 and not more than 30 days before
3 the election meeting, and the board shall give unit owners
4 not less than 21 days' prior written notice of the deadline
5 for inclusion of a candidate's name on the ballots; that
6 the deadline shall be no more than 7 days before the
7 ballots are mailed or otherwise distributed to unit owners;
8 that every such ballot must include the names of all
9 candidates who have given the board or its authorized agent
10 timely written notice of their candidacy and must give the
11 person casting the ballot the opportunity to cast votes for
12 candidates whose names do not appear on the ballot; that a
13 ballot received by the association or its designated agent
14 after the close of voting shall not be counted; that a unit
15 owner who submits a ballot by mail or other means of
16 delivery specified in the declaration, bylaws, or rule may
17 request and cast a ballot in person at the election
18 meeting, and thereby void any ballot previously submitted
19 by that unit owner;

20 (B-5) that if a rule adopted at least 120 days before a
21 board election or the declaration or bylaws provide for
22 balloting as set forth in this subparagraph, unit owners
23 may not vote by proxy in board elections, but may vote only
24 (i) by submitting an association-issued ballot in person at
25 the election meeting; or (ii) by any acceptable
26 technological means as defined in Section 2 of this Act;

1 instructions regarding the use of electronic means for
2 voting shall be distributed to all unit owners not less
3 than 10 and not more than 30 days before the election
4 meeting, and the board shall give unit owners not less than
5 21 days' prior written notice of the deadline for inclusion
6 of a candidate's name on the ballots; the deadline shall be
7 no more than 7 days before the instructions for voting
8 using electronic or acceptable technological means is
9 distributed to unit owners; every instruction notice must
10 include the names of all candidates who have given the
11 board or its authorized agent timely written notice of
12 their candidacy and must give the person voting through
13 electronic or acceptable technological means the
14 opportunity to cast votes for candidates whose names do not
15 appear on the ballot; a unit owner who submits a vote using
16 electronic or acceptable technological means may request
17 and cast a ballot in person at the election meeting,
18 thereby voiding any vote previously submitted by that unit
19 owner;

20 (C) that if a written petition by unit owners with at
21 least 20% of the votes of the association is delivered to
22 the board within 14 days after the board's approval of a
23 rule adopted pursuant to subparagraph (B) or subparagraph
24 (B-5) of this paragraph (9), the board shall call a meeting
25 of the unit owners within 30 days after the date of
26 delivery of the petition; that unless a majority of the

1 total votes of the unit owners are cast at the meeting to
2 reject the rule, the rule is ratified;

3 (D) that votes cast by ballot under subparagraph (B) or
4 electronic or acceptable technological means under
5 subparagraph (B-5) of this paragraph (9) are valid for the
6 purpose of establishing a quorum;

7 (10) that the association may, upon adoption of the
8 appropriate rules by the board of managers, conduct
9 elections by secret ballot whereby the voting ballot is
10 marked only with the percentage interest for the unit and
11 the vote itself, provided that the board further adopt
12 rules to verify the status of the unit owner issuing a
13 proxy or casting a ballot; and further, that a candidate
14 for election to the board of managers or such candidate's
15 representative shall have the right to be present at the
16 counting of ballots at such election;

17 (11) that in the event of a resale of a condominium
18 unit the purchaser of a unit from a seller other than the
19 developer pursuant to an installment contract for purchase
20 shall during such times as he or she resides in the unit be
21 counted toward a quorum for purposes of election of members
22 of the board of managers at any meeting of the unit owners
23 called for purposes of electing members of the board, shall
24 have the right to vote for the election of members of the
25 board of managers and to be elected to and serve on the
26 board of managers unless the seller expressly retains in

1 writing any or all of such rights. In no event may the
2 seller and purchaser both be counted toward a quorum, be
3 permitted to vote for a particular office or be elected and
4 serve on the board. Satisfactory evidence of the
5 installment contract shall be made available to the
6 association or its agents. For purposes of this subsection,
7 "installment contract" shall have the same meaning as set
8 forth in Section 1(e) of the Dwelling Unit Installment
9 Contract Act;

10 (12) the method by which matters subject to the
11 approval of unit owners set forth in this Act, or in the
12 condominium instruments, will be submitted to the unit
13 owners at special membership meetings called for such
14 purposes; and

15 (13) that matters subject to the affirmative vote of
16 not less than 2/3 of the votes of unit owners at a meeting
17 duly called for that purpose, shall include, but not be
18 limited to:

19 (i) merger or consolidation of the association;

20 (ii) sale, lease, exchange, or other disposition
21 (excluding the mortgage or pledge) of all, or
22 substantially all of the property and assets of the
23 association; and

24 (iii) the purchase or sale of land or of units on
25 behalf of all unit owners.

26 (c) Election of a president from among the board of

1 managers, who shall preside over the meetings of the board
2 of managers and of the unit owners.

3 (d) Election of a secretary from among the board of
4 managers, who shall keep the minutes of all meetings of the
5 board of managers and of the unit owners and who shall, in
6 general, perform all the duties incident to the office of
7 secretary.

8 (e) Election of a treasurer from among the board of
9 managers, who shall keep the financial records and books of
10 account.

11 (f) Maintenance, repair and replacement of the common
12 elements and payments therefor, including the method of
13 approving payment vouchers.

14 (g) (Blank). ~~An association with 30 or more units shall~~
15 ~~obtain and maintain fidelity insurance covering persons~~
16 ~~who control or disburse funds of the association for the~~
17 ~~maximum amount of coverage available to protect funds in~~
18 ~~the custody or control of the association plus the~~
19 ~~association reserve fund. All management companies which~~
20 ~~are responsible for the funds held or administered by the~~
21 ~~association shall maintain and furnish to the association a~~
22 ~~fidelity bond for the maximum amount of coverage available~~
23 ~~to protect funds in the custody of the management company~~
24 ~~at any time. The association shall bear the cost of the~~
25 ~~fidelity insurance and fidelity bond, unless otherwise~~
26 ~~provided by contract between the association and a~~

1 ~~management company. The association shall be the direct~~
2 ~~obligee of any such fidelity bond. A management company~~
3 ~~holding reserve funds of an association shall at all times~~
4 ~~maintain a separate account for each association,~~
5 ~~provided, however, that for investment purposes, the Board~~
6 ~~of Managers of an association may authorize a management~~
7 ~~company to maintain the association's reserve funds in a~~
8 ~~single interest bearing account with similar funds of other~~
9 ~~associations. The management company shall at all times~~
10 ~~maintain records identifying all moneys of each~~
11 ~~association in such investment account. The management~~
12 ~~company may hold all operating funds of associations which~~
13 ~~it manages in a single operating account but shall at all~~
14 ~~times maintain records identifying all moneys of each~~
15 ~~association in such operating account. Such operating and~~
16 ~~reserve funds held by the management company for the~~
17 ~~association shall not be subject to attachment by any~~
18 ~~creditor of the management company.~~

19 ~~For the purpose of this subsection, a management~~
20 ~~company shall be defined as a person, partnership,~~
21 ~~corporation, or other legal entity entitled to transact~~
22 ~~business on behalf of others, acting on behalf of or as an~~
23 ~~agent for a unit owner, unit owners or association of unit~~
24 ~~owners for the purpose of carrying out the duties,~~
25 ~~responsibilities, and other obligations necessary for the~~
26 ~~day to day operation and management of any property subject~~

1 ~~to this Act. For purposes of this subsection, the term~~
2 ~~"fiduciary insurance coverage" shall be defined as both a~~
3 ~~fidelity bond and directors and officers liability~~
4 ~~coverage, the fidelity bond in the full amount of~~
5 ~~association funds and association reserves that will be in~~
6 ~~the custody of the association, and the directors and~~
7 ~~officers liability coverage at a level as shall be~~
8 ~~determined to be reasonable by the board of managers, if~~
9 ~~not otherwise established by the declaration or by laws.~~

10 ~~Until one year after September 21, 1985 (the effective~~
11 ~~date of Public Act 84-722), if a condominium association~~
12 ~~has reserves plus assessments in excess of \$250,000 and~~
13 ~~cannot reasonably obtain 100% fidelity bond coverage for~~
14 ~~such amount, then it must obtain a fidelity bond coverage~~
15 ~~of \$250,000.~~

16 (h) Method of estimating the amount of the annual
17 budget, and the manner of assessing and collecting from the
18 unit owners their respective shares of such estimated
19 expenses, and of any other expenses lawfully agreed upon.

20 (i) That upon 10 days notice to the manager or board of
21 managers and payment of a reasonable fee, any unit owner
22 shall be furnished a statement of his account setting forth
23 the amount of any unpaid assessments or other charges due
24 and owing from such owner.

25 (j) Designation and removal of personnel necessary for
26 the maintenance, repair and replacement of the common

1 elements.

2 (k) Such restrictions on and requirements respecting
3 the use and maintenance of the units and the use of the
4 common elements, not set forth in the declaration, as are
5 designed to prevent unreasonable interference with the use
6 of their respective units and of the common elements by the
7 several unit owners.

8 (l) Method of adopting and of amending administrative
9 rules and regulations governing the operation and use of
10 the common elements.

11 (m) The percentage of votes required to modify or amend
12 the bylaws, but each one of the particulars set forth in
13 this section shall always be embodied in the bylaws.

14 (n) (i) The provisions of this Act, the declaration,
15 bylaws, other condominium instruments, and rules and
16 regulations that relate to the use of the individual unit
17 or the common elements shall be applicable to any person
18 leasing a unit and shall be deemed to be incorporated in
19 any lease executed or renewed on or after August 30, 1984
20 (the effective date of Public Act 83-1271).

21 (ii) With regard to any lease entered into subsequent
22 to July 1, 1990 (the effective date of Public Act 86-991),
23 the unit owner leasing the unit shall deliver a copy of the
24 signed lease to the board or if the lease is oral, a
25 memorandum of the lease, not later than the date of
26 occupancy or 10 days after the lease is signed, whichever

1 occurs first. In addition to any other remedies, by filing
2 an action jointly against the tenant and the unit owner, an
3 association may seek to enjoin a tenant from occupying a
4 unit or seek to evict a tenant under the provisions of
5 Article IX of the Code of Civil Procedure for failure of
6 the lessor-owner to comply with the leasing requirements
7 prescribed by this Section or by the declaration, bylaws,
8 and rules and regulations. The board of managers may
9 proceed directly against a tenant, at law or in equity, or
10 under the provisions of Article IX of the Code of Civil
11 Procedure, for any other breach by tenant of any covenants,
12 rules, regulations or bylaws.

13 (o) The association shall have no authority to forbear
14 the payment of assessments by any unit owner.

15 (p) That when 30% or fewer of the units, by number,
16 possess over 50% in the aggregate of the votes in the
17 association, any percentage vote of members specified
18 herein or in the condominium instruments shall require the
19 specified percentage by number of units rather than by
20 percentage of interest in the common elements allocated to
21 units that would otherwise be applicable and garage units
22 or storage units, or both, shall have, in total, no more
23 votes than their aggregate percentage of ownership in the
24 common elements; this shall mean that if garage units or
25 storage units, or both, are to be given a vote, or portion
26 of a vote, that the association must add the total number

1 of votes cast of garage units, storage units, or both, and
2 divide the total by the number of garage units, storage
3 units, or both, and multiply by the aggregate percentage of
4 ownership of garage units and storage units to determine
5 the vote, or portion of a vote, that garage units or
6 storage units, or both, have. For purposes of this
7 subsection (p), when making a determination of whether 30%
8 or fewer of the units, by number, possess over 50% in the
9 aggregate of the votes in the association, a unit shall not
10 include a garage unit or a storage unit.

11 (q) That a unit owner may not assign, delegate,
12 transfer, surrender, or avoid the duties,
13 responsibilities, and liabilities of a unit owner under
14 this Act, the condominium instruments, or the rules and
15 regulations of the Association; and that such an attempted
16 assignment, delegation, transfer, surrender, or avoidance
17 shall be deemed void.

18 The provisions of this Section are applicable to all
19 condominium instruments recorded under this Act. Any portion of
20 a condominium instrument which contains provisions contrary to
21 these provisions shall be void as against public policy and
22 ineffective. Any such instrument which fails to contain the
23 provisions required by this Section shall be deemed to
24 incorporate such provisions by operation of law.

25 (Source: P.A. 98-1042, eff. 1-1-15; 99-472, eff. 6-1-16;
26 99-567, eff. 1-1-17; 99-642, eff. 7-28-16.)

1 (765 ILCS 605/18.5) (from Ch. 30, par. 318.5)

2 Sec. 18.5. Master Associations.

3 (a) If the declaration, other condominium instrument, or
4 other duly recorded covenants provide that any of the powers of
5 the unit owners associations are to be exercised by or may be
6 delegated to a nonprofit corporation or unincorporated
7 association that exercises those or other powers on behalf of
8 one or more condominiums, or for the benefit of the unit owners
9 of one or more condominiums, such corporation or association
10 shall be a master association.

11 (b) There shall be included in the declaration, other
12 condominium instruments, or other duly recorded covenants
13 establishing the powers and duties of the master association
14 the provisions set forth in subsections (c) through (h).

15 In interpreting subsections (c) through (h), the courts
16 should interpret these provisions so that they are interpreted
17 consistently with the similar parallel provisions found in
18 other parts of this Act.

19 (c) Meetings and finances.

20 (1) Each unit owner of a condominium subject to the
21 authority of the board of the master association shall
22 receive, at least 30 days prior to the adoption thereof by
23 the board of the master association, a copy of the proposed
24 annual budget.

25 (2) The board of the master association shall annually

1 supply to all unit owners of condominiums subject to the
2 authority of the board of the master association an
3 itemized accounting of the common expenses for the
4 preceding year actually incurred or paid, together with a
5 tabulation of the amounts collected pursuant to the budget
6 or assessment, and showing the net excess or deficit of
7 income over expenditures plus reserves.

8 (3) Each unit owner of a condominium subject to the
9 authority of the board of the master association shall
10 receive written notice mailed or delivered no less than 10
11 and no more than 30 days prior to any meeting of the board
12 of the master association concerning the adoption of the
13 proposed annual budget or any increase in the budget, or
14 establishment of an assessment.

15 (4) Meetings of the board of the master association
16 shall be open to any unit owner in a condominium subject to
17 the authority of the board of the master association,
18 except for the portion of any meeting held:

19 (A) to discuss litigation when an action against or
20 on behalf of the particular master association has been
21 filed and is pending in a court or administrative
22 tribunal, or when the board of the master association
23 finds that such an action is probable or imminent,

24 (B) to consider information regarding appointment,
25 employment or dismissal of an employee, or

26 (C) to discuss violations of rules and regulations

1 of the master association or unpaid common expenses
2 owed to the master association.

3 Any vote on these matters shall be taken at a meeting or
4 portion thereof open to any unit owner of a condominium
5 subject to the authority of the master association.

6 Any unit owner may record the proceedings at meetings
7 required to be open by this Act by tape, film or other
8 means; the board may prescribe reasonable rules and
9 regulations to govern the right to make such recordings.
10 Notice of meetings shall be mailed or delivered at least 48
11 hours prior thereto, unless a written waiver of such notice
12 is signed by the persons entitled to notice before the
13 meeting is convened. Copies of notices of meetings of the
14 board of the master association shall be posted in
15 entranceways, elevators, or other conspicuous places in
16 the condominium at least 48 hours prior to the meeting of
17 the board of the master association. Where there is no
18 common entranceway for 7 or more units, the board of the
19 master association may designate one or more locations in
20 the proximity of these units where the notices of meetings
21 shall be posted.

22 (5) If the declaration provides for election by unit
23 owners of members of the board of directors in the event of
24 a resale of a unit in the master association, the purchaser
25 of a unit from a seller other than the developer pursuant
26 to an installment contract for purchase shall, during such

1 times as he or she resides in the unit, be counted toward a
2 quorum for purposes of election of members of the board of
3 directors at any meeting of the unit owners called for
4 purposes of electing members of the board, and shall have
5 the right to vote for the election of members of the board
6 of directors and to be elected to and serve on the board of
7 directors unless the seller expressly retains in writing
8 any or all of those rights. In no event may the seller and
9 purchaser both be counted toward a quorum, be permitted to
10 vote for a particular office, or be elected and serve on
11 the board. Satisfactory evidence of the installment
12 contract shall be made available to the association or its
13 agents. For purposes of this subsection, "installment
14 contract" shall have the same meaning as set forth in
15 subsection (e) of Section 1 of the Dwelling Unit
16 Installment Contract Act.

17 (6) The board of the master association shall have the
18 authority to establish and maintain a system of master
19 metering of public utility services and to collect payments
20 in connection therewith, subject to the requirements of the
21 Tenant Utility Payment Disclosure Act.

22 (7) The board of the master association ~~or a common~~
23 ~~interest community association~~ shall have the power, after
24 notice and an opportunity to be heard, to levy and collect
25 reasonable fines from members for violations of the
26 declaration, bylaws, and rules and regulations of the

1 master association ~~or the common interest community~~
2 ~~association~~. Nothing contained in this subdivision (7)
3 shall give rise to a statutory lien for unpaid fines.

4 (8) Other than attorney's fees, no fees pertaining to
5 the collection of a unit owner's financial obligation to
6 the Association, including fees charged by a manager or
7 managing agent, shall be added to and deemed a part of an
8 owner's respective share of the common expenses unless: (i)
9 the managing agent fees relate to the costs to collect
10 common expenses for the Association; (ii) the fees are set
11 forth in a contract between the managing agent and the
12 Association; and (iii) the authority to add the management
13 fees to an owner's respective share of the common expenses
14 is specifically stated in the declaration or bylaws of the
15 Association.

16 (d) Records.

17 (1) The board of the master association shall keep and
18 maintain the following records, or true and complete copies
19 of the records, at the association's principal office ~~of~~
20 ~~the association and make them available for examination and~~
21 ~~copying at convenient hours of weekdays by any unit owners~~
22 ~~in a condominium subject to the authority of the board or~~
23 ~~their mortgagees and their duly authorized agents or~~
24 ~~attorneys:~~

25 (i) the association's declaration, bylaws, and
26 plats of survey, and all amendments of the

1 association's declaration, bylaws, and plats of
2 survey;

3 (ii) the rules and regulations of the association,
4 if any;

5 (iii) if the association is incorporated as a
6 corporation, the articles of incorporation of the
7 association and all amendments to the articles of
8 incorporation;

9 (iv) minutes of all meetings of the association and
10 its board of managers for the immediately preceding 7
11 years;

12 (v) all current policies of insurance of the
13 association;

14 (vi) all contracts, leases, and other agreements
15 then in effect to which the association is a party or
16 under which the association or the unit owners have
17 obligations or liabilities;

18 (vii) a current listing of the names, addresses,
19 and weighted vote of all members entitled to vote;

20 (viii) ballots and proxies related to ballots for
21 all matters voted on by the members of the association
22 during the immediately preceding 12 months, including,
23 but not limited to, the election of members of the
24 board of managers; and

25 (ix) the books and records of account for the
26 association's current and 10 immediately preceding

1 fiscal years, including, but not limited to, itemized
2 and detailed records of all receipts and expenditures.

3 With respect to units owned by a land trust, if a
4 trustee designates in writing a person to cast votes on
5 behalf of the unit owner, the designation shall remain in
6 effect until a subsequent document is filed with the
7 association.

8 (2) Any member of an association has the right to
9 inspect, examine, and make copies of the records described
10 in subdivisions (i), (ii), (iii), (iv), and (v) of
11 paragraph (1) of this subsection, in person or by agent, at
12 any reasonable time or times, at the association's
13 principal office. In order to exercise this right, a member
14 must submit a written request to the association's board of
15 directors or its authorized agent, stating with
16 particularity the records sought. Failure of an
17 association's board of directors to make available all
18 requested records within 30 days of receipt of the member's
19 written request shall be deemed a denial.

20 Any member who prevails in an enforcement action to
21 compel examination of records described in subdivisions
22 (i), (ii), (iii), (iv), and (v) of paragraph (1) of this
23 subsection is entitled to recover reasonable attorney's
24 fees and costs from the association.

25 (3) Except as otherwise provided in this subsection,
26 any member of an association has the right to inspect,

1 examine, and make copies of the records described in
2 subdivisions (vi), (vii), (viii), and (ix) of paragraph (1)
3 of this subsection, in person or by agent, at any
4 reasonable time or times, but only for a proper purpose, at
5 the association's principal office. In order to exercise
6 this right, a member must submit a written request to the
7 association's board of directors or its authorized agent,
8 stating with particularity the records sought and a proper
9 purpose for the request. Subject to the provisions of
10 paragraph (5) of this subsection, failure of an
11 association's board of directors to make available all
12 requested records within 30 business days of receipt of the
13 member's written request shall be deemed a denial; however,
14 the board of directors of an association that has adopted a
15 secret ballot election process shall not be deemed to have
16 denied a member's request for records described in
17 subdivision (viii) of paragraph (1) of this subsection if
18 voting ballots, without identifying unit numbers, are made
19 available to the requesting member within 30 days of
20 receipt of the member's written request.

21 In an action to compel examination of records described
22 in subdivisions (vi), (vii), (viii), and (ix) of paragraph
23 (1) of this subsection, the burden of proof is upon the
24 member to establish that the member's request is based on a
25 proper purpose. Any member who prevails in an enforcement
26 action to compel examination of records described in

1 subdivisions (vi), (vii), (viii), and (ix) of paragraph (1)
2 of this subsection is entitled to recover reasonable
3 attorney's fees and costs from the association only if the
4 court finds that the board of directors acted in bad faith
5 in denying the member's request.

6 (4) The actual cost to the association of retrieving
7 and making requested records available for inspection and
8 examination under this Section shall be charged by the
9 association to the requesting member. If a member requests
10 copies of records under this Section, the actual costs to
11 the association of reproducing the records shall also be
12 charged by the association to the requesting member.

13 (5) Notwithstanding the other provisions of this
14 subsection, unless otherwise directed by court order, an
15 association need not make the following records available
16 for inspection, examination, or copying by its members:

17 (i) documents relating to appointment, employment,
18 discipline, or dismissal of association employees;

19 (ii) documents relating to actions pending against
20 or on behalf of the association or its board of
21 managers in a court or administrative tribunal;

22 (iii) documents relating to actions threatened
23 against, or likely to be asserted on behalf of, the
24 association or its board of directors in a court or
25 administrative tribunal;

26 (iv) documents relating to common expenses or

1 other charges owed by a member other than the
2 requesting member; and

3 (v) documents provided to an association in
4 connection with the lease, sale, or other transfer of a
5 unit by a member other than the requesting member.

6 ~~(i) Copies of the recorded declaration, other~~
7 ~~condominium instruments, other duly recorded covenants~~
8 ~~and bylaws and any amendments, articles of~~
9 ~~incorporation of the master association, annual~~
10 ~~reports and any rules and regulations adopted by the~~
11 ~~master association or its board shall be available.~~
12 ~~Prior to the organization of the master association,~~
13 ~~the developer shall maintain and make available the~~
14 ~~records set forth in this subdivision (d) (1) for~~
15 ~~examination and copying.~~

16 ~~(ii) Detailed and accurate records in~~
17 ~~chronological order of the receipts and expenditures~~
18 ~~affecting the common areas, specifying and itemizing~~
19 ~~the maintenance and repair expenses of the common areas~~
20 ~~and any other expenses incurred, and copies of all~~
21 ~~contracts, leases, or other agreements entered into by~~
22 ~~the master association, shall be maintained.~~

23 ~~(iii) The minutes of all meetings of the master~~
24 ~~association and the board of the master association~~
25 ~~shall be maintained for not less than 7 years.~~

26 ~~(iv) Ballots and proxies related thereto, if any,~~

1 ~~for any election held for the board of the master~~
2 ~~association and for any other matters voted on by the~~
3 ~~unit owners shall be maintained for not less than one~~
4 ~~year.~~

5 ~~(v) Such other records of the master association as~~
6 ~~are available for inspection by members of a~~
7 ~~not for profit corporation pursuant to Section 107.75~~
8 ~~of the General Not For Profit Corporation Act of 1986~~
9 ~~shall be maintained.~~

10 ~~(vi) With respect to units owned by a land trust,~~
11 ~~if a trustee designates in writing a person to cast~~
12 ~~votes on behalf of the unit owner, the designation~~
13 ~~shall remain in effect until a subsequent document is~~
14 ~~filed with the association.~~

15 ~~(2) Where a request for records under this subsection~~
16 ~~is made in writing to the board of managers or its agent,~~
17 ~~failure to provide the requested record or to respond~~
18 ~~within 30 days shall be deemed a denial by the board of~~
19 ~~directors.~~

20 ~~(3) A reasonable fee may be charged by the master~~
21 ~~association or its board for the cost of copying.~~

22 ~~(4) If the board of directors fails to provide records~~
23 ~~properly requested under subdivision (d) (1) within the~~
24 ~~time period provided in subdivision (d) (2), the unit owner~~
25 ~~may seek appropriate relief, including an award of~~
26 ~~attorney's fees and costs.~~

1 (e) The board of directors shall have standing and capacity
2 to act in a representative capacity in relation to matters
3 involving the common areas of the master association or more
4 than one unit, on behalf of the unit owners as their interests
5 may appear.

6 (f) Administration of property prior to election of the
7 initial board of directors.

8 (1) Until the election, by the unit owners or the
9 boards of managers of the underlying condominium
10 associations, of the initial board of directors of a master
11 association whose declaration is recorded on or after
12 August 10, 1990, the same rights, titles, powers,
13 privileges, trusts, duties and obligations that are vested
14 in or imposed upon the board of directors by this Act or in
15 the declaration or other duly recorded covenant shall be
16 held and performed by the developer.

17 (2) The election of the initial board of directors of a
18 master association whose declaration is recorded on or
19 after August 10, 1990, by the unit owners or the boards of
20 managers of the underlying condominium associations, shall
21 be held not later than 60 days after the conveyance by the
22 developer of 75% of the units, or 3 years after the
23 recording of the declaration, whichever is earlier. The
24 developer shall give at least 21 days notice of the meeting
25 to elect the initial board of directors and shall upon
26 request provide to any unit owner, within 3 working days of

1 the request, the names, addresses, and weighted vote of
2 each unit owner entitled to vote at the meeting. Any unit
3 owner shall upon receipt of the request be provided with
4 the same information, within 10 days of the request, with
5 respect to each subsequent meeting to elect members of the
6 board of directors.

7 (3) If the initial board of directors of a master
8 association whose declaration is recorded on or after
9 August 10, 1990 is not elected by the unit owners or the
10 members of the underlying condominium association board of
11 managers at the time established in subdivision (f) (2), the
12 developer shall continue in office for a period of 30 days,
13 whereupon written notice of his resignation shall be sent
14 to all of the unit owners or members of the underlying
15 condominium board of managers entitled to vote at an
16 election for members of the board of directors.

17 (4) Within 60 days following the election of a majority
18 of the board of directors, other than the developer, by
19 unit owners, the developer shall deliver to the board of
20 directors:

21 (i) All original documents as recorded or filed
22 pertaining to the property, its administration, and
23 the association, such as the declaration, articles of
24 incorporation, other instruments, annual reports,
25 minutes, rules and regulations, and contracts, leases,
26 or other agreements entered into by the association. If

1 any original documents are unavailable, a copy may be
2 provided if certified by affidavit of the developer, or
3 an officer or agent of the developer, as being a
4 complete copy of the actual document recorded or filed.

5 (ii) A detailed accounting by the developer,
6 setting forth the source and nature of receipts and
7 expenditures in connection with the management,
8 maintenance and operation of the property, copies of
9 all insurance policies, and a list of any loans or
10 advances to the association which are outstanding.

11 (iii) Association funds, which shall have been at
12 all times segregated from any other moneys of the
13 developer.

14 (iv) A schedule of all real or personal property,
15 equipment and fixtures belonging to the association,
16 including documents transferring the property,
17 warranties, if any, for all real and personal property
18 and equipment, deeds, title insurance policies, and
19 all tax bills.

20 (v) A list of all litigation, administrative
21 action and arbitrations involving the association, any
22 notices of governmental bodies involving actions taken
23 or which may be taken concerning the association,
24 engineering and architectural drawings and
25 specifications as approved by any governmental
26 authority, all other documents filed with any other

1 governmental authority, all governmental certificates,
2 correspondence involving enforcement of any
3 association requirements, copies of any documents
4 relating to disputes involving unit owners, and
5 originals of all documents relating to everything
6 listed in this subparagraph.

7 (vi) If the developer fails to fully comply with
8 this paragraph (4) within the 60 days provided and
9 fails to fully comply within 10 days of written demand
10 mailed by registered or certified mail to his or her
11 last known address, the board may bring an action to
12 compel compliance with this paragraph (4). If the court
13 finds that any of the required deliveries were not made
14 within the required period, the board shall be entitled
15 to recover its reasonable attorneys' fees and costs
16 incurred from and after the date of expiration of the
17 10 day demand.

18 (5) With respect to any master association whose
19 declaration is recorded on or after August 10, 1990, any
20 contract, lease, or other agreement made prior to the
21 election of a majority of the board of directors other than
22 the developer by or on behalf of unit owners or underlying
23 condominium associations, the association or the board of
24 directors, which extends for a period of more than 2 years
25 from the recording of the declaration, shall be subject to
26 cancellation by more than 1/2 of the votes of the unit

1 owners, other than the developer, cast at a special meeting
2 of members called for that purpose during a period of 90
3 days prior to the expiration of the 2 year period if the
4 board of managers is elected by the unit owners, otherwise
5 by more than 1/2 of the underlying condominium board of
6 managers. At least 60 days prior to the expiration of the 2
7 year period, the board of directors, or, if the board is
8 still under developer control, then the board of managers
9 or the developer shall send notice to every unit owner or
10 underlying condominium board of managers, notifying them
11 of this provision, of what contracts, leases and other
12 agreements are affected, and of the procedure for calling a
13 meeting of the unit owners or for action by the underlying
14 condominium board of managers for the purpose of acting to
15 terminate such contracts, leases or other agreements.
16 During the 90 day period the other party to the contract,
17 lease, or other agreement shall also have the right of
18 cancellation.

19 (6) The statute of limitations for any actions in law
20 or equity which the master association may bring shall not
21 begin to run until the unit owners or underlying
22 condominium board of managers have elected a majority of
23 the members of the board of directors.

24 (g) In the event of any resale of a unit in a master
25 association by a unit owner other than the developer, the owner
26 shall obtain from the board of directors and shall make

1 available for inspection to the prospective purchaser, upon
2 demand, the following:

3 (1) A copy of the declaration, other instruments and
4 any rules and regulations.

5 (2) A statement of any liens, including a statement of
6 the account of the unit setting forth the amounts of unpaid
7 assessments and other charges due and owing.

8 (3) A statement of any capital expenditures
9 anticipated by the association within the current or
10 succeeding 2 fiscal years.

11 (4) A statement of the status and amount of any reserve
12 for replacement fund and any portion of such fund earmarked
13 for any specified project by the board of directors.

14 (5) A copy of the statement of financial condition of
15 the association for the last fiscal year for which such a
16 statement is available.

17 (6) A statement of the status of any pending suits or
18 judgments in which the association is a party that may have
19 a material adverse impact on the association's financial
20 condition.

21 (7) A statement setting forth what insurance coverage
22 is provided for all unit owners by the association.

23 (8) A statement that any known improvements or
24 alterations made to the unit, or any part of the common
25 areas assigned thereto, by the prior unit owner are in good
26 faith believed to be in compliance with the declaration of

1 the master association.

2 The principal officer of the unit owner's association or
3 such other officer, manager, or agent as is specifically
4 designated shall furnish the above information when requested
5 to do so in writing, within 30 days of receiving the request.

6 A reasonable fee covering the direct out-of-pocket cost of
7 copying and providing such information may be charged by the
8 association or its board of directors to the unit seller for
9 providing the information.

10 Within 15 days of the recording of a mortgage or trust deed
11 against a unit ownership given by the owner of that unit to
12 secure a debt, the owner shall inform the board of the master
13 association of the identity of the lender, together with a
14 mailing address at which the lender can receive notices from
15 the association. If a unit owner fails or refuses to inform the
16 board as required under this subsection, then that unit owner
17 is liable to the association for all costs, expenses, and
18 reasonable attorney's fees and other damages, if any, incurred
19 by the association as a result of the failure or refusal.

20 (g-1) The purchaser of a unit of a common interest
21 community at a judicial foreclosure sale, other than a
22 mortgagee, who takes possession of a unit of a common interest
23 community pursuant to a court order or a purchaser who acquires
24 title from a mortgagee shall have the duty to pay the
25 proportionate share, if any, of the common expenses for the
26 unit that would have become due in the absence of any

1 assessment acceleration during the 6 months immediately
2 preceding institution of an action to enforce the collection of
3 assessments and the court costs incurred by the association in
4 an action to enforce the collection that remain unpaid by the
5 owner during whose possession the assessments accrued. If the
6 outstanding assessments and the court costs incurred by the
7 association in an action to enforce the collection are paid at
8 any time during any action to enforce the collection of
9 assessments, the purchaser shall have no obligation to pay any
10 assessments that accrued before he or she acquired title. The
11 notice of sale of a unit of a common interest community under
12 subsection (c) of Section 15-1507 of the Code of Civil
13 Procedure shall state that the purchaser of the unit other than
14 a mortgagee shall pay the assessments and court costs required
15 by this subsection (g-1).

16 (h) Errors and omissions.

17 (1) If there is an omission or error in the declaration
18 or other instrument of the master association, the master
19 association may correct the error or omission by an
20 amendment to the declaration or other instrument, as may be
21 required to conform it to this Act, to any other applicable
22 statute, or to the declaration. The amendment shall be
23 adopted by vote of two-thirds of the members of the board
24 of directors or by a majority vote of the unit owners at a
25 meeting called for that purpose, unless the Act or the
26 declaration of the master association specifically

1 provides for greater percentages or different procedures.

2 (2) If, through a scrivener's error, a unit has not
3 been designated as owning an appropriate undivided share of
4 the common areas or does not bear an appropriate share of
5 the common expenses, or if all of the common expenses or
6 all of the common elements in the condominium have not been
7 distributed in the declaration, so that the sum total of
8 the shares of common areas which have been distributed or
9 the sum total of the shares of the common expenses fail to
10 equal 100%, or if it appears that more than 100% of the
11 common elements or common expenses have been distributed,
12 the error may be corrected by operation of law by filing an
13 amendment to the declaration, approved by vote of
14 two-thirds of the members of the board of directors or a
15 majority vote of the unit owners at a meeting called for
16 that purpose, which proportionately adjusts all percentage
17 interests so that the total is equal to 100%, unless the
18 declaration specifically provides for a different
19 procedure or different percentage vote by the owners of the
20 units and the owners of mortgages thereon affected by
21 modification being made in the undivided interest in the
22 common areas, the number of votes in the unit owners
23 association or the liability for common expenses
24 appertaining to the unit.

25 (3) If an omission or error or a scrivener's error in
26 the declaration or other instrument is corrected by vote of

1 two-thirds of the members of the board of directors
2 pursuant to the authority established in subdivisions
3 (h)(1) or (h)(2) of this Section, the board, upon written
4 petition by unit owners with 20% of the votes of the
5 association or resolutions adopted by the board of managers
6 or board of directors of the condominium and common
7 interest community associations which select 20% of the
8 members of the board of directors of the master
9 association, whichever is applicable, received within 30
10 days of the board action, shall call a meeting of the unit
11 owners or the boards of the condominium and common interest
12 community associations which select members of the board of
13 directors of the master association within 30 days of the
14 filing of the petition or receipt of the condominium and
15 common interest community association resolution to
16 consider the board action. Unless a majority of the votes
17 of the unit owners of the association are cast at the
18 meeting to reject the action, or board of managers or board
19 of directors of condominium and common interest community
20 associations which select over 50% of the members of the
21 board of the master association adopt resolutions prior to
22 the meeting rejecting the action of the board of directors
23 of the master association, it is ratified whether or not a
24 quorum is present.

25 (4) The procedures for amendments set forth in this
26 subsection (h) cannot be used if such an amendment would

1 materially or adversely affect property rights of the unit
2 owners unless the affected unit owners consent in writing.
3 This Section does not restrict the powers of the
4 association to otherwise amend the declaration, bylaws, or
5 other condominium instruments, but authorizes a simple
6 process of amendment requiring a lesser vote for the
7 purpose of correcting defects, errors, or omissions when
8 the property rights of the unit owners are not materially
9 or adversely affected.

10 (5) If there is an omission or error in the declaration
11 or other instruments that may not be corrected by an
12 amendment procedure set forth in subdivision (h)(1) or
13 (h)(2) of this Section, then the circuit court in the
14 county in which the master association is located shall
15 have jurisdiction to hear a petition of one or more of the
16 unit owners thereon or of the association, to correct the
17 error or omission, and the action may be a class action.
18 The court may require that one or more methods of
19 correcting the error or omission be submitted to the unit
20 owners to determine the most acceptable correction. All
21 unit owners in the association must be joined as parties to
22 the action. Service of process on owners may be by
23 publication, but the plaintiff shall furnish all unit
24 owners not personally served with process with copies of
25 the petition and final judgment of the court by certified
26 mail, return receipt requested, at their last known

1 address.

2 (6) Nothing contained in this Section shall be
3 construed to invalidate any provision of a declaration
4 authorizing the developer to amend an instrument prior to
5 the latest date on which the initial membership meeting of
6 the unit owners must be held, whether or not it has
7 actually been held, to bring the instrument into compliance
8 with the legal requirements of the Federal National
9 Mortgage Association, the Federal Home Loan Mortgage
10 Corporation, the Federal Housing Administration, the
11 United States Veterans Administration or their respective
12 successors and assigns.

13 (i) The provisions of subsections (c) through (h) are
14 applicable to all declarations, other condominium instruments,
15 and other duly recorded covenants establishing the powers and
16 duties of the master association recorded under this Act. Any
17 portion of a declaration, other condominium instrument, or
18 other duly recorded covenant establishing the powers and duties
19 of a master association which contains provisions contrary to
20 the provisions of subsection (c) through (h) shall be void as
21 against public policy and ineffective. Any declaration, other
22 condominium instrument, or other duly recorded covenant
23 establishing the powers and duties of the master association
24 which fails to contain the provisions required by subsections
25 (c) through (h) shall be deemed to incorporate such provisions
26 by operation of law.

1 (j) (Blank).

2 (Source: P.A. 96-1045, eff. 7-14-10; 97-535, eff. 1-1-12;
3 97-605, eff. 8-26-11; 97-813, eff. 7-13-12.)

4 (765 ILCS 605/18.6)

5 Sec. 18.6. Display of American flag or military flag.

6 (a) Notwithstanding any provision in the declaration,
7 bylaws, rules, regulations, or agreements or other instruments
8 of a condominium association or a master association ~~or a~~
9 ~~common interest community association~~ or a board's
10 construction of any of those instruments, a board may not
11 prohibit the display of the American flag or a military flag,
12 or both, on or within the limited common areas and facilities
13 of a unit owner or on the immediately adjacent exterior of the
14 building in which the unit of a unit owner is located. A board
15 may adopt reasonable rules and regulations, consistent with
16 Sections 4 through 10 of Chapter 1 of Title 4 of the United
17 States Code, regarding the placement and manner of display of
18 the American flag and a board may adopt reasonable rules and
19 regulations regarding the placement and manner of display of a
20 military flag. A board may not prohibit the installation of a
21 flagpole for the display of the American flag or a military
22 flag, or both, on or within the limited common areas and
23 facilities of a unit owner or on the immediately adjacent
24 exterior of the building in which the unit of a unit owner is
25 located, but a board may adopt reasonable rules and regulations

1 regarding the location and size of flagpoles.

2 (b) As used in this Section:

3 "American flag" means the flag of the United States (as
4 defined in Section 1 of Chapter 1 of Title 4 of the United
5 States Code and the Executive Orders entered in connection with
6 that Section) made of fabric, cloth, or paper displayed from a
7 staff or flagpole or in a window, but "American flag" does not
8 include a depiction or emblem of the American flag made of
9 lights, paint, roofing, siding, paving materials, flora, or
10 balloons, or any other similar building, landscaping, or
11 decorative component.

12 "Board" includes a board of managers of a condominium
13 association or a board of a master association ~~or a common~~
14 ~~interest community association.~~

15 "Military flag" means a flag of any branch of the United
16 States armed forces or the Illinois National Guard made of
17 fabric, cloth, or paper displayed from a staff or flagpole or
18 in a window, but "military flag" does not include a depiction
19 or emblem of a military flag made of lights, paint, roofing,
20 siding, paving materials, flora, or balloons, or any other
21 similar building, landscaping, or decorative component.

22 (Source: P.A. 93-481, eff. 1-1-04.)

23 (765 ILCS 605/18.7)

24 Sec. 18.7. Standards for community association managers.

25 (a) "Community association" has the meaning provided in

1 Section 10 of the Community Association Manager Licensing and
2 Disciplinary Act ~~means an association in which membership is a~~
3 ~~condition of ownership or shareholder interest of a unit in a~~
4 ~~condominium, cooperative, townhouse, villa, or other~~
5 ~~residential unit that is part of a residential development plan~~
6 ~~as a master association or common interest community and that~~
7 ~~is authorized to impose an assessment and other costs that may~~
8 ~~become a lien on the unit or lot.~~

9 (b) "Community association manager" has the meaning
10 provided in Section 10 of the Community Association Manager
11 Licensing and Disciplinary Act ~~means an individual who~~
12 ~~administers for compensation the coordination of financial,~~
13 ~~administrative, maintenance, or other duties called for in the~~
14 ~~management contract, including individuals who are direct~~
15 ~~employees of a community association. A manager does not~~
16 ~~include support staff, such as bookkeepers, administrative~~
17 ~~assistants, secretaries, property inspectors, or customer~~
18 ~~service representatives.~~

19 (c) (Blank). ~~Requirements. To perform services as a~~
20 ~~community association manager, an individual must meet these~~
21 ~~requirements:~~

22 ~~(1) shall have attained the age of 21 and be a citizen~~
23 ~~or legal permanent resident of the United States;~~

24 ~~(2) shall not have been convicted of forgery,~~
25 ~~embezzlement, obtaining money under false pretenses,~~
26 ~~larceny, extortion, conspiracy to defraud or other similar~~

1 ~~offense or offenses;~~

2 ~~(3) shall have a working knowledge of the fundamentals~~
3 ~~of community association management, including the~~
4 ~~Condominium Property Act, the Illinois Not-for-Profit~~
5 ~~Corporation Act, and any other laws pertaining to community~~
6 ~~association management; and~~

7 ~~(4) shall not have engaged in the following activities:~~
8 ~~failure to cooperate with any law enforcement agency in the~~
9 ~~investigation of a complaint; or failure to produce any~~
10 ~~document, book, or record in the possession or control of~~
11 ~~the community association manager after a request for~~
12 ~~production of that document, book, or record in the course~~
13 ~~of an investigation of a complaint.~~

14 (d) (Blank). ~~Access to community association funds. For~~
15 ~~community associations of 6 or more units, apartments,~~
16 ~~townhomes, villas or other residential units, a community~~
17 ~~association manager or the firm with whom the manager is~~
18 ~~employed shall not solely and exclusively have access to and~~
19 ~~disburse funds of a community association unless:~~

20 ~~(1) There is a fidelity bond in place.~~

21 ~~(2) The fidelity bond is in an amount not less than all~~
22 ~~monies of that association in the custody or control of the~~
23 ~~community association manager.~~

24 ~~(3) The fidelity bond covers the community association~~
25 ~~manager and all partners, officers, and employees of the~~
26 ~~firm with whom the community association manager is~~

1 ~~employed during the term of the bond, as well as the~~
2 ~~community association officers, directors, and employees~~
3 ~~of the community association who control or disburse funds.~~

4 ~~(4) The insurance company issuing the bond may not~~
5 ~~cancel or refuse to renew the bond without giving not less~~
6 ~~than 10 days' prior written notice to the community~~
7 ~~association.~~

8 ~~(5) The community association shall secure and pay for~~
9 ~~the bond.~~

10 (e) A community association manager who provides community
11 association management services for more than one community
12 association shall maintain separate, segregated accounts for
13 each community association. The funds shall not, in any event,
14 be commingled with funds of the community association manager,
15 the firm of the community association manager, or any other
16 community association, except to the extent permitted under
17 paragraph (5) of subsection (c) of Section 9 of this Act. The
18 maintenance of these accounts shall be custodial, and the
19 accounts shall be in the name of the respective community
20 association.

21 (f) Exempt persons. Except as otherwise provided, this
22 Section does not apply to any person acting as a receiver,
23 trustee in bankruptcy, administrator, executor, or guardian
24 acting under a court order or under the authority of a will or
25 of a trust instrument.

26 (g) Right of Action.

1 (1) Nothing in this Section ~~amendatory Act of the 95th~~
2 ~~General Assembly~~ shall create a cause of action by a unit
3 owner, ~~shareholder,~~ or community association member
4 against a community association manager or ~~the firm of a~~
5 community association management firm as defined in
6 Section 10 of the Community Association Manager Licensing
7 and Disciplinary Act ~~manager.~~

8 (2) This Section ~~amendatory Act of the 95th General~~
9 ~~Assembly~~ shall not impair any right of action by a unit
10 owner ~~or shareholder~~ against a community association or
11 master association board of directors under existing law.

12 (Source: P.A. 95-318, eff. 1-1-08.)

13 (765 ILCS 605/22.1) (from Ch. 30, par. 322.1)

14 Sec. 22.1. (a) In the event of any resale of a condominium
15 unit by a unit owner other than the developer such owner shall
16 obtain from the Board of Managers and shall make available for
17 inspection to the prospective purchaser, upon demand, the
18 following:

19 (1) A copy of the Declaration, by-laws, other
20 condominium instruments and any rules and regulations.

21 (2) A statement of any liens, including a statement of
22 the account of the unit setting forth the amounts of unpaid
23 assessments and other charges due and owing as authorized
24 and limited by the provisions of Section 9 of this Act or
25 the condominium instruments.

1 (3) A statement of any capital expenditures
2 anticipated by the unit owner's association within the
3 current or succeeding two fiscal years.

4 (4) A statement of the status and amount of any reserve
5 for replacement fund and any portion of such fund earmarked
6 for any specified project by the Board of Managers.

7 (5) A copy of the statement of financial condition of
8 the unit owner's association for the last fiscal year for
9 which such statement is available.

10 (6) A statement of the status of any pending suits or
11 judgments in which the unit owner's association is a party
12 that may have a material adverse impact on the financial
13 condition of the association.

14 (7) A statement setting forth what insurance coverage
15 is provided for all unit owners by the unit owner's
16 association.

17 (8) A statement that any known improvements or
18 alterations made to the unit, or the limited common
19 elements assigned thereto, by the prior unit owner are in
20 good faith believed to be in compliance with the
21 condominium instruments.

22 (9) The identity and mailing address of the principal
23 officer of the unit owner's association or of the other
24 officer or agent as is specifically designated to receive
25 notices.

26 (b) The principal officer of the unit owner's association

1 or such other officer, manager, or agent as is specifically
2 designated shall furnish the above information when requested
3 to do so in writing and within 30 days of the request.

4 (c) Within 15 days of the recording of a mortgage or trust
5 deed against a unit ownership given by the owner of that unit
6 to secure a debt, the owner shall inform the Board of Managers
7 of the unit owner's association of the identity of the lender
8 together with a mailing address at which the lender can receive
9 notices from the association. If a unit owner fails or refuses
10 to inform the Board as required under subsection (c) then that
11 unit owner shall be liable to the association for all costs,
12 expenses and reasonable attorneys fees and such other damages,
13 if any, incurred by the association as a result of such failure
14 or refusal.

15 A reasonable fee covering the direct out-of-pocket cost of
16 providing such information and copying may be charged by the
17 association or its Board of Managers to the unit seller for
18 providing such information.

19 (Source: P.A. 87-692.)