

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 Common Interest Community Association Act is
5 amended by changing Sections 1-5 and 1-25 and by adding Section
6 1-85 as follows:

7 (765 ILCS 160/1-5)

8 Sec. 1-5. Definitions. As used in this Act, unless the
9 context otherwise requires:

10 "Acceptable technological means" includes, without
11 limitation, electronic transmission over the Internet or other
12 network, whether by direct connection, intranet, telecopier,
13 or electronic mail.

14 "Association" or "common interest community association"
15 means the association of all the members of a common interest
16 community, acting pursuant to bylaws through its duly elected
17 board of managers or board of directors.

18 "Board" means a common interest community association's
19 board of managers or board of directors, whichever is
20 applicable.

21 "Board member" or "member of the board" means a member of
22 the board of managers or the board of directors, whichever is
23 applicable.

1 "Board of directors" means, for a common interest community
2 that has been incorporated as an Illinois not-for-profit
3 corporation, the group of people elected by the members of a
4 common interest community as the governing body to exercise for
5 the members of the common interest community association all
6 powers, duties, and authority vested in the board of directors
7 under this Act and the common interest community association's
8 declaration and bylaws.

9 "Board of managers" means, for a common interest community
10 that is an unincorporated association, the group of people
11 elected by the members of a common interest community as the
12 governing body to exercise for the members of the common
13 interest community association all powers, duties, and
14 authority vested in the board of managers under this Act and
15 the common interest community association's declaration and
16 bylaws.

17 "Building" means all structures, attached or unattached,
18 containing one or more units.

19 "Common areas" means the portion of the property other than
20 a unit.

21 "Common expenses" means the proposed or actual expenses
22 affecting the property, including reserves, if any, lawfully
23 assessed by the common interest community association.

24 "Common interest community" means real estate other than a
25 condominium or cooperative with respect to which any person by
26 virtue of his or her ownership of a partial interest or a unit

1 therein is obligated to pay for the maintenance, improvement,
2 insurance premiums or real estate taxes of common areas
3 described in a declaration which is administered by an
4 association. "Common interest community" may include, but not
5 be limited to, an attached or detached townhome, villa, or
6 single-family home. A "common interest community" does not
7 include a master association.

8 "Community instruments" means all documents and authorized
9 amendments thereto recorded by a developer or common interest
10 community association, including, but not limited to, the
11 declaration, bylaws, plat of survey, and rules and regulations.

12 "Declaration" means any duly recorded instruments, however
13 designated, that have created a common interest community and
14 any duly recorded amendments to those instruments.

15 "Developer" means any person who submits property legally
16 or equitably owned in fee simple by the person to the
17 provisions of this Act, or any person who offers units legally
18 or equitably owned in fee simple by the person for sale in the
19 ordinary course of such person's business, including any
20 successor to such person's entire interest in the property
21 other than the purchaser of an individual unit.

22 "Developer control" means such control at a time prior to
23 the election of the board of the common interest community
24 association by a majority of the members other than the
25 developer.

26 "Electronic transmission" means any form of communication,

1 not directly involving the physical transmission of paper, that
2 creates a record that may be retained, retrieved, and reviewed
3 by a recipient and that may be directly reproduced in paper
4 form by the recipient through an automated process.

5 "Majority" or "majority of the members" means the owners of
6 more than 50% in the aggregate in interest of the undivided
7 ownership of the common elements. Any specified percentage of
8 the members means such percentage in the aggregate in interest
9 of such undivided ownership. "Majority" or "majority of the
10 members of the board of the common interest community
11 association" means more than 50% of the total number of persons
12 constituting such board pursuant to the bylaws. Any specified
13 percentage of the members of the common interest community
14 association means that percentage of the total number of
15 persons constituting such board pursuant to the bylaws.

16 "Management company" or "community association manager"
17 means a person, partnership, corporation, or other legal entity
18 entitled to transact business on behalf of others, acting on
19 behalf of or as an agent for an association for the purpose of
20 carrying out the duties, responsibilities, and other
21 obligations necessary for the day to day operation and
22 management of any property subject to this Act.

23 "Meeting of the board" or "board meeting" means any
24 gathering of a quorum of the members of the board of the common
25 interest community association held for the purpose of
26 conducting board business.

1 "Member" means the person or entity designated as an owner
2 and entitled to one vote as defined by the community
3 instruments. The terms "member" and "unit owner" may be used
4 interchangeably as defined by the community instruments,
5 except in situations in which a matter of legal title to the
6 unit is involved or at issue, in which case the term "unit
7 owner" would be the applicable term used.

8 "Membership" means the collective group of members
9 entitled to vote as defined by the community instruments.

10 "Parcel" means the lot or lots or tract or tracts of land
11 described in the declaration as part of a common interest
12 community.

13 "Person" means a natural individual, corporation,
14 partnership, trustee, or other legal entity capable of holding
15 title to real property.

16 "Plat" means a plat or plats of survey of the parcel and of
17 all units in the common interest community, which may consist
18 of a three-dimensional horizontal and vertical delineation of
19 all such units, structures, easements, and common areas on the
20 property.

21 "Prescribed delivery method" means mailing, delivering,
22 posting in an association publication that is routinely mailed
23 to all members, electronic transmission, or any other delivery
24 method that is approved in writing by the member and authorized
25 by the community instruments.

26 "Property" means all the land, property, and space

1 comprising the parcel, all improvements and structures
2 erected, constructed or contained therein or thereon,
3 including any building and all easements, rights, and
4 appurtenances belonging thereto, and all fixtures and
5 equipment intended for the mutual use, benefit, or enjoyment of
6 the members, under the authority or control of a common
7 interest community association.

8 "Purchaser" means any person or persons, other than the
9 developer, who purchase a unit in a bona fide transaction for
10 value.

11 "Record" means to record in the office of the recorder of
12 the county wherein the property is located.

13 "Reserves" means those sums paid by members which are
14 separately maintained by the common interest community
15 association for purposes specified by the declaration and
16 bylaws of the common interest community association.

17 "Unit" means a part of the property designed and intended
18 for any type of independent use.

19 "Unit owner" means the person or persons whose estates or
20 interests, individually or collectively, aggregate fee simple
21 absolute ownership of a unit.

22 (Source: P.A. 96-1400, eff. 7-29-10; 97-605, eff. 8-26-11;
23 97-1090, eff. 8-24-12.)

24 (765 ILCS 160/1-25)

25 Sec. 1-25. Board of managers, board of directors, duties,

1 elections, and voting.

2 (a) Elections shall be held in accordance with the
3 community instruments, provided that an election shall be held
4 no less frequently than once every 24 months, for the board of
5 managers or board of directors from among the membership of a
6 common interest community association.

7 (b) (Blank).

8 (c) The members of the board shall serve without
9 compensation, unless the community instruments indicate
10 otherwise.

11 (d) No member of the board or officer shall be elected for
12 a term of more than 4 years, but officers and board members may
13 succeed themselves.

14 (e) If there is a vacancy on the board, the remaining
15 members of the board may fill the vacancy by a two-thirds vote
16 of the remaining board members until the next annual meeting of
17 the membership or until members holding 20% of the votes of the
18 association request a meeting of the members to fill the
19 vacancy for the balance of the term. A meeting of the members
20 shall be called for purposes of filling a vacancy on the board
21 no later than 30 days following the filing of a petition signed
22 by membership holding 20% of the votes of the association
23 requesting such a meeting.

24 (f) There shall be an election of a:

25 (1) president from among the members of the board, who
26 shall preside over the meetings of the board and of the

1 membership;

2 (2) secretary from among the members of the board, who
3 shall keep the minutes of all meetings of the board and of
4 the membership and who shall, in general, perform all the
5 duties incident to the office of secretary; and

6 (3) treasurer from among the members of the board, who
7 shall keep the financial records and books of account.

8 (g) If no election is held to elect board members within
9 the time period specified in the bylaws, or within a reasonable
10 amount of time thereafter not to exceed 90 days, then 20% of
11 the members may bring an action to compel compliance with the
12 election requirements specified in the bylaws. If the court
13 finds that an election was not held to elect members of the
14 board within the required period due to the bad faith acts or
15 omissions of the board of managers or the board of directors,
16 the members shall be entitled to recover their reasonable
17 attorney's fees and costs from the association. If the relevant
18 notice requirements have been met and an election is not held
19 solely due to a lack of a quorum, then this subsection (g) does
20 not apply.

21 (h) Where there is more than one owner of a unit and there
22 is only one member vote associated with that unit, if only one
23 of the multiple owners is present at a meeting of the
24 membership, he or she is entitled to cast the member vote
25 associated with that unit.

26 (h-5) A member may vote:

1 (1) by proxy executed in writing by the member or by
2 his or her duly authorized attorney in fact, provided,
3 however, that the proxy bears the date of execution. Unless
4 the community instruments or the written proxy itself
5 provide otherwise, proxies will not be valid for more than
6 11 months after the date of its execution; or

7 (2) by submitting an association-issued ballot in
8 person at the election meeting; or

9 (3) by submitting an association-issued ballot to the
10 association or its designated agent by mail or other means
11 of delivery specified in the declaration or bylaws; ~~or-~~

12 (4) by any electronic or acceptable technological
13 means.

14 Votes cast under any paragraph of this subsection (h-5) are
15 valid for the purpose of establishing a quorum.

16 (i) The association may, upon adoption of the appropriate
17 rules by the board, conduct elections by electronic or
18 acceptable technological means. Members may not vote by proxy
19 in board elections. Instructions regarding the use of
20 electronic means or acceptable technological means for voting
21 shall be distributed to all members not less than 10 and not
22 more than 30 days before the election meeting. The instruction
23 notice must include the names of all candidates who have given
24 the board or its authorized agent timely written notice of
25 their candidacy and must give the person voting through
26 electronic or acceptable technological means the opportunity

1 to cast votes for candidates whose names do not appear on the
2 ballot. The board rules shall provide and the instructions
3 provided to the member shall state that a member who submits a
4 vote using electronic or acceptable technological means may
5 request and cast a ballot in person at the election meeting,
6 and thereby void any vote previously submitted by that member.
7 ~~secret ballot, distributed by the association, whereby the~~
8 ~~voting ballot is marked only with the voting interest for the~~
9 ~~member and the vote itself, provided that the association shall~~
10 ~~further adopt rules to verify the status of the member casting~~
11 ~~a ballot and provided further that proxies shall not be~~
12 ~~allowed. A candidate for election to the board or such~~
13 ~~candidate's representative shall have the right to be present~~
14 ~~at the counting of ballots at such election.~~

15 (j) Upon proof of purchase, the purchaser of a unit from a
16 seller other than the developer pursuant to an installment
17 contract for purchase shall, during such times as he or she
18 resides in the unit, be counted toward a quorum for purposes of
19 election of members of the board at any meeting of the
20 membership called for purposes of electing members of the
21 board, shall have the right to vote for the members of the
22 board of the common interest community association and to be
23 elected to and serve on the board unless the seller expressly
24 retains in writing any or all of such rights.

25 (Source: P.A. 96-1400, eff. 7-29-10; 97-605, eff. 8-26-11;
26 97-1090, eff. 8-24-12.)

1 (765 ILCS 160/1-85 new)

2 Sec. 1-85. Use of technology.

3 (a) Any notice required to be sent or received or
4 signature, vote, consent, or approval required to be obtained
5 under any community instrument or any provision of this Act may
6 be accomplished using the technology generally available at
7 that time. This Section governs the use of technology in
8 implementing the provisions of any community instrument or any
9 provision of this Act concerning notices, signatures, votes,
10 consents, or approvals.

11 (b) The common interest community association, unit
12 owners, and other persons entitled to occupy a unit may perform
13 any obligation or exercise any right under any community
14 instrument or any provision of this Act by use of any
15 technological means that provides sufficient security,
16 reliability, identification, and verifiability.

17 (c) A verifiable electronic signature satisfies any
18 requirement for a signature under any community instrument or
19 any provision of this Act.

20 (d) Voting on, consent to, and approval of any matter under
21 any community instrument or any provision of this Act may be
22 accomplished by electronic transmission or other equivalent
23 technological means, provided that a record is created as
24 evidence thereof and maintained as long as the record would be
25 required to be maintained in nonelectronic form.

1 (e) Subject to other provisions of law, no action required
2 or permitted by any community instrument or any provision of
3 this Act need be acknowledged before a notary public if the
4 identity and signature of the person can otherwise be
5 authenticated to the satisfaction of the board of directors.

6 (f) If any person does not provide written authorization to
7 conduct business using electronic transmission or other
8 equivalent technological means, the common interest community
9 association shall, at its expense, conduct business with the
10 person without the use of electronic transmission or other
11 equivalent technological means.

12 (g) This Section does not apply to any notices required
13 under Article IX of the Code of Civil Procedure related to: (i)
14 an action by the common interest community association to
15 collect a common expense; or (ii) foreclosure proceedings in
16 enforcement of any lien rights under this Act.

17 Section 10. The Condominium Property Act is amended by
18 changing Sections 2 and 18 and by adding Section 18.8 as
19 follows:

20 (765 ILCS 605/2) (from Ch. 30, par. 302)

21 Sec. 2. Definitions. As used in this Act, unless the
22 context otherwise requires:

23 (a) "Declaration" means the instrument by which the
24 property is submitted to the provisions of this Act, as

1 hereinafter provided, and such declaration as from time to time
2 amended.

3 (b) "Parcel" means the lot or lots, tract or tracts of
4 land, described in the declaration, submitted to the provisions
5 of this Act.

6 (c) "Property" means all the land, property and space
7 comprising the parcel, all improvements and structures
8 erected, constructed or contained therein or thereon,
9 including the building and all easements, rights and
10 appurtenances belonging thereto, and all fixtures and
11 equipment intended for the mutual use, benefit or enjoyment of
12 the unit owners, submitted to the provisions of this Act.

13 (d) "Unit" means a part of the property designed and
14 intended for any type of independent use.

15 (e) "Common Elements" means all portions of the property
16 except the units, including limited common elements unless
17 otherwise specified.

18 (f) "Person" means a natural individual, corporation,
19 partnership, trustee or other legal entity capable of holding
20 title to real property.

21 (g) "Unit Owner" means the person or persons whose estates
22 or interests, individually or collectively, aggregate fee
23 simple absolute ownership of a unit, or, in the case of a
24 leasehold condominium, the lessee or lessees of a unit whose
25 leasehold ownership of the unit expires simultaneously with the
26 lease described in item (x) of this Section.

1 (h) "Majority" or "majority of the unit owners" means the
2 owners of more than 50% in the aggregate in interest of the
3 undivided ownership of the common elements. Any specified
4 percentage of the unit owners means such percentage in the
5 aggregate in interest of such undivided ownership. "Majority"
6 or "majority of the members of the board of managers" means
7 more than 50% of the total number of persons constituting such
8 board pursuant to the bylaws. Any specified percentage of the
9 members of the board of managers means that percentage of the
10 total number of persons constituting such board pursuant to the
11 bylaws.

12 (i) "Plat" means a plat or plats of survey of the parcel
13 and of all units in the property submitted to the provisions of
14 this Act, which may consist of a three-dimensional horizontal
15 and vertical delineation of all such units.

16 (j) "Record" means to record in the office of the recorder
17 or, whenever required, to file in the office of the Registrar
18 of Titles of the county wherein the property is located.

19 (k) "Conversion Condominium" means a property which
20 contains structures, excepting those newly constructed and
21 intended for condominium ownership, which are, or have
22 previously been, wholly or partially occupied before recording
23 of condominium instruments by persons other than those who have
24 contracted for the purchase of condominiums.

25 (l) "Condominium Instruments" means all documents and
26 authorized amendments thereto recorded pursuant to the

1 provisions of the Act, including the declaration, bylaws and
2 plat.

3 (m) "Common Expenses" means the proposed or actual expenses
4 affecting the property, including reserves, if any, lawfully
5 assessed by the Board of Managers of the Unit Owner's
6 Association.

7 (n) "Reserves" means those sums paid by unit owners which
8 are separately maintained by the board of managers for purposes
9 specified by the board of managers or the condominium
10 instruments.

11 (o) "Unit Owners' Association" or "Association" means the
12 association of all the unit owners, acting pursuant to bylaws
13 through its duly elected board of managers.

14 (p) "Purchaser" means any person or persons other than the
15 Developer who purchase a unit in a bona fide transaction for
16 value.

17 (q) "Developer" means any person who submits property
18 legally or equitably owned in fee simple by the developer, or
19 leased to the developer under a lease described in item (x) of
20 this Section, to the provisions of this Act, or any person who
21 offers units legally or equitably owned in fee simple by the
22 developer, or leased to the developer under a lease described
23 in item (x) of this Section, for sale in the ordinary course of
24 such person's business, including any successor or successors
25 to such developers' entire interest in the property other than
26 the purchaser of an individual unit.

1 (r) "Add-on Condominium" means a property to which
2 additional property may be added in accordance with condominium
3 instruments and this Act.

4 (s) "Limited Common Elements" means a portion of the common
5 elements so designated in the declaration as being reserved for
6 the use of a certain unit or units to the exclusion of other
7 units, including but not limited to balconies, terraces, patios
8 and parking spaces or facilities.

9 (t) "Building" means all structures, attached or
10 unattached, containing one or more units.

11 (u) "Master Association" means an organization described
12 in Section 18.5 whether or not it is also an association
13 described in Section 18.3.

14 (v) "Developer Control" means such control at a time prior
15 to the election of the Board of Managers provided for in
16 Section 18.2(b) of this Act.

17 (w) "Meeting of Board of Managers or Board of Master
18 Association" means any gathering of a quorum of the members of
19 the Board of Managers or Board of the Master Association held
20 for the purpose of conducting board business.

21 (x) "Leasehold Condominium" means a property submitted to
22 the provisions of this Act which is subject to a lease, the
23 expiration or termination of which would terminate the
24 condominium and the lessor of which is (i) exempt from taxation
25 under Section 501(c)(3) of the Internal Revenue Code of 1986,
26 as amended, (ii) a limited liability company whose sole member

1 is exempt from taxation under Section 501 (c)(3) of the
2 Internal Revenue Code of 1986, as amended, or (iii) a Public
3 Housing Authority created pursuant to the Housing Authorities
4 Act that is located in a municipality having a population in
5 excess of 1,000,000 inhabitants.

6 (y) "Electronic transmission" means any form of
7 communication, not directly involving the physical
8 transmission of paper, that creates a record that may be
9 retained, retrieved, and reviewed by a recipient and that may
10 be directly reproduced in paper form by the recipient through
11 an automated process.

12 (z) "Acceptable technological means" includes, without
13 limitation, electronic transmission over the Internet or other
14 network, whether by direct connection, intranet, telecopier,
15 or electronic mail.

16 (Source: P.A. 93-474, eff. 8-8-03.)

17 (765 ILCS 605/18) (from Ch. 30, par. 318)

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

20 (a) (1) The election from among the unit owners of a board
21 of managers, the number of persons constituting such board,
22 and that the terms of at least one-third of the members of
23 the board shall expire annually and that all members of the
24 board shall be elected at large. If there are multiple
25 owners of a single unit, only one of the multiple owners

1 shall be eligible to serve as a member of the board at any
2 one time.

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

4 (3) the compensation, if any, of the members of the
5 board;

6 (4) the method of removal from office of members of the
7 board;

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

10 (6) that each unit owner shall receive, at least 30
11 days prior to the adoption thereof by the board of
12 managers, a copy of the proposed annual budget together
13 with an indication of which portions are intended for
14 reserves, capital expenditures or repairs or payment of
15 real estate taxes;

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

25 (8) (i) that each unit owner shall receive notice, in
26 the same manner as is provided in this Act for membership

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

1 or to the life, health, safety or property of the unit
2 owners, (v) that assessments for additions and alterations
3 to the common elements or to association-owned property not
4 included in the adopted annual budget, shall be separately
5 assessed and are subject to approval of two-thirds of the
6 total votes of all unit owners, (vi) that the board of
7 managers may adopt separate assessments payable over more
8 than one fiscal year. With respect to multi-year
9 assessments not governed by items (iv) and (v), the entire
10 amount of the multi-year assessment shall be deemed
11 considered and authorized in the first fiscal year in which
12 the assessment is approved;

13 (9) that meetings of the board of managers shall be
14 open to any unit owner, except for the portion of any
15 meeting held (i) to discuss litigation when an action
16 against or on behalf of the particular association has been
17 filed and is pending in a court or administrative tribunal,
18 or when the board of managers finds that such an action is
19 probable or imminent, (ii) to consider information
20 regarding appointment, employment or dismissal of an
21 employee, or (iii) to discuss violations of rules and
22 regulations of the association or a unit owner's unpaid
23 share of common expenses; that any vote on these matters
24 shall be taken at a meeting or portion thereof open to any
25 unit owner; that any unit owner may record the proceedings
26 at meetings or portions thereof required to be open by this

1 Act by tape, film or other means; that the board may
2 prescribe reasonable rules and regulations to govern the
3 right to make such recordings, that notice of such meetings
4 shall be mailed or delivered at least 48 hours prior
5 thereto, unless a written waiver of such notice is signed
6 by the person or persons entitled to such notice pursuant
7 to the declaration, bylaws, other condominium instrument,
8 or provision of law other than this subsection before the
9 meeting is convened, and that copies of notices of meetings
10 of the board of managers shall be posted in entranceways,
11 elevators, or other conspicuous places in the condominium
12 at least 48 hours prior to the meeting of the board of
13 managers except where there is no common entranceway for 7
14 or more units, the board of managers may designate one or
15 more locations in the proximity of these units where the
16 notices of meetings shall be posted;

17 (10) that the board shall meet at least 4 times
18 annually;

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

22 (12) the designation of an officer to mail and receive
23 all notices and execute amendments to condominium
24 instruments as provided for in this Act and in the
25 condominium instruments;

26 (13) the method of filling vacancies on the board which

1 shall include authority for the remaining members of the
2 board to fill the vacancy by two-thirds vote until the next
3 annual meeting of unit owners or for a period terminating
4 no later than 30 days following the filing of a petition
5 signed by unit owners holding 20% of the votes of the
6 association requesting a meeting of the unit owners to fill
7 the vacancy for the balance of the term, and that a meeting
8 of the unit owners shall be called for purposes of filling
9 a vacancy on the board no later than 30 days following the
10 filing of a petition signed by unit owners holding 20% of
11 the votes of the association requesting such a meeting, and
12 the method of filling vacancies among the officers that
13 shall include the authority for the members of the board to
14 fill the vacancy for the unexpired portion of the term;

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

17 (15) provisions concerning notice of board meetings to
18 members of the board;

19 (16) the board of managers may not enter into a
20 contract with a current board member or with a corporation
21 or partnership in which a board member or a member of the
22 board member's immediate family has 25% or more interest,
23 unless notice of intent to enter the contract is given to
24 unit owners within 20 days after a decision is made to
25 enter into the contract and the unit owners are afforded an
26 opportunity by filing a petition, signed by 20% of the unit

1 owners, for an election to approve or disapprove the
2 contract; such petition shall be filed within 20 days after
3 such notice and such election shall be held within 30 days
4 after filing the petition; for purposes of this subsection,
5 a board member's immediate family means the board member's
6 spouse, parents, and children;

7 (17) that the board of managers may disseminate to unit
8 owners biographical and background information about
9 candidates for election to the board if (i) reasonable
10 efforts to identify all candidates are made and all
11 candidates are given an opportunity to include
12 biographical and background information in the information
13 to be disseminated; and (ii) the board does not express a
14 preference in favor of any candidate;

15 (18) any proxy distributed for board elections by the
16 board of managers gives unit owners the opportunity to
17 designate any person as the proxy holder, and gives the
18 unit owner the opportunity to express a preference for any
19 of the known candidates for the board or to write in a
20 name;

21 (19) that special meetings of the board of managers can
22 be called by the president or 25% of the members of the
23 board; and

24 (20) that the board of managers may establish and
25 maintain a system of master metering of public utility
26 services and collect payments in connection therewith,

1 subject to the requirements of the Tenant Utility Payment
2 Disclosure Act.

3 (b) (1) What percentage of the unit owners, if other than
4 20%, shall constitute a quorum provided that, for
5 condominiums with 20 or more units, the percentage of unit
6 owners constituting a quorum shall be 20% unless the unit
7 owners holding a majority of the percentage interest in the
8 association provide for a higher percentage, provided that
9 in voting on amendments to the association's bylaws, a unit
10 owner who is in arrears on the unit owner's regular or
11 separate assessments for 60 days or more, shall not be
12 counted for purposes of determining if a quorum is present,
13 but that unit owner retains the right to vote on amendments
14 to the association's bylaws;

15 (2) that the association shall have one class of
16 membership;

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

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

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

24 (6) that written notice of any membership meeting shall
25 be mailed or delivered giving members no less than 10 and
26 no more than 30 days notice of the time, place and purpose

1 of such meeting except that notice may be sent, to the
2 extent the condominium instruments or rules adopted
3 thereunder expressly so provide, by electronic
4 transmission consented to by the unit owner to whom the
5 notice is given, provided the director and officer or his
6 agent certifies in writing to the delivery by electronic
7 transmission;

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

16 (8) that, where there is more than one owner of a unit,
17 if only one of the multiple owners is present at a meeting
18 of the association, he is entitled to cast all the votes
19 allocated to that unit, if more than one of the multiple
20 owners are present, the votes allocated to that unit may be
21 cast only in accordance with the agreement of a majority in
22 interest of the multiple owners, unless the declaration
23 expressly provides otherwise, that there is majority
24 agreement if any one of the multiple owners cast the votes
25 allocated to that unit without protest being made promptly
26 to the person presiding over the meeting by any of the

1 other owners of the unit;

2 (9) (A) ~~that unless the Articles of Incorporation or the~~
3 ~~bylaws otherwise provide, and~~ except as provided in
4 subparagraph (B) of this paragraph (9) in connection with
5 board elections, that a unit owner may vote by proxy
6 executed in writing by the unit owner or by his duly
7 authorized attorney in fact; that the proxy must bear the
8 date of execution and, unless the condominium instruments
9 or the written proxy itself provide otherwise, is invalid
10 after 11 months from the date of its execution; to the
11 extent the condominium instruments or rules adopted
12 thereunder expressly so provide, a vote or proxy may be
13 submitted by electronic transmission, provided that any
14 such electronic transmission shall either set forth or be
15 submitted with information from which it can be determined
16 that the electronic transmission was authorized by the unit
17 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 contact shall be made available to the
6 association or its agents. For purposes of this subsection,
7 "installment contact" shall have the same meaning as set
8 forth in Section 1 (e) of "An Act relating to installment
9 contracts to sell dwelling structures", approved August
10 11, 1967, as amended;

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

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

20 (i) merger or consolidation of the association;

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

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

1 (c) Election of a president from among the board of
2 managers, who shall preside over the meetings of the board of
3 managers and of the unit owners.

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

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

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

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

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

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

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

8 Until one year after the effective date of this amendatory
9 Act of 1985, if a condominium association has reserves plus
10 assessments in excess of \$250,000 and cannot reasonably obtain
11 100% fidelity bond coverage for such amount, then it must
12 obtain a fidelity bond coverage of \$250,000.

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

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

22 (j) Designation and removal of personnel necessary for the
23 maintenance, repair and replacement of the common elements.

24 (k) Such restrictions on and requirements respecting the
25 use and maintenance of the units and the use of the common
26 elements, not set forth in the declaration, as are designed to

1 prevent unreasonable interference with the use of their
2 respective units and of the common elements by the several unit
3 owners.

4 (l) Method of adopting and of amending administrative rules
5 and regulations governing the operation and use of the common
6 elements.

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

10 (n) (i) The provisions of this Act, the declaration,
11 bylaws, other condominium instruments, and rules and
12 regulations that relate to the use of the individual unit or
13 the common elements shall be applicable to any person leasing a
14 unit and shall be deemed to be incorporated in any lease
15 executed or renewed on or after the effective date of this
16 amendatory Act of 1984. (ii) With regard to any lease entered
17 into subsequent to the effective date of this amendatory Act of
18 1989, the unit owner leasing the unit shall deliver a copy of
19 the signed lease to the board or if the lease is oral, a
20 memorandum of the lease, not later than the date of occupancy
21 or 10 days after the lease is signed, whichever occurs first.
22 In addition to any other remedies, by filing an action jointly
23 against the tenant and the unit owner, an association may seek
24 to enjoin a tenant from occupying a unit or seek to evict a
25 tenant under the provisions of Article IX of the Code of Civil
26 Procedure for failure of the lessor-owner to comply with the

1 leasing requirements prescribed by this Section or by the
2 declaration, bylaws, and rules and regulations. The board of
3 managers may proceed directly against a tenant, at law or in
4 equity, or under the provisions of Article IX of the Code of
5 Civil Procedure, for any other breach by tenant of any
6 covenants, rules, regulations or bylaws.

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

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

1 number, possess over 50% in the aggregate of the votes in the
2 association, a unit shall not include a garage unit or a
3 storage unit.

4 (q) That a unit owner may not assign, delegate, transfer,
5 surrender, or avoid the duties, responsibilities, and
6 liabilities of a unit owner under this Act, the condominium
7 instruments, or the rules and regulations of the Association;
8 and that such an attempted assignment, delegation, transfer,
9 surrender, or avoidance shall be deemed void.

10 The provisions of this Section are applicable to all
11 condominium instruments recorded under this Act. Any portion of
12 a condominium instrument which contains provisions contrary to
13 these provisions shall be void as against public policy and
14 ineffective. Any such instrument which fails to contain the
15 provisions required by this Section shall be deemed to
16 incorporate such provisions by operation of law.

17 (Source: P.A. 95-624, eff. 6-1-08; 96-55, eff. 1-1-10; 96-977,
18 eff. 7-2-10.)

19 (765 ILCS 605/18.8 new)

20 Sec. 18.8. Use of technology.

21 (a) Any notice required to be sent or received or
22 signature, vote, consent, or approval required to be obtained
23 under any condominium instrument or any provision of this Act
24 may be accomplished using the technology generally available at
25 that time. This Section shall govern the use of technology in

1 implementing the provisions of any condominium instrument or
2 any provision of this Act concerning notices, signatures,
3 votes, consents, or approvals.

4 (b) The association, unit owners, and other persons
5 entitled to occupy a unit may perform any obligation or
6 exercise any right under any condominium instrument or any
7 provision of this Act by use of any technological means that
8 provides sufficient security, reliability, identification, and
9 verifiability.

10 (c) A verifiable electronic signature satisfies any
11 requirement for a signature under any condominium instrument or
12 any provision of this Act.

13 (d) Voting on, consent to, and approval of any matter under
14 any condominium instrument or any provision of this Act may be
15 accomplished by electronic transmission or other equivalent
16 technological means, provided that a record is created as
17 evidence thereof and maintained as long as the record would be
18 required to be maintained in nonelectronic form.

19 (e) Subject to other provisions of law, no action required
20 or permitted by any condominium instrument or any provision of
21 this Act need be acknowledged before a notary public if the
22 identity and signature of the person can otherwise be
23 authenticated to the satisfaction of the board of directors or
24 board of managers.

25 (f) If any person does not provide written authorization to
26 conduct business using electronic transmission or other

1 equivalent technological means, the association shall, at its
2 expense, conduct business with the person without the use of
3 electronic transmission or other equivalent technological
4 means.

5 (g) This Section does not apply to any notices required
6 under Article IX of the Code of Civil Procedure related to: (i)
7 an action by the association to collect a common expense; or
8 (ii) foreclosure proceedings in enforcement of any lien rights
9 under this Act.