



Rep. André Thapedi

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1 AMENDMENT TO HOUSE BILL 189

2 AMENDMENT NO. _____. Amend House Bill 189 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Common Interest Community Association Act
5 is amended by changing Sections 1-20 and 1-45 as follows:

6 (765 ILCS 160/1-20)

7 Sec. 1-20. Amendments to the declaration, bylaws, or
8 operating agreement.

9 (a) The administration of every property shall be governed
10 by the declaration and bylaws or operating agreement, which may
11 either be embodied in the declaration or in a separate
12 instrument, a true copy of which shall be appended to and
13 recorded with the declaration. No modification or amendment of
14 the declaration, bylaws, or operating agreement shall be valid
15 unless the same is set forth in an amendment thereof and such
16 amendment is duly recorded. An amendment of the declaration,

1 bylaws, or operating agreement shall be deemed effective upon
2 recordation, unless the amendment sets forth a different
3 effective date.

4 (b) Unless otherwise provided by this Act, amendments to
5 community instruments authorized to be recorded shall be
6 executed and recorded by the president of the board or such
7 other officer authorized by the common interest community
8 association or the community instruments.

9 (c) If an association that currently permits leasing amends
10 its declaration, bylaws, or rules and regulations to prohibit
11 leasing, nothing in this Act or the declarations, bylaws, rules
12 and regulations of an association shall prohibit a unit owner
13 incorporated under 26 USC 501(c)(3) which is leasing a unit at
14 the time of the prohibition from continuing to do so until such
15 time that the unit owner voluntarily sells the unit; and no
16 special fine, fee, dues, or penalty shall be assessed against
17 the unit owner for leasing its unit.

18 (d) No action to incorporate a common interest community as
19 a municipality shall commence until an instrument agreeing to
20 incorporation has been signed by two-thirds of the members.

21 (e) If the community instruments require approval of any
22 mortgagee or lienholder of record and the mortgagee or
23 lienholder of record receives a request to approve or consent
24 to the amendment to the community instruments, the mortgagee or
25 lienholder of record is deemed to have approved or consented to
26 the request unless the mortgagee or lienholder of record

1 delivers a negative response to the requesting party within 60
2 days after the mailing of the request. A request to approve or
3 consent to an amendment to the community instruments that is
4 required to be sent to a mortgagee or lienholder of record
5 shall be sent by certified mail.

6 (Source: P.A. 99-41, eff. 7-14-15.)

7 (765 ILCS 160/1-45)

8 Sec. 1-45. Finances.

9 (a) Each member shall receive through a prescribed delivery
10 method, at least 30 days but not more than 60 days prior to the
11 adoption thereof by the board, a copy of the proposed annual
12 budget together with an indication of which portions are
13 intended for reserves, capital expenditures or repairs or
14 payment of real estate taxes.

15 (b) The board shall provide all members with a reasonably
16 detailed summary of the receipts, common expenses, and reserves
17 for the preceding budget year. The board shall (i) make
18 available for review to all members an itemized accounting of
19 the common expenses for the preceding year actually incurred or
20 paid, together with an indication of which portions were for
21 reserves, capital expenditures or repairs or payment of real
22 estate taxes and with a tabulation of the amounts collected
23 pursuant to the budget or assessment, and showing the net
24 excess or deficit of income over expenditures plus reserves or
25 (ii) provide a consolidated annual independent audit report of

1 the financial status of all fund accounts within the
2 association.

3 (c) If an adopted budget or any separate assessment adopted
4 by the board would result in the sum of all regular and
5 separate assessments payable in the current fiscal year
6 exceeding 115% of the sum of all regular and separate
7 assessments payable during the preceding fiscal year, the
8 common interest community association, upon written petition
9 by members with 20% of the votes of the association delivered
10 to the board within 14 days of the board action, shall call a
11 meeting of the members within 30 days of the date of delivery
12 of the petition to consider the budget or separate assessment;
13 unless a majority of the total votes of the members are cast at
14 the meeting to reject the budget or separate assessment, it
15 shall be deemed ratified.

16 (d) If total common expenses exceed the total amount of the
17 approved and adopted budget, the common interest community
18 association shall disclose this variance to all its members and
19 specifically identify the subsequent assessments needed to
20 offset this variance in future budgets.

21 (e) Separate assessments for expenditures relating to
22 emergencies or mandated by law may be adopted by the board
23 without being subject to member approval or the provisions of
24 subsection (c) or (f) of this Section. As used herein,
25 "emergency" means a danger to or a compromise of the structural
26 integrity of the common areas or any of the common facilities

1 of the common interest community. "Emergency" also includes a
2 danger to the life, health or safety of the membership.

3 (f) Assessments for additions and alterations to the common
4 areas or to association-owned property not included in the
5 adopted annual budget, shall be separately assessed and are
6 subject to approval of a simple majority of the total members
7 at a meeting called for that purpose.

8 (g) The board may adopt separate assessments payable over
9 more than one fiscal year. With respect to multi-year
10 assessments not governed by subsections (e) and (f) of this
11 Section, the entire amount of the multi-year assessment shall
12 be deemed considered and authorized in the first fiscal year in
13 which the assessment is approved.

14 (h) The board of a common interest community association
15 shall have the authority to establish and maintain a system of
16 master metering of public utility services to collect payments
17 in conjunction therewith, subject to the requirements of the
18 Tenant Utility Payment Disclosure Act.

19 (i) An association subject to this Act that consists of 100
20 or more units shall use generally accepted accounting
21 principles in fulfilling any accounting obligations under this
22 Act.

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

25 Section 10. The Condominium Property Act is amended by

1 changing Sections 9, 18, 18.4, 19, 27, and 31 and by adding
2 Section 18.10 as follows:

3 (765 ILCS 605/9) (from Ch. 30, par. 309)

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

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

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

17 (c) Budget and reserves.

18 (1) The board of managers shall prepare and distribute
19 to all unit owners a detailed proposed annual budget,
20 setting forth with particularity all anticipated common
21 expenses by category as well as all anticipated assessments
22 and other income. The initial budget and common expense
23 assessment based thereon shall be adopted prior to the
24 conveyance of any unit. The budget shall also set forth
25 each unit owner's proposed common expense assessment.

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

19 (3) Notwithstanding the provisions of this subsection
20 (c), an association without a reserve requirement in its
21 condominium instruments may elect to waive in whole or in
22 part the reserve requirements of this Section by a vote of
23 2/3 of the total votes of the association. Any association
24 having elected under this paragraph (3) to waive the
25 provisions of subsection (c) may by a vote of 2/3 of the
26 total votes of the association elect to again be governed

1 by the requirements of subsection (c).

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

14 (5) At the end of an association's fiscal year and
15 after the association has approved any end-of-year fiscal
16 audit, if applicable, if the fiscal year ended with a
17 surplus of funds over actual expenses, including budgeted
18 reserve fund contributions, then, to the extent that there
19 are not any contrary provisions in the association's
20 declaration and bylaws, the board of managers has the
21 authority, in its discretion, to dispose of the surplus in
22 one or more of the following ways: (i) contribute the
23 surplus to the association's reserve fund; (ii) return the
24 surplus to the unit owners as a credit against the
25 remaining monthly assessments for the current fiscal year;
26 (iii) return the surplus to the unit owners in the form of

1 a direct payment to the unit owners; or (iv) maintain the
2 funds in the operating account, in which case the funds
3 shall be applied as a credit when calculating the following
4 year's annual budget. If the fiscal year ends in a deficit,
5 then, to the extent that there are not any contrary
6 provisions in the association's declaration and bylaws,
7 the board of managers has the authority, in its discretion,
8 to address the deficit by incorporating it into the
9 following year's annual budget. If 20% of the unit owners
10 of the association deliver a petition objecting to the
11 action under this paragraph (5) within 30 days after notice
12 to the unit owners of the action, the board of managers
13 shall call a meeting of the unit owners within 30 days of
14 the date of delivery of the petition. At the meeting, the
15 unit owners may vote to select a different option than the
16 option selected by the board of managers. Unless a majority
17 of the total votes of the unit owners are cast at the
18 meeting to reject the board's selection and select a
19 different option, the board's decision is ratified.

20 (d) (Blank).

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

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

1 (g) Lien.

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

22 (2) With respect to encumbrances executed prior to
23 August 30, 1984 or encumbrances executed subsequent to
24 August 30, 1984 which are neither bonafide first mortgages
25 nor trust deeds and which encumbrances contain a statement
26 of a mailing address in the State of Illinois where notice

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

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

1 a prior unit owner to make payment of common expenses,
2 where the judicial foreclosure sale has been confirmed by
3 order of the court, a deed in lieu thereof has been
4 accepted by the lender, or a consent judgment has been
5 entered by the court.

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

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

1 by the association to a unit owner under subsection (i) of
2 Section 18 of this Act, and the disclosure statement issued
3 to a prospective purchaser under Section 22.1 of this Act,
4 shall state the amount of the assessments and the legal
5 fees, if any, required by subdivisions (g) (1) and (g) (4) of
6 Section 9 of this Act.

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

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

23 (j) Any encumbrancer may from time to time request in
24 writing a written statement from the manager or board of
25 managers setting forth the unpaid common expenses with respect
26 to the unit covered by his encumbrance. Unless the request is

1 complied with within 20 days, all unpaid common expenses which
2 become due prior to the date of the making of such request
3 shall be subordinate to the lien of the encumbrance. Any
4 encumbrancer holding a lien on a unit may pay any unpaid common
5 expenses payable with respect to the unit, and upon payment the
6 encumbrancer shall have a lien on the unit for the amounts paid
7 at the same rank as the lien of his encumbrance.

8 (k) Nothing in Public Act 83-1271 is intended to change the
9 lien priorities of any encumbrance created prior to August 30,
10 1984.

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

12 (765 ILCS 605/18) (from Ch. 30, par. 318)

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

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

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

24 (3) the compensation, if any, of the members of the
25 board;

1 (4) the method of removal from office of members of the
2 board;

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

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

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

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

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

1 total votes of all unit owners, (vi) that the board of
2 managers may adopt separate assessments payable over more
3 than one fiscal year. With respect to multi-year
4 assessments not governed by items (iv) and (v), the entire
5 amount of the multi-year assessment shall be deemed
6 considered and authorized in the first fiscal year in which
7 the assessment is approved;

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

26 (B) that board members may participate in and act at

1 any meeting of the board of managers in person, by
2 telephonic means, or by use of any acceptable technological
3 means whereby all persons participating in the meeting can
4 communicate with each other; that participation
5 constitutes attendance and presence in person at the
6 meeting;

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

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

18 (E) that notice of every meeting of the board of
19 managers shall be posted in entranceways, elevators, or
20 other conspicuous places in the condominium at least 48
21 hours prior to the meeting of the board of managers except
22 where there is no common entranceway for 7 or more units,
23 the board of managers may designate one or more locations
24 in the proximity of these units where the notices of
25 meetings shall be posted; that notice of every meeting of
26 the board of managers shall also be given at least 48 hours

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

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

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

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

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

1 of the unit owners shall be called for purposes of filling
2 a vacancy on the board no later than 30 days following the
3 filing of a petition signed by unit owners holding 20% of
4 the votes of the association requesting such a meeting, and
5 the method of filling vacancies among the officers that
6 shall include the authority for the members of the board to
7 fill the vacancy for the unexpired portion of the term;

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

10 (15) provisions concerning notice of board meetings to
11 members of the board;

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

26 (17) that the board of managers may disseminate to unit

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

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

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

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

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

1 7 business days after the emergency event, and (ii) the
2 general description of the actions taken to address the
3 event within 7 days after the emergency event.

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

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

19 (2) that the association shall have one class of
20 membership;

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

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

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

1 owners;

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

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

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

1 expressly provides otherwise, that there is majority
2 agreement if any one of the multiple owners cast the votes
3 allocated to that unit without protest being made promptly
4 to the person presiding over the meeting by any of the
5 other owners of the unit;

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

20 (B) 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 subsection, unit owners may
23 not vote by proxy in board elections, but may vote only (i)
24 by submitting an association-issued ballot in person at the
25 election meeting or (ii) by submitting an
26 association-issued ballot to the association or its

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

22 (B-5) that if a rule adopted at least 120 days before a
23 board election or the declaration or bylaws provide for
24 balloting as set forth in this subparagraph, unit owners
25 may not vote by proxy in board elections, but may vote only
26 (i) by submitting an association-issued ballot in person at

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

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

1 of the unit owners within 30 days after the date of
2 delivery of the petition; that unless a majority of the
3 total votes of the unit owners are cast at the meeting to
4 reject the rule, the rule is ratified;

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

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

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

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

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

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

21 (i) merger or consolidation of the association;

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

26 (iii) the purchase or sale of land or of units on

1 behalf of all unit owners.

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

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

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

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

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

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

21 For the purpose of this subsection, a management
22 company shall be defined as a person, partnership,
23 corporation, or other legal entity entitled to transact
24 business on behalf of others, acting on behalf of or as an
25 agent for a unit owner, unit owners or association of unit
26 owners for the purpose of carrying out the duties,

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

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

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

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

1 (j) Designation and removal of personnel necessary for
2 the maintenance, repair and replacement of the common
3 elements.

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

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

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

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

23 (ii) With regard to any lease entered into subsequent
24 to July 1, 1990 (the effective date of Public Act 86-991),
25 the unit owner leasing the unit shall deliver a copy of the
26 signed lease to the board or if the lease is oral, a

1 memorandum of the lease, not later than the date of
2 occupancy or 10 days after the lease is signed, whichever
3 occurs first. In addition to any other remedies, by filing
4 an action jointly against the tenant and the unit owner, an
5 association may seek to enjoin a tenant from occupying a
6 unit or seek to evict a tenant under the provisions of
7 Article IX of the Code of Civil Procedure for failure of
8 the lessor-owner to comply with the leasing requirements
9 prescribed by this Section or by the declaration, bylaws,
10 and rules and regulations. The board of managers may
11 proceed directly against a tenant, at law or in equity, or
12 under the provisions of Article IX of the Code of Civil
13 Procedure, for any other breach by tenant of any covenants,
14 rules, regulations or bylaws.

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

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

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

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

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

1 (Source: P.A. 98-1042, eff. 1-1-15; 99-472, eff. 6-1-16;
2 99-567, eff. 1-1-17; 99-642, eff. 7-28-16.)

3 (765 ILCS 605/18.4) (from Ch. 30, par. 318.4)

4 Sec. 18.4. Powers and duties of board of managers. The
5 board of managers shall exercise for the association all
6 powers, duties and authority vested in the association by law
7 or the condominium instruments except for such powers, duties
8 and authority reserved by law to the members of the
9 association. The powers and duties of the board of managers
10 shall include, but shall not be limited to, the following:

11 (a) To provide for the operation, care, upkeep,
12 maintenance, replacement and improvement of the common
13 elements. Nothing in this subsection (a) shall be deemed to
14 invalidate any provision in a condominium instrument
15 placing limits on expenditures for the common elements,
16 provided, that such limits shall not be applicable to
17 expenditures for repair, replacement, or restoration of
18 existing portions of the common elements. The term "repair,
19 replacement or restoration" means expenditures to
20 deteriorated or damaged portions of the property related to
21 the existing decorating, facilities, or structural or
22 mechanical components, interior or exterior surfaces, or
23 energy systems and equipment with the functional
24 equivalent of the original portions of such areas.
25 Replacement of the common elements may result in an

1 improvement over the original quality of such elements or
2 facilities; provided that, unless the improvement is
3 mandated by law or is an emergency as defined in item (iv)
4 of subparagraph (8) of paragraph (a) of Section 18, if the
5 improvement results in a proposed expenditure exceeding 5%
6 of the annual budget, the board of managers, upon written
7 petition by unit owners with 20% of the votes of the
8 association delivered to the board within 21 ~~14~~ days of the
9 board action to approve the expenditure, shall call a
10 meeting of the unit owners within 30 days of the date of
11 delivery of the petition to consider the expenditure.
12 Unless a majority of the total votes of the unit owners are
13 cast at the meeting to reject the expenditure, it is
14 ratified.

15 (b) To prepare, adopt and distribute the annual budget
16 for the property.

17 (c) To levy and expend assessments.

18 (d) To collect assessments from unit owners.

19 (e) To provide for the employment and dismissal of the
20 personnel necessary or advisable for the maintenance and
21 operation of the common elements.

22 (f) To obtain adequate and appropriate kinds of
23 insurance.

24 (g) To own, convey, encumber, lease, and otherwise deal
25 with units conveyed to or purchased by it.

26 (h) To adopt and amend rules and regulations covering

1 the details of the operation and use of the property, after
2 a meeting of the unit owners called for the specific
3 purpose of discussing the proposed rules and regulations.
4 Notice of the meeting shall contain the full text of the
5 proposed rules and regulations, and the meeting shall
6 conform to the requirements of Section 18(b) of this Act,
7 except that no quorum is required at the meeting of the
8 unit owners unless the declaration, bylaws or other
9 condominium instrument expressly provides to the contrary.
10 However, no rule or regulation may impair any rights
11 guaranteed by the First Amendment to the Constitution of
12 the United States or Section 4 of Article I of the Illinois
13 Constitution including, but not limited to, the free
14 exercise of religion, nor may any rules or regulations
15 conflict with the provisions of this Act or the condominium
16 instruments. No rule or regulation shall prohibit any
17 reasonable accommodation for religious practices,
18 including the attachment of religiously mandated objects
19 to the front-door area of a condominium unit.

20 (i) To keep detailed, accurate records of the receipts
21 and expenditures affecting the use and operation of the
22 property.

23 (j) To have access to each unit from time to time as
24 may be necessary for the maintenance, repair or replacement
25 of any common elements or for making emergency repairs
26 necessary to prevent damage to the common elements or to

1 other units.

2 (k) To pay real property taxes, special assessments,
3 and any other special taxes or charges of the State of
4 Illinois or of any political subdivision thereof, or other
5 lawful taxing or assessing body, which are authorized by
6 law to be assessed and levied upon the real property of the
7 condominium.

8 (l) To impose charges for late payment of a unit
9 owner's proportionate share of the common expenses, or any
10 other expenses lawfully agreed upon, and after notice and
11 an opportunity to be heard, to levy reasonable fines for
12 violation of the declaration, by-laws, and rules and
13 regulations of the association.

14 (m) By a majority vote of the entire board of managers,
15 to assign the right of the association to future income
16 from common expenses or other sources, and to mortgage or
17 pledge substantially all of the remaining assets of the
18 association.

19 (n) To record the dedication of a portion of the common
20 elements to a public body for use as, or in connection
21 with, a street or utility where authorized by the unit
22 owners under the provisions of Section 14.2.

23 (o) To record the granting of an easement for the
24 laying of cable television or high speed Internet cable
25 where authorized by the unit owners under the provisions of
26 Section 14.3; to obtain, if available and determined by the

1 board to be in the best interests of the association, cable
2 television or bulk high speed Internet service for all of
3 the units of the condominium on a bulk identical service
4 and equal cost per unit basis; and to assess and recover
5 the expense as a common expense and, if so determined by
6 the board, to assess each and every unit on the same equal
7 cost per unit basis.

8 (p) To seek relief on behalf of all unit owners when
9 authorized pursuant to subsection (c) of Section 10 from or
10 in connection with the assessment or levying of real
11 property taxes, special assessments, and any other special
12 taxes or charges of the State of Illinois or of any
13 political subdivision thereof or of any lawful taxing or
14 assessing body.

15 (q) To reasonably accommodate the needs of a unit owner
16 who is a person with a disability as required by the
17 federal Civil Rights Act of 1968, the Human Rights Act and
18 any applicable local ordinances in the exercise of its
19 powers with respect to the use of common elements or
20 approval of modifications in an individual unit.

21 (r) To accept service of a notice of claim for purposes
22 of the Mechanics Lien Act on behalf of each respective
23 member of the Unit Owners' Association with respect to
24 improvements performed pursuant to any contract entered
25 into by the Board of Managers or any contract entered into
26 prior to the recording of the condominium declaration

1 pursuant to this Act, for a property containing more than 8
2 units, and to distribute the notice to the unit owners
3 within 7 days of the acceptance of the service by the Board
4 of Managers. The service shall be effective as if each
5 individual unit owner had been served individually with
6 notice.

7 (s) To adopt and amend rules and regulations (1)
8 authorizing electronic delivery of notices and other
9 communications required or contemplated by this Act to each
10 unit owner who provides the association with written
11 authorization for electronic delivery and an electronic
12 address to which such communications are to be
13 electronically transmitted; and (2) authorizing each unit
14 owner to designate an electronic address or a U.S. Postal
15 Service address, or both, as the unit owner's address on
16 any list of members or unit owners which an association is
17 required to provide upon request pursuant to any provision
18 of this Act or any condominium instrument.

19 In the performance of their duties, the officers and
20 members of the board, whether appointed by the developer or
21 elected by the unit owners, shall exercise the care required of
22 a fiduciary of the unit owners.

23 The collection of assessments from unit owners by an
24 association, board of managers or their duly authorized agents
25 shall not be considered acts constituting a collection agency
26 for purposes of the Collection Agency Act.

1 The provisions of this Section are applicable to all
2 condominium instruments recorded under this Act. Any portion of
3 a condominium instrument which contains provisions contrary to
4 these provisions shall be void as against public policy and
5 ineffective. Any such instrument that fails to contain the
6 provisions required by this Section shall be deemed to
7 incorporate such provisions by operation of law.

8 (Source: P.A. 98-735, eff. 1-1-15; 99-143, eff. 7-27-15;
9 99-849, eff. 1-1-17.)

10 (765 ILCS 605/18.10 new)

11 Sec. 18.10. Generally accepted accounting principles. An
12 association subject to this Act that consists of 100 or more
13 units shall use generally accepted accounting principles in
14 fulfilling any accounting obligations under this Act.

15 (765 ILCS 605/19) (from Ch. 30, par. 319)

16 Sec. 19. Records of the association; availability for
17 examination.

18 (a) The board of managers of every association shall keep
19 and maintain the following records, or true and complete copies
20 of these records, at the association's principal office:

21 (1) the association's declaration, bylaws, and plats
22 of survey, and all amendments of these;

23 (2) the rules and regulations of the association, if
24 any;

1 (3) if the association is incorporated as a
2 corporation, the articles of incorporation of the
3 association and all amendments to the articles of
4 incorporation;

5 (4) minutes of all meetings of the association and its
6 board of managers for the immediately preceding 7 years;

7 (5) all current policies of insurance of the
8 association;

9 (6) all contracts, leases, and other agreements then in
10 effect to which the association is a party or under which
11 the association or the unit owners have obligations or
12 liabilities;

13 (7) a current listing of the names, addresses, email
14 addresses, telephone numbers, and weighted vote of all
15 members entitled to vote;

16 (8) ballots and proxies related to ballots for all
17 matters voted on by the members of the association during
18 the immediately preceding 12 months, including but not
19 limited to the election of members of the board of
20 managers; and

21 (9) the books and records ~~of account~~ for the
22 association's current and 10 immediately preceding fiscal
23 years, including but not limited to itemized and detailed
24 records of all receipts, ~~and~~ expenditures, and accounts.

25 (b) Any member of an association shall have the right to
26 inspect, examine, and make copies of the records described in

1 subdivisions (1), (2), (3), (4), ~~and (5)~~, (6), and (9) of
2 subsection (a) of this Section, in person or by agent, at any
3 reasonable time or times, at the association's principal
4 office. In order to exercise this right, a member must submit a
5 written request to the association's board of managers or its
6 authorized agent, stating with particularity the records
7 sought to be examined. Failure of an association's board of
8 managers to make available all records so requested within 10
9 business ~~30~~ days of receipt of the member's written request
10 shall be deemed a denial.

11 Any member who prevails in an enforcement action to compel
12 examination of records described in subdivisions (1), (2), (3),
13 (4), ~~and (5)~~, (6), and (9) of subsection (a) of this Section
14 shall be entitled to recover reasonable attorney's fees and
15 costs from the association.

16 (c) (Blank).

17 (d) (Blank).

18 (d-5) As used in this Section, "commercial purpose" means
19 the use of any part of a record or records described in
20 subdivisions (7) and (8) of subsection (a) of this Section, or
21 information derived from such records, in any form for sale,
22 resale, or solicitation or advertisement for sales or services.

23 (e) Except as otherwise provided in subsection (g) of this
24 Section, any member of an association shall have the right to
25 inspect, examine, and make copies of the records described in
26 subdivisions (7) and (8) ~~(6), (7), (8), and (9)~~ of subsection

1 (a) of this Section, in person or by agent, at any reasonable
2 time or times but only for a ~~proper~~ purpose that relates to the
3 association, at the association's principal office. In order to
4 exercise this right, a member must submit a written request, to
5 the association's board of managers or its authorized agent,
6 stating with particularity the records sought to be examined.
7 As a condition for exercising this right, the board of managers
8 or authorized agent of the association may require the member
9 to certify in writing that the information contained in the
10 records obtained by the member will not be used by the member
11 for any commercial purpose or for any purpose that does not
12 relate to the association. The board of managers of the
13 association may impose a fine in accordance with item (1) of
14 Section 18.4 upon any person who makes a false certification.
15 ~~and a proper purpose for the request.~~ Subject to the provisions
16 of subsection (g) of this Section, failure of an association's
17 board of managers to make available all records so requested
18 within 10 business ~~30 business~~ days of receipt of the member's
19 written request shall be deemed a denial; provided, however,
20 that the board of managers of an association that has adopted a
21 secret ballot election process as provided in Section 18 of
22 this Act shall not be deemed to have denied a member's request
23 for records described in subdivision (8) of subsection (a) of
24 this Section if voting ballots, without identifying unit
25 numbers, are made available to the requesting member within 10
26 business ~~30~~ days of receipt of the member's written request.

1 ~~In an action to compel examination of records described in~~
2 ~~subdivisions (6), (7), (8), and (9) of subsection (a) of this~~
3 ~~Section, the burden of proof is upon the member to establish~~
4 ~~that the member's request is based on a proper purpose.~~ Any
5 member who prevails in an enforcement action to compel
6 examination of records described in subdivisions (7) or (8)
7 ~~(6), (7), (8), and (9)~~ of subsection (a) of this Section shall
8 be entitled to recover reasonable attorney's fees and costs
9 from the association only if the court finds that the board of
10 directors acted in bad faith in denying the member's request.

11 (f) The actual cost to the association of retrieving and
12 making requested records available for inspection and
13 examination under this Section may ~~shall~~ be charged by the
14 association to the requesting member. If a member requests
15 copies of records requested under this Section, the actual
16 costs to the association of reproducing the records may ~~shall~~
17 also be charged by the association to the requesting member.

18 (g) Notwithstanding the provisions of subsection (e) of
19 this Section, unless otherwise directed by court order, an
20 association need not make the following records available for
21 inspection, examination, or copying by its members:

22 (1) documents relating to appointment, employment,
23 discipline, or dismissal of association employees;

24 (2) documents relating to actions pending against or on
25 behalf of the association or its board of managers in a
26 court or administrative tribunal;

1 (3) documents relating to actions threatened against,
2 or likely to be asserted on behalf of, the association or
3 its board of managers in a court or administrative
4 tribunal;

5 (4) documents relating to common expenses or other
6 charges owed by a member other than the requesting member;
7 and

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

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

18 (Source: P.A. 90-496, eff. 8-18-97; 90-655, eff. 7-30-98.)

19 (765 ILCS 605/27) (from Ch. 30, par. 327)

20 Sec. 27. Amendments.

21 (a) If there is any unit owner other than the developer,
22 and unless otherwise provided in this Act, the condominium
23 instruments shall be amended only as follows:

24 (i) upon the affirmative vote of 2/3 of those voting or
25 upon the majority specified by the condominium

1 instruments, provided that in no event shall the
2 condominium instruments require more than a three-quarters
3 vote of all unit owners; and

4 (ii) with the approval of, or notice to, any mortgagees
5 or other lienholders of record, if required under the
6 provisions of the condominium instruments. If the
7 condominium instruments require approval of any mortgagee
8 or lienholder of record and the mortgagee or lienholder of
9 record receives a request to approve or consent to the
10 amendment to the condominium instruments, the mortgagee or
11 lienholder of record is deemed to have approved or
12 consented to the request unless the mortgagee or lienholder
13 of record delivers a negative response to the requesting
14 party within 60 days after the mailing of the request. A
15 request to approve or consent to an amendment to the
16 condominium instruments that is required to be sent to a
17 mortgagee or lienholder of record shall be sent by
18 certified mail.

19 (b) (1) If there is an omission, error, or inconsistency in
20 a condominium instrument, such that a provision of a
21 condominium instrument does not conform to this Act or to
22 another applicable statute, the association may correct the
23 omission, error, or inconsistency to conform the condominium
24 instrument to this Act or to another applicable statute by an
25 amendment adopted by vote of two-thirds of the Board of
26 Managers, without a unit owner vote. A provision in a

1 condominium instrument requiring or allowing unit owners,
2 mortgagees, or other lienholders of record to vote to approve
3 an amendment to a condominium instrument, or for the mortgagees
4 or other lienholders of record to be given notice of an
5 amendment to a condominium instrument, is not applicable to an
6 amendment to the extent that the amendment corrects an
7 omission, error, or inconsistency to conform the condominium
8 instrument to this Act or to another applicable statute.

9 (2) If through a scrivener's error, a unit has not been
10 designated as owning an appropriate undivided share of the
11 common elements or does not bear an appropriate share of the
12 common expenses or that all the common expenses or all of the
13 common elements in the condominium have not been distributed in
14 the declaration, so that the sum total of the shares of common
15 elements which have been distributed or the sum total of the
16 shares of the common expenses fail to equal 100%, or if it
17 appears that more than 100% of the common elements or common
18 expenses have been distributed, the error may be corrected by
19 operation of law by filing an amendment to the declaration
20 approved by vote of two-thirds of the members of the Board of
21 Managers or a majority vote of the unit owners at a meeting
22 called for this purpose which proportionately adjusts all
23 percentage interests so that the total is equal to 100% unless
24 the condominium instruments specifically provide for a
25 different procedure or different percentage vote by the owners
26 of the units and the owners of mortgages thereon affected by

1 modification being made in the undivided interest in the common
2 elements, the number of votes in the unit owners association or
3 the liability for common expenses appertaining to the unit.

4 (3) If an omission or error or a scrivener's error in the
5 declaration, bylaws or other condominium instrument is
6 corrected by vote of two-thirds of the members of the Board of
7 Managers pursuant to the authority established in paragraphs
8 (1) or (2) of this subsection (b) ~~subsections (b) (1) or (b) (2)~~
9 ~~of Section 27 of this Act~~, the Board upon written petition by
10 unit owners with 20 percent of the votes of the association
11 filed within 30 days of the Board action shall call a meeting
12 of the unit owners within 30 days of the filing of the petition
13 to consider the Board action. Unless a majority of the votes of
14 the unit owners of the association are cast at the meeting to
15 reject the action, it is ratified whether or not a quorum is
16 present.

17 (4) The procedures for amendments set forth in this
18 subsection (b) cannot be used if such an amendment would
19 materially or adversely affect property rights of the unit
20 owners unless the affected unit owners consent in writing. This
21 Section does not restrict the powers of the association to
22 otherwise amend the declaration, bylaws, or other condominium
23 instruments, but authorizes a simple process of amendment
24 requiring a lesser vote for the purpose of correcting defects,
25 errors, or omissions when the property rights of the unit
26 owners are not materially or adversely affected.

1 (5) If there is an omission or error in the declaration,
2 bylaws, or other condominium instruments, which may not be
3 corrected by an amendment procedure set forth in paragraphs (1)
4 and (2) of this subsection (b) ~~of Section 27~~ in the declaration
5 then the Circuit Court in the County in which the condominium
6 is located shall have jurisdiction to hear a petition of one or
7 more of the unit owners thereon or of the association, to
8 correct the error or omission, and the action may be a class
9 action. The court may require that one or more methods of
10 correcting the error or omission be submitted to the unit
11 owners to determine the most acceptable correction. All unit
12 owners in the association must be joined as parties to the
13 action. Service of process on owners may be by publication, but
14 the plaintiff shall furnish all unit owners not personally
15 served with process with copies of the petition and final
16 judgment of the court by certified mail return receipt
17 requested, at their last known address.

18 (6) Nothing contained in this Section shall be construed to
19 invalidate any provision of a condominium instrument
20 authorizing the developer to amend a condominium instrument
21 prior to the latest date on which the initial membership
22 meeting of the unit owners must be held, whether or not ~~not~~ it
23 has actually been held, to bring the instrument into compliance
24 with the legal requirements of the Federal National Mortgage
25 Association, the Federal Home Loan Mortgage Corporation, the
26 Federal Housing Administration, the United States Veterans

1 Administration or their respective successors and assigns.

2 (Source: P.A. 98-282, eff. 1-1-14; 99-472, eff. 6-1-16; revised
3 9-1-16.)

4 (765 ILCS 605/31) (from Ch. 30, par. 331)

5 Sec. 31. Subdivision or combination of units.

6 (a) As used in this Section, "combination of any units"
7 means any 2 or more residential units to be used as a single
8 unit as shown on the plat or amended plat, which may involve,
9 without limitation, additional exclusive use of a portion of
10 the common elements within the building adjacent to the
11 combined unit (for example, without limitation, the use of a
12 portion of an adjacent common hallway).

13 (b) Unless the condominium instruments expressly prohibit
14 the subdivision or combination of any units, and subject to
15 additional limitations provided by the condominium
16 instruments, the owner or owners may, at their own expense,
17 subdivide or combine and locate or relocate common elements
18 affected or required thereby, in accordance with the provisions
19 of the condominium instruments and the requirements of this
20 Act. The owner or owners shall make written application to the
21 board of managers, requesting an amendment to the condominium
22 instruments, setting forth in the application a proposed
23 reallocation to the new units of the percentage interest in the
24 common elements, and setting forth whether the limited common
25 elements, if any, previously assigned to the unit to be

1 subdivided should be assigned to each new unit or to fewer than
2 all of the new units created and requesting, if desired in the
3 event of a combination of any units, that the new unit be
4 granted the exclusive right to use as a limited common element,
5 a portion of the common elements within the building adjacent
6 to the new unit. If the transaction is approved by a majority
7 of the board of managers, it shall be effective upon (1)
8 recording of an amendment to condominium instruments in
9 accordance with the provisions of Sections 5 and 6 of this Act,
10 and (2) execution by the owners of the units involved.

11 (c) In the event of a combination of any units, the
12 amendment under subsection (b) may grant the owner of the
13 combined unit the exclusive right to use, as a limited common
14 element, a portion of the common elements within the building
15 adjacent to the new unit. The request for the amendment shall
16 be granted and the amendment shall grant this exclusive right
17 to use as a limited common element if the following conditions
18 are met:

19 (1) the common element for which the exclusive right to
20 use as a limited common element is sought is not necessary
21 or practical for use by the owners of any units other than
22 the owner or owners of the combined unit; and

23 (2) the owner or owners of the combined unit are
24 responsible for any and all costs associated with the
25 renovation, modification, or other adaptation performed as
26 a result of the granting of the exclusive right to use as a

1 limited common element.

2 (d) If the combined unit is divided, part of the original
3 combined unit is sold, and the grant of the exclusive right to
4 use as a limited common element is no longer necessary,
5 practical, or appropriate for the use and enjoyment of the
6 owner or owners of the original combined unit, the board may
7 terminate the grant of the exclusive right to use as a limited
8 common element and require that the owner or owners of the
9 original combined unit restore the common area to its condition
10 prior to the grant of the exclusive right to use as a limited
11 common element. If the combined unit is sold without being
12 divided, the grant of the exclusive right to use as a limited
13 common element shall apply to the new owner or owners of the
14 combined unit, who shall assume the rights and responsibilities
15 of the original owner or owners.

16 (e) Under this Section, the exclusive right to use as a
17 limited common element any portion of the common elements that
18 is not necessary or practical for use by the owners of any
19 other units is not a diminution of the ownership interests of
20 all other unit owners requiring unanimous consent of all unit
21 owners under subsection (e) of Section 4 of this Act or any
22 percentage set forth in the condominium instruments.

23 (f) Notwithstanding Section 27 of this Act and any other
24 amendment provisions set forth in the condominium instruments,
25 an amendment pursuant to this Section is effective if it meets
26 the requirements set forth in this Section.

1 (Source: P.A. 90-199, eff. 7-24-97.)".