



Rep. André Thapedi

**Filed: 4/17/2017**

10000HB0189ham003

LRB100 03859 KTG 25183 a

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, 15, 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 605/15) (from Ch. 30, par. 315)

13 Sec. 15. Sale of property.

14 (a) Unless a greater percentage is provided for in the  
15 declaration or bylaws, and notwithstanding the provisions of  
16 Sections 13 and 14 hereof, a majority of the unit owners where  
17 the property contains 2 units, or not less than 66 2/3% where  
18 the property contains three units, and not less than 75% where  
19 the property contains 4 or more units may, by affirmative vote  
20 at a meeting of unit owners duly called for such purpose, elect  
21 to sell the property. Such action shall be binding upon all  
22 unit owners, and it shall thereupon become the duty of every  
23 unit owner to execute and deliver such instruments and to  
24 perform all acts as in manner and form may be necessary to  
25 effect such sale, provided, however, that any unit owner who

1 did not vote in favor of such action and who has filed written  
2 objection thereto with the manager or board of managers within  
3 20 days after the date of the meeting at which such sale was  
4 approved shall be entitled to receive from the proceeds of such  
5 sale an amount equivalent to the greater of: (i) the value of  
6 his or her interest, as determined by a fair appraisal, less  
7 the amount of any unpaid assessments or charges due and owing  
8 from such unit owner or (ii) the outstanding balance of any  
9 bona fide debt secured by the objecting unit owner's interest  
10 which was incurred by such unit owner in connection with the  
11 acquisition or refinance of the unit owner's interest, less the  
12 amount of any unpaid assessments or charges due and owing from  
13 such unit owner. The objecting unit owner is also entitled to  
14 receive from the proceeds of a sale under this Section  
15 reimbursement for reasonable relocation costs, determined in  
16 the same manner as under the federal Uniform Relocation  
17 Assistance and Real Property Acquisition Policies Act of 1970,  
18 as amended from time to time, and as implemented by regulations  
19 promulgated under that Act.

20 (b) If there is a disagreement as to the value of the  
21 interest of a unit owner who did not vote in favor of the sale  
22 of the property, that unit owner shall have a right to  
23 designate an expert in appraisal or property valuation to  
24 represent him, in which case, the prospective purchaser of the  
25 property shall designate an expert in appraisal or property  
26 valuation to represent him, and both of these experts shall

1 mutually designate a third expert in appraisal or property  
2 valuation. The 3 experts shall constitute a panel to determine  
3 by vote of at least 2 of the members of the panel, the value of  
4 that unit owner's interest in the property. The changes made by  
5 this amendatory Act of the 100th General Assembly apply to  
6 sales under this Section that are pending or commenced on and  
7 after the effective date of this amendatory Act of the 100th  
8 General Assembly.

9 (Source: P.A. 86-1156.)

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 event within 7 days after the emergency event.

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

19 (i) merger or consolidation of the association;

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

1 elements.

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

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

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

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

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

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

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

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

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

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

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

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

1 (765 ILCS 605/18.4) (from Ch. 30, par. 318.4)

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

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

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

13 (b) To prepare, adopt and distribute the annual budget  
14 for the property.

15 (c) To levy and expend assessments.

16 (d) To collect assessments from unit owners.

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

20 (f) To obtain adequate and appropriate kinds of  
21 insurance.

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

24 (h) To adopt and amend rules and regulations covering  
25 the details of the operation and use of the property, after  
26 a meeting of the unit owners called for the specific

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

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

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

26 (k) To pay real property taxes, special assessments,

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

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

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

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

21 (o) To record the granting of an easement for the  
22 laying of cable television or high speed Internet cable  
23 where authorized by the unit owners under the provisions of  
24 Section 14.3; to obtain, if available and determined by the  
25 board to be in the best interests of the association, cable  
26 television or bulk high speed Internet service for all of



1 the units of the condominium on a bulk identical service  
2 and equal cost per unit basis; and to assess and recover  
3 the expense as a common expense and, if so determined by  
4 the board, to assess each and every unit on the same equal  
5 cost per unit basis.

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

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

19 (r) To accept service of a notice of claim for purposes  
20 of the Mechanics Lien Act on behalf of each respective  
21 member of the Unit Owners' Association with respect to  
22 improvements performed pursuant to any contract entered  
23 into by the Board of Managers or any contract entered into  
24 prior to the recording of the condominium declaration  
25 pursuant to this Act, for a property containing more than 8  
26 units, and to distribute the notice to the unit owners

1           within 7 days of the acceptance of the service by the Board  
2           of Managers. The service shall be effective as if each  
3           individual unit owner had been served individually with  
4           notice.

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

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

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

25          The provisions of this Section are applicable to all  
26          condominium instruments recorded under this Act. Any portion of

1 a condominium instrument which contains provisions contrary to  
2 these provisions shall be void as against public policy and  
3 ineffective. Any such instrument that fails to contain the  
4 provisions required by this Section shall be deemed to  
5 incorporate such provisions by operation of law.

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

8 (765 ILCS 605/18.10 new)

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

13 (765 ILCS 605/19) (from Ch. 30, par. 319)

14 Sec. 19. Records of the association; availability for  
15 examination.

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

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

21 (2) the rules and regulations of the association, if  
22 any;

23 (3) if the association is incorporated as a  
24 corporation, the articles of incorporation of the

1 association and all amendments to the articles of  
2 incorporation;

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

5 (5) all current policies of insurance of the  
6 association;

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

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

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

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

23 (b) Any member of an association shall have the right to  
24 inspect, examine, and make copies of the records described in  
25 subdivisions (1), (2), (3), (4), ~~and~~ (5), (6), and (9) of  
26 subsection (a) of this Section, in person or by agent, at any

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

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

14 (c) (Blank).

15 (d) (Blank).

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

21 (e) Except as otherwise provided in subsection (g) of this  
22 Section, any member of an association shall have the right to  
23 inspect, examine, and make copies of the records described in  
24 subdivisions (7) and (8) ~~(6), (7), (8), and (9)~~ of subsection  
25 (a) of this Section, in person or by agent, at any reasonable  
26 time or times but only for a ~~proper~~ purpose that relates to the

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

25 ~~In an action to compel examination of records described in~~  
26 ~~subdivisions (6), (7), (8), and (9) of subsection (a) of this~~

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

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

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

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

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

25 (3) documents relating to actions threatened against,  
26 or likely to be asserted on behalf of, the association or

1 its board of managers in a court or administrative  
2 tribunal;

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

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

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

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

17 (765 ILCS 605/27) (from Ch. 30, par. 327)

18 Sec. 27. Amendments.

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

22 (i) upon the affirmative vote of 2/3 of those voting or  
23 upon the majority specified by the condominium  
24 instruments, provided that in no event shall the  
25 condominium instruments require more than a three-quarters



1 vote of all unit owners; and

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

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

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

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

1 the liability for common expenses appertaining to the unit.

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

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

25 (5) If there is an omission or error in the declaration,  
26 bylaws, or other condominium instruments, which may not be

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

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

26 (Source: P.A. 98-282, eff. 1-1-14; 99-472, eff. 6-1-16; revised

1 9-1-16.)

2 (765 ILCS 605/31) (from Ch. 30, par. 331)

3 Sec. 31. Subdivision or combination of units.

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

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

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

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

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

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

26 (d) If the combined unit is divided, part of the original

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

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

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

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