1 AN ACT concerning property.

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

- 4 Section 5. The Mobile Home Landlord and Tenant Rights Act
- is amended by changing Section 6 and by adding Section 6.3 as
- 6 follows:

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- 7 (765 ILCS 745/6) (from Ch. 80, par. 206)
- 8 Sec. 6. Obligation of Park Owner to Offer Written Lease.
- 9 <u>Except as provided in Section 6.3, no</u> No person shall offer a
- 10 mobile home or lot for rent or sale in a mobile home park
- 11 without having first exhibited to the prospective tenant or
- 12 purchaser a copy of the lease applicable to the respective
- mobile home park.
- 14 (a) The park owner shall be required to offer to each
- 15 present and future tenant a written lease for a term of not
- less than 12 months, unless the parties agree to a different
- 17 term subject to existing leases which shall be continued
- 18 pursuant to their terms.
- 19 (b) Tenants in possession on the effective date of this Act
- 20 shall have 30 days after receipt of the offer for a written
- lease within which to accept or reject such offer; during which
- 22 period, the rent may not be increased or any other terms and
- 23 conditions changed, except as permitted under this Act;
- 24 providing that if the tenant has not so elected he shall vacate
- within the 30 day period.
- 26 (c) The park owner shall notify his tenants in writing not
- 27 later than 30 days after the effective date of this Act, that a
- written lease shall be available to the tenant and that such
- lease is being offered in compliance with and will conform to
- 30 the requirements of this Act.
- 31 (Source: P.A. 81-1509.)

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(765 ILCS 745/6.3 new)

- Sec. 6.3. Minimum lease terms of required written lease. If a mobile home park is held or owned by a publicly traded entity on any national stock or securities exchange, then the following lease requirements shall apply:
 - (a) No person shall offer a mobile home or lot for rent or sale in a mobile home park without having first exhibited to the prospective tenant or purchaser a copy of the lease or sales agreement applicable to the respective mobile home park.
 - (b) The park owner shall be required to offer to each present and future tenant a written lease for a term of not less than 2 years, unless the parties agree to a different term subject to existing leases which shall be continued pursuant to their terms.
 - (c) A prospective tenant who executes a lease pursuant to this Section may cancel the lease by notifying the park owner in writing within 5 business days after the prospective tenant's execution of the lease. The park owner shall return any down payment, security deposit, or rent paid by the prospective tenant within 10 days after receiving the written cancellation. If the park owner enters into an agreement to sell a mobile home to a prospective tenant or lease it to a prospective tenant with an option to purchase, the prospective tenant may cancel the sale or lease-purchase agreement along with the lease by notifying the park owner in writing within 5 business days after the prospective tenant's execution of the lease. The park owner shall, within 10 days after receiving the written cancellation, refund all consideration paid by the prospective tenant and cancel any debt relating to the purchase or lease of the mobile home.
 - (d) The maximum amount that a park owner may recover as damages for a tenant's early termination of a lease is 2 months rent. However, if the lot is leased to another tenant within 20 days of vacating, the damages shall be a

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	maximum	of	rent	for	one	month.
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- (e) In the lease, the park owner shall fully and clearly set forth the amounts or methods of determining any rental increases for any and all renewals of the lease.
- (f) The park owner shall not charge or impose upon a tenant any fee or increase in rent which reflects the cost to the park owner of any fine, forfeiture, penalty, money damages, or fee assessed or awarded by a court of law against the park owner, including any attorney's fees and costs incurred by the park owner in connection therewith.
- (g) Tenants in possession on the effective date of this amendatory Act of the 94th General Assembly shall have 30 days after receipt of the offer for a written lease within which to accept or reject such offer; during which period, the rent may not be increased or any other terms and conditions changed, except as permitted under this Act; providing that if the tenant has not so elected he shall vacate within the 30 day period.
- (h) The park owner shall notify its tenants in writing not later than 30 days after the effective date of this amendatory Act of the 94th General Assembly, that a written lease shall be available to the tenant and that such lease is being offered in compliance with and will conform to the requirements of this amendatory Act of the 94th General Assembly.
- (i) If a tenant leaves a mobile home park temporarily because of illness or disability, the park owner shall allow a relative or relatives, designated by the tenant or the tenant's quardian or representative, to live in the home until such time as the tenant is able to return, so long as the terms of the lease continue to be met.
- (j) Renewal of lease. At the expiration of a lease, including one that is a renewal of a previous lease, the lease shall be renewed automatically for a term of 2 years with the same terms as the previous lease, unless:
 - (1) the tenant notifies the park owner 30 days

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1	prior to the expiration of the lease that he or she
2	does not intend to renew the lease;
3	(2) the park owner notifies the tenant 30 days
4	prior to the expiration of the lease that the lease
5	will not be renewed and specifies in writing one or
6	more of the following reasons: violation of park rules;
7	violation of health and safety codes; or irregular or
8	non-payment of rent;
9	(3) the park owner seeks to change the terms of the
10	agreement pursuant to subsections (k), (l), and (m), in
11	which case the procedures set forth in those
12	subsections shall apply; or
13	(4) the park owner elects to cease the operation of
14	either all or a portion of the mobile home park. The
15	tenants shall be entitled to at least 12 months notice
16	of the cessation of operations. If 12 months or more
17	remain on the existing lease at the time of notice, the
18	tenant is entitled to the balance of the term of his or
19	her lease. If there are less than 12 months remaining
20	in the term of his or her lease, the tenant is entitled
21	to the balance of his or her lease plus a written
22	month-to-month tenancy, at the expiring lease rate to
23	provide him or her with a full 12 months notice.
24	(k) Six months prior to the expiration of the lease,
25	the park owner shall offer the tenant a renewal lease with
26	a term of at least 2 years with the proposed rental amount
27	and any fee or other lease changes for that term.
28	(1) If the tenant does not accept the new terms, the
29	tenant may initiate a binding appraisal process whereby a
30	State certified general real estate appraiser, licensed
31	pursuant to the Real Estate Licensing Act of 2002, agreed
32	to by the tenant and park owner shall determine the fair

market value of the rent and other fees over the next 2

years, based on the existing leases of other tenants in the

same mobile home park and any discount that is necessary to

reflect any future change in land use that the park owner

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has announced. The amount determined by the appraiser, including any built-in increases, shall be binding for the next 2 year period.

(m) A tenant whose existing lease does not comply with this Section shall, as soon as practical, be offered a 2 year lease that complies with this Act, effective on the termination of the existing lease. If the tenant does not accept the terms of the lease, the tenant may initiate a binding appraisal process, whereby a State certified general real estate appraiser, licensed pursuant to the Real Estate Licensing Act of 2002, agreed to by the tenant and park owner shall determine the fair market value of the rent and other fees over the next 2 years, based on new leases of other tenants in the same mobile home park and, if necessary, leases in comparable mobile home parks.

- (n) All notices required under this Section shall be by certified mail or personal service. Certified mail shall be deemed to be effective upon the date of mailing.
- (o) A tenant has 60 days from receipt of the renewal notice to initiate the binding appraisal process. If the appraisal process extends beyond the term of the original lease term, the tenant shall be a hold-over on a month-to-month lease under the terms of the original lease and the park owner shall be prohibited from taking any action inconsistent with that original lease.
- (p) If the tenant or tenant association and the park owner fail to select an appraiser, pursuant to subsections (q) or (r), the circuit court in the county where the park is located, upon application of the park owner or tenant, shall appoint the appraiser.
- (q) The appraiser's decision shall be a signed written document, with copies provided to both the park owner and tenant. The appraiser's decision shall equitably apportion expenses and fees incurred in the preparation of the appraisal between the park owner and tenant.
 - (r) The park owner and tenant have the right in the

1	appraisal procedure to be represented by attorneys, or in
2	the case of the tenant, by the tenant association.
3	(s) The park owner or tenant may seek court review of
4	an appraisal that was conducted pursuant to this Section.
5	The court may vacate or modify the appraiser's decision,
6	establish the fair market value of the land, or grant any
7	such other relief as the court deems just or appropriate.
8	(t) The provisions of this Section added by this
9	amendatory Act of the 94th General Assembly are mutually
10	dependent and inseverable. If any provision of this Section
11	is held invalid, then this entire Section is invalid.