



95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

HB1986

Introduced 2/26/2007, by Rep. Frank J. Mautino

SYNOPSIS AS INTRODUCED:

765 ILCS 745/6

from Ch. 80, par. 206

765 ILCS 745/6.3 new

Amends the Mobile Home Landlord and Tenant Rights Act. Provides that a park owner shall present a lease to prospective tenant at least one day before signing the lease. Provides that when a mobile home park is owned by an entity that is publicly traded on any national stock or securities exchange, then the following conditions apply: 1) a refund procedure for a lease or purchase agreement that a prospective tenant cancels within 3 days after signing the lease or purchase agreement; 2) if a tenant leaves the park because of a temporary illness or disability, the park owner shall allow qualified, including age in a park that has "housing for older persons", relatives designated by the tenant or the tenant's guardian to live in the home; 3) automatic lease renewal for 2 years unless certain requirements are met, such as a 30-day notice and a notice of reasons for the non-renewal of the lease; 4) the park owner is to give 12 months notice of a decision to close all or part of the park. Provides that a park owner may enter into a month-to-month rental agreement with a tenant if the agreement requires that there must be a rent increase notice given at least 90 days in advance of any increase and the tenant signs a statement that acknowledges that he or she wanted a shorter lease and was offered a longer lease. Provides a 90 day period following the effective date of the statutory changes to allow leases to be issued or modified in order to conform to the statutory changes. Provides for delivery of notices by first class mail. Provides that if the only change in a lease for a new term is the amount of the rent, the park owner may issue a rent increase notice, rather than issue a new lease. Effective January 1, 2008.

LRB095 09139 AJ0 29332 b

1 AN ACT concerning civil law.

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

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

7 (765 ILCS 745/6) (from Ch. 80, par. 206)

8 Sec. 6. Obligation of Park Owner to Offer Written Lease.
9 Except as provided in Section 6.3, no ~~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
13 mobile home park.

14 (a) The park owner shall be required, on a date prior to
15 the date upon which the lease is signed, to offer to each
16 present and future tenant a written lease for a term of not
17 less than 12 months, unless the parties agree to a different
18 term subject to existing leases which shall be continued
19 pursuant to their terms.

20 (b) Tenants in possession on the effective date of this Act
21 shall have 30 days after receipt of the offer for a written
22 lease within which to accept or reject such offer; during which
23 period, the rent may not be increased or any other terms and

1 conditions changed, except as permitted under this Act;
2 providing that if the tenant has not so elected he shall vacate
3 within the 30 day period.

4 (c) The park owner shall notify his tenants in writing not
5 later than 30 days after the effective date of this Act, that a
6 written lease shall be available to the tenant and that such
7 lease is being offered in compliance with and will conform to
8 the requirements of this Act.

9 (d) The park owner shall give 90 days notice of any rent
10 increase and no rent increase shall go into effect until 90
11 days after the notice. Upon receipt of the notice of the rent
12 increase, a tenant shall have 30 days in which to accept or
13 reject the rent increase. If the tenant rejects the rent
14 increase, the tenant must notify the park owner of the date on
15 which the tenant will vacate the premises, which shall be on a
16 date prior to the effective date of the rental increase.

17 (Source: P.A. 81-1509.)

18 (765 ILCS 745/6.3 new)

19 Sec. 6.3. Minimum lease terms of required written lease. If
20 a mobile home park is held or owned by a publicly traded entity
21 on any national stock or securities exchange, then the
22 following lease requirements shall apply:

23 (a) No person shall offer a mobile home or lot for rent
24 or sale in a mobile home park without, on a date prior to
25 the date upon which the lease is signed, having first

1 exhibited to the prospective tenant or purchaser a copy of
2 the lease or sales agreement applicable to the respective
3 mobile home park.

4 (b) The park owner shall be required to offer to each
5 present tenant or future tenant a written lease, which may
6 provide for a specified rent increase between the first and
7 second years of the lease, for a term of not less than 2
8 years unless the parties agree to a different term subject
9 to existing leases which shall be continued pursuant to
10 their terms. The park owner may offer a month-to-month
11 tenancy agreement option to a person not wishing to make a
12 long-term commitment provided that the tenant signs a
13 written statement acknowledging that the park owner
14 offered the tenant a longer term lease but the tenant chose
15 instead to agree to only a month-to-month tenancy
16 agreement. Any month-to-month tenancy agreement must
17 provide a minimum of 90 days notice to the tenant before
18 any rent increase is effective.

19 (c) A prospective tenant who executes a lease pursuant
20 to this Section may cancel the lease by notifying the park
21 owner in writing within 3 business days after the
22 prospective tenant's execution of the lease, unless the
23 prospective tenant waives in writing this right to cancel
24 the lease or waives this right by taking possession of the
25 mobile home or the lot. The park owner shall return any
26 down payment, security deposit, or rent paid by the

1 prospective tenant within 10 days after receiving the
2 written cancellation. If the park owner enters into an
3 agreement to sell a mobile home to a prospective tenant or
4 lease it to a prospective tenant with an option to
5 purchase, the prospective tenant may cancel the sale or
6 lease-purchase agreement along with the lease by notifying
7 the park owner in writing within 5 business days after the
8 prospective tenant's execution of the lease. The park owner
9 shall, within 10 days after receiving the written
10 cancellation, refund all consideration paid by the
11 prospective tenant and cancel any debt relating to the
12 purchase or lease of the mobile home.

13 (d) The maximum amount that a park owner may recover as
14 damages for a tenant's early termination of a lease, sale
15 agreement, or lease-purchase agreement is the amount due
16 under the lease, sale agreement, or lease-purchase
17 agreement, less any offset or mitigation through a re-lease
18 or a sale.

19 (e) The park owner shall not charge or impose upon a
20 tenant any fee or increase in rent which reflects the cost
21 to the park owner of any fine, forfeiture, penalty, money
22 damages, or fee assessed or awarded by a court of law
23 against the park owner, including any attorney's fees and
24 costs incurred by the park owner in connection therewith
25 unless the fine, forfeiture, penalty, money damages, or fee
26 was incurred as a result of the tenant's actions.

1 (f) Any tenant in possession of a mobile home or lot
2 who is not subject to a current lease on the effective date
3 of this amendatory Act of the 95th General Assembly shall
4 be offered a lease by the park owner within 90 days after
5 the effective date. Tenants in possession on the effective
6 date of this amendatory Act of the 95th General Assembly
7 shall have 30 days after receipt of the offer for a written
8 lease within which to accept or reject such offer; during
9 which period, the rent may not be increased or any other
10 terms and conditions changed, except as permitted under
11 this Act; providing that if the tenant has not so elected
12 he shall vacate within the 30 day period.

13 (g) The park owner shall notify its tenants in writing
14 not later than 90 days after the effective date of this
15 amendatory Act of the 95th General Assembly of any required
16 amendatory language to the lease, sale agreement, or
17 lease-purchase agreement that is necessary in order for the
18 lease, sale agreement, or lease-purchase agreement to
19 conform to the requirements of this amendatory Act of the
20 95th General Assembly.

21 (h) If a tenant leaves a mobile home park temporarily
22 because of illness or disability, the park owner shall
23 allow a relative or relatives, designated by the tenant or
24 the tenant's guardian or representative, to live in the
25 home until such time as the tenant is able to return, so
26 long as the relative or relatives meet all qualifications

1 other than financial, including age in a community that
2 provides "housing for older persons", as that term is
3 defined in Section 3-106 of the Illinois Human Rights Act,
4 and the terms of the lease continue to be met.

5 (i) Renewal of lease. At the expiration of a lease,
6 including one that is a renewal of a previous lease, the
7 lease shall be renewed automatically for a term of 2 years
8 with the same terms as the previous lease and if the park
9 owner notifies the tenant by letter delivered by first
10 class mail that there will be no change in lease terms the
11 park owner is not required to deliver a new lease agreement
12 to the tenant, unless:

13 (1) the tenant notifies the park owner 30 days
14 prior to the expiration of the lease that he or she
15 does not intend to renew the lease;

16 (2) the park owner notifies the tenant 90 days
17 prior to the expiration of the lease that the lease
18 will not be renewed and specifies in writing one or
19 more of the following reasons: violation of park rules;
20 violation of health and safety codes; or irregular or
21 non-payment of rent;

22 (3) the park owner seeks to change the terms of the
23 agreement pursuant to subsection (j), in which case the
24 procedures set forth in that subsection shall apply,
25 unless the only change is in the amount of rent, in
26 which case it is sufficient if the park owner provides

1 a letter notice to the tenant delivered by first class
2 mail stating the changed rent amount; any letter notice
3 of a change in the amount of rent shall advise the
4 tenant that the tenant will be given a copy of the
5 lease, upon request, at no charge and that no other
6 changes in the lease are allowed; or

7 (4) the park owner elects to cease the operation of
8 either all or a portion of the mobile home park. The
9 tenants shall be entitled to notice of the cessation of
10 operations by the later of: 12 months from the date of
11 the notice or the expiration date of the most recently
12 signed one-year or two-year lease. If there is any
13 ongoing tenancy after the notice of cessation of
14 operations is issued by the park owner which is not
15 covered under a current lease, the tenancy shall be
16 deemed a month-to-month tenancy.

17 (j) Ninety days prior to the expiration of the lease,
18 the park owner shall

19 (1) offer the tenant a renewal lease with a term of
20 at least 2 years with the proposed rental amount and
21 any fee or other lease changes for that term; or

22 (2) provide the tenant with a letter notice stating
23 that there will be no change in the lease terms unless
24 a new lease is signed, however changes in rent only can
25 be made by a letter notice, provided that the tenant is
26 notified that upon request the tenant will be provided

1 with a copy of the lease without charge.

2 (k) All notices required under this Section shall be by
3 first class mail or personal service. First class mail
4 shall be deemed to be effective upon the date of mailing.

5 (l) The park owner has full recourse against the
6 tenant, tenant-purchaser, or purchaser pursuant to the
7 terms of the applicable lease, lease-purchase agreement,
8 or purchase agreement, subject to any offset or mitigation
9 recovery through re-sale or re-lease of the mobile home or
10 the lot.

11 (m) In the event of the sale of abandoned or foreclosed
12 property, the park owner shall after payment of all
13 outstanding rent, fees, costs, and expenses to the
14 community, pay any remaining balance to the purchaser or
15 tenant.

16 The provisions of this Section added by this amendatory Act
17 of the 95th General Assembly are mutually dependent and
18 inseverable. If any provision of this Section is held invalid,
19 then this entire Section is invalid.

20 Section 99. Effective date. This Act takes effect January
21 1, 2008.