



## 95TH GENERAL ASSEMBLY

### State of Illinois

2007 and 2008

HB3436

Introduced 2/27/2007, by Rep. Ruth Munson

#### SYNOPSIS AS INTRODUCED:

765 ILCS 745/8	from Ch. 80, par. 208
765 ILCS 745/8.5 new	
765 ILCS 745/9	from Ch. 80, par. 209

Amends the Mobile Home Landlord and Tenant Rights Act. Provides for 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. Provides that the park owner is to give 12 months notice of closing all or part of the park. Provides for the park owner and tenant or tenant association to use a State certified general real estate appraiser, selected by the parties or the court, to prepare an appraisal to determine the appropriate amount for rent and fees. Provides that the appraisal is subject to court review. Makes other changes.

LRB095 04830 AJ0 24890 b

1 AN ACT concerning property.

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 Sections 8 and 9 and by adding Section  
6 8.5 as follows:

7 (765 ILCS 745/8) (from Ch. 80, par. 208)

8 Sec. 8. Renewal of Lease.

9 (a) At the expiration of a lease, including one that is a  
10 renewal of a previous lease, the lease shall be renewed  
11 automatically for a term of 2 years with the same terms as the  
12 previous lease, unless:

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

16 (2) the park owner notifies the tenant 30 days prior to  
17 the expiration of the lease that the lease will not be  
18 renewed and specifies in writing one or more of the  
19 following reasons: violation of park rules; violation of  
20 health and safety codes; or irregular or non-payment of  
21 rent;

22 (3) the park owner seeks to change the terms of the  
23 agreement pursuant to subsections (b), (c), and (d), in

1 which case the procedures set forth in those subsections  
2 shall apply; or

3 (4) the park owner elects to cease the operation of  
4 either all or a portion of the mobile home park. The  
5 tenants shall be entitled to at least 12 months notice of  
6 the cessation of operations. If 12 months or more remain on  
7 the existing lease at the time of notice, the tenant is  
8 entitled to the balance of the term of his or her lease. If  
9 there are less than 12 months remaining in the term of his  
10 or her lease, the tenant is entitled to the balance of his  
11 or her lease plus a written month-to-month tenancy, at the  
12 expiring lease rate to provide him or her with a full 12  
13 months notice.

14 (b) Six months prior to the expiration of the lease, the  
15 park owner shall offer the tenant a renewal lease with a term  
16 of at least 2 years with the proposed rental amount and any fee  
17 or other lease changes for that term.

18 (c) If the tenant does not accept the new terms, the tenant  
19 may initiate a binding appraisal process whereby a State  
20 certified general real estate appraiser, licensed pursuant to  
21 the Real Estate Licensing Act of 2002, agreed to by the tenant  
22 and park owner shall determine the fair market value of the  
23 rent and other fees over the next 2 years, based on the  
24 existing leases of other tenants in the same mobile home park  
25 and any discount that is necessary to reflect any future change  
26 in land use that the park owner has announced. The amount

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

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

14 (e) All notices required under this Section shall be by  
15 certified mail or personal service. Certified mail shall be  
16 deemed to be effective upon the date of mailing.

17 (f) A tenant has 60 days from receipt of the renewal notice  
18 to initiate the binding appraisal process. If the appraisal  
19 process extends beyond the term of the original lease term, the  
20 tenant shall be a hold-over on a month-to-month lease under the  
21 terms of the original lease and the park owner shall be  
22 prohibited from taking any action inconsistent with that  
23 original lease. ~~Every lease of a mobile home or lot in a mobile~~  
24 ~~home park shall contain an option which automatically renews~~  
25 ~~the lease; unless: (a) the tenant shall notify the owners 30~~  
26 ~~days prior to the expiration of the lease that he does not~~

1 ~~intend to renew the lease; or (b) the park owner shall notify~~  
2 ~~the tenant 30 days prior to the expiration of the lease that~~  
3 ~~the lease will not be renewed and specify in writing the~~  
4 ~~reasons, such as violations of park rules, health and safety~~  
5 ~~codes or irregular or non payment of rent; or (c) the park~~  
6 ~~owner elects to cease the operation of either all or a portion~~  
7 ~~of the mobile home park. The tenants shall be entitled to at~~  
8 ~~least 12 months notice of such ceasing of operations. If 12~~  
9 ~~months or more remain on the existing lease at the time of~~  
10 ~~notice, the tenant is entitled to the balance of the term of~~  
11 ~~his lease. If there is less than 12 months remaining in the~~  
12 ~~term of his lease, the tenant is entitled to the balance of his~~  
13 ~~lease plus a written month to month tenancy, at the expiring~~  
14 ~~lease rate to provide him with a full 12 months notice.~~

15 ~~All notices required under this Section shall be by~~  
16 ~~certified mail or personal service. Certified mail shall be~~  
17 ~~deemed to be effective upon the date of mailing.~~

18 (Source: P.A. 87-1078.)

19 (765 ILCS 745/8.5 new)

20 Sec. 8.5. Appraisals.

21 (a) If the tenant or tenant association and the park owner  
22 fail to select an appraiser, pursuant to subsections (c) or (d)  
23 of Section 8, the circuit court in the county where the park is  
24 located, upon application of the park owner or tenant, shall  
25 appoint the appraiser.

1       (b) The appraiser's decision shall be a signed written  
2 document, with copies provided to both the park owner and  
3 tenant. The appraiser's decision shall equitably apportion  
4 expenses and fees incurred in the preparation of the appraisal  
5 between the park owner and tenant.

6       (c) The park owner and tenant have the right in the  
7 appraisal procedure to be represented by attorneys, or in the  
8 case of the tenant, by the tenant association.

9       (d) The park owner or tenant may seek court review of an  
10 appraisal that was conducted pursuant to this Section. The  
11 court may vacate or modify the appraiser's decision, establish  
12 the fair market value of the land, or grant any such other  
13 relief as the court deems just or appropriate.

14       (765 ILCS 745/9) (from Ch. 80, par. 209)

15       Sec. 9. The Terms of Fees and Rents. The terms for payment  
16 of rent shall be clearly set forth and all charges for  
17 services, ground or lot rent, unit rent, or any other charges  
18 shall be specifically itemized in the lease and in all billings  
19 of the tenant by the park owner.

20       The owner shall not change the rental terms nor increase  
21 the cost of fees, except as provided herein.

22       The park owner shall not charge a transfer or selling fee  
23 as a condition of sale of a mobile home that is going to remain  
24 within the park unless a service is rendered.

25       ~~Rents charged to a tenant by a park owner may be increased~~

1 ~~upon the renewal of a lease. Notification of an increase shall~~

2 ~~be delivered 60 days prior to expiration of the lease.~~

3 (Source: P.A. 86-851.)