



Rep. Karen A. Yarbrough

Filed: 3/8/2011

09700HB1109ham001

LRB097 07685 KMW 52030 a

1 AMENDMENT TO HOUSE BILL 1109

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 1109 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Municipal Code is amended by  
5 changing Section 11-20-15 and by adding Sections 11-20-15.1 and  
6 11-20-17 as follows:

7 (65 ILCS 5/11-20-15)

8 Sec. 11-20-15. Lien for removal costs.

9 (a) If the municipality incurs a removal cost under Section  
10 11-20-7, 11-20-8, 11-20-12, ~~or~~ 11-20-13, or 11-20-17 with  
11 respect to any underlying parcel, then that cost is a lien upon  
12 that underlying parcel. This lien is superior to all other  
13 liens and encumbrances, except tax liens and as otherwise  
14 provided in subsection (c) of this Section.

15 (b) To perfect a lien under this Section, the municipality  
16 must, within one year after the removal cost is incurred, file

1 notice of lien in the office of the recorder in the county in  
2 which the underlying parcel is located or, if the underlying  
3 parcel is registered under the Torrens system, in the office of  
4 the Registrar of Titles of that county. The notice must consist  
5 of a sworn statement setting out:

6 (1) a description of the underlying parcel that  
7 sufficiently identifies the parcel;

8 (2) the amount of the removal cost; and

9 (3) the date or dates when the removal cost was  
10 incurred by the municipality.

11 If, for any one parcel, the municipality engaged in any  
12 removal activity on more than one occasion during the course of  
13 one year, then the municipality may combine any or all of the  
14 costs of each of those activities into a single notice of lien.

15 (c) A lien under this Section is not valid as to: (i) any  
16 purchaser whose rights in and to the underlying parcel arose  
17 after the removal activity but before the filing of the notice  
18 of lien; or (ii) any mortgagee, judgment creditor, or other  
19 lienor whose rights in and to the underlying parcel arose  
20 before the filing of the notice of lien.

21 (d) The removal cost is not a lien on the underlying parcel  
22 unless a notice is personally served on, or sent by certified  
23 mail to, the person to whom was sent the tax bill for the  
24 general taxes on the property for the taxable year immediately  
25 preceding the removal activities. The notice must be delivered  
26 or sent after the removal activities have been performed, and

1 it must: (i) state the substance of this Section and the  
2 substance of any ordinance of the municipality implementing  
3 this Section; (ii) identify the underlying parcel, by common  
4 description; and (iii) describe the removal activity.

5 (e) A lien under this Section may be enforced by  
6 proceedings to foreclose as in case of mortgages or mechanics'  
7 liens. An action to foreclose a lien under this Section must be  
8 commenced within 2 years after the date of filing notice of  
9 lien.

10 (f) Any person who performs a removal activity by the  
11 authority of the municipality may, in his or her own name, file  
12 a lien and foreclose on that lien in the same manner as a  
13 municipality under this Section.

14 (g) A failure to file a foreclosure action does not, in any  
15 way, affect the validity of the lien against the underlying  
16 parcel.

17 (h) Upon payment of the lien cost by the owner of the  
18 underlying parcel after notice of lien has been filed, the  
19 municipality (or its agent under subsection (f)) shall release  
20 the lien, and the release may be filed of record by the owner  
21 at his or her sole expense as in the case of filing notice of  
22 lien.

23 (i) For the purposes of this Section:

24 "Lien cost" means the removal cost and the filing costs for  
25 any notice of lien under subsection (b).

26 "Removal activity" means any activity for which a removal

1 cost was incurred.

2 "Removal cost" means a removal cost as defined under  
3 Section 11-20-7, 11-20-8, 11-20-12, ~~or~~ 11-20-13, or 11-20-17.

4 "Underlying parcel" means a parcel of private property upon  
5 which a removal activity was performed.

6 "Year" means a 365-day period.

7 (j) This Section applies only to liens filed after August  
8 14, 2009 (the effective date of Public Act 96-462).

9 (k) This Section shall not apply to a lien filed pursuant  
10 to Section 11-20-15.1.

11 (Source: P.A. 96-462, eff. 8-14-09; 96-856, eff. 3-1-10;  
12 96-1000, eff. 7-2-10.)

13 (65 ILCS 5/11-20-15.1)

14 Sec. 11-20-15.1. Lien for costs of removal, securing, and  
15 enclosing on abandoned residential property.

16 (a) If the municipality elects to incur a removal cost  
17 pursuant to subsection (d) of Section 11-20-7, subsection (d)  
18 of Section 11-20-8, subsection (d) of Section 11-20-12, ~~or~~  
19 subsection (e) of Section 11-20-13, or subsection (g) of  
20 Section 11-20-17, or a securing or enclosing cost pursuant to  
21 Section 11-31-1.01 with respect to an abandoned residential  
22 property, then that cost is a lien upon the underlying parcel  
23 of that abandoned residential property. This lien is superior  
24 to all other liens and encumbrances, except tax liens and as  
25 otherwise provided in this Section.

1 (b) To perfect a lien under this Section, the municipality  
2 must, within one year after the cost is incurred for the  
3 activity, file notice of the lien in the office of the recorder  
4 in the county in which the abandoned residential property is  
5 located or, if the abandoned residential property is registered  
6 under the Torrens system, in the office of the Registrar of  
7 Titles of that county, a sworn statement setting out:

8 (1) a description of the abandoned residential  
9 property that sufficiently identifies the parcel;

10 (2) the amount of the cost of the activity;

11 (3) the date or dates when the cost for the activity  
12 was incurred by the municipality; and

13 (4) a statement that the lien has been filed pursuant  
14 to subsection (d) of Section 11-20-7, subsection (d) of  
15 Section 11-20-8, subsection (d) of Section 11-20-12,  
16 subsection (e) of Section 11-20-13, subsection (g) of  
17 Section 11-20-17, or Section 11-31-1.01, as applicable.

18 If, for any abandoned residential property, the  
19 municipality engaged in any activity on more than one occasion  
20 during the course of one year, then the municipality may  
21 combine any or all of the costs of each of those activities  
22 into a single notice of lien.

23 (c) To enforce a lien pursuant to this Section, the  
24 municipality must maintain contemporaneous records that  
25 include, at a minimum: (i) a dated statement of finding by the  
26 municipality that the property for which the work is to be

1 performed has become abandoned residential property, which  
2 shall include (1) the date when the property was first known or  
3 observed to be unoccupied by any lawful occupant or occupants,  
4 (2) a description of the actions taken by the municipality to  
5 contact the legal owner or owners of the property identified on  
6 the recorded mortgage, or, if known, any agent of the owner or  
7 owners, including the dates such actions were taken, and (3) a  
8 statement that no contacts were made with the legal owner or  
9 owners or their agents as a result of such actions, (ii) a  
10 dated certification by an authorized official of the  
11 municipality of the necessity and specific nature of the work  
12 to be performed, (iii) a copy of the agreement with the person  
13 or entity performing the work that includes the legal name of  
14 the person or entity, the rate or rates to be charged for  
15 performing the work, and an estimate of the total cost of the  
16 work to be performed, (iv) detailed invoices and payment  
17 vouchers for all payments made by the municipality for such  
18 work, and (v) a statement as to whether the work was engaged  
19 through a competitive bidding process, and if so, a copy of all  
20 proposals submitted by the bidders for such work.

21 (d) A lien under this Section shall be enforceable  
22 exclusively at the hearing for confirmation of sale of the  
23 abandoned residential property that is held pursuant to  
24 subsection (b) of Section 15-1508 of the Code of Civil  
25 Procedure and shall be limited to a claim of interest in the  
26 proceeds of the sale and subject to the requirements of this

1 Section. Any mortgagee who holds a mortgage on the property, or  
2 any beneficiary or trustee who holds a deed of trust on the  
3 property, may contest the lien or the amount of the lien at any  
4 time during the foreclosure proceeding upon motion and notice  
5 in accordance with court rules applicable to motions generally.  
6 Grounds for forfeiture of the lien or the superior status of  
7 the lien granted by subsection (a) of this Section shall  
8 include, but not be limited to, a finding by the court that:  
9 (i) the municipality has not complied with subsection (b) or  
10 (c) of this Section, (ii) the scope of the work was not  
11 reasonable under the circumstances, (iii) the work exceeded the  
12 authorization for the work to be performed under subsection (a)  
13 of Section 11-20-7, subsection (a) of Section 11-20-8,  
14 subsection (a) of Section 11-20-12, subsection (a) of Section  
15 11-20-13, or subsection (a) of Section 11-31-1.01, as  
16 applicable, or (iv) the cost of the services rendered or  
17 materials provided was not commercially reasonable. Forfeiture  
18 of the superior status of the lien otherwise granted by this  
19 Section shall not constitute a forfeiture of the lien as a  
20 subordinate lien.

21 (e) Upon payment of the amount of a lien filed under this  
22 Section by the mortgagee, servicer, owner, or any other person,  
23 the municipality shall release the lien, and the release may be  
24 filed of record by the person making such payment at the  
25 person's sole expense as in the case of filing notice of lien.

26 (f) Notwithstanding any other provision of this Section, a

1 municipality may not file a lien pursuant to this Section for  
2 activities performed pursuant to Section 11-20-7, Section  
3 11-20-8, Section 11-20-12, Section 11-20-13, or Section  
4 11-31-1.01, if: (i) the mortgagee or servicer of the abandoned  
5 residential property has provided notice to the municipality  
6 that the mortgagee or servicer has performed or will perform  
7 the remedial actions specified in the notice that the  
8 municipality otherwise might perform pursuant to subsection  
9 (d) of Section 11-20-7, subsection (d) of Section 11-20-8,  
10 subsection (d) of Section 11-20-12, subsection (e) of Section  
11 11-20-13, or Section 11-31-1.01, provided that the remedial  
12 actions specified in the notice have been performed or are  
13 performed or initiated in good faith within 30 days of such  
14 notice; or (ii) the municipality has provided notice to the  
15 mortgagee or servicer of a problem with the property requiring  
16 the remedial actions specified in the notice that the  
17 municipality otherwise would perform pursuant to subsection  
18 (d) of Section 11-20-7, subsection (d) of Section 11-20-8,  
19 subsection (d) of Section 11-20-12, subsection (e) of Section  
20 11-20-13, or Section 11-31-1.01, and the mortgagee or servicer  
21 has performed or performs or initiates in good faith the  
22 remedial actions specified in the notice within 30 days of such  
23 notice.

24 (g) This Section and subsection (d) of Section 11-20-7,  
25 subsection (d) of Section 11-20-8, subsection (d) of Section  
26 11-20-12, subsection (e) of Section 11-20-13, subsection (g) of



1 Section 11-20-17, or Section 11-31-1.01 shall apply only to  
2 activities performed, costs incurred, and liens filed after the  
3 effective date of this amendatory Act of the 96th General  
4 Assembly.

5 (h) For the purposes of this Section and subsection (d) of  
6 Section 11-20-7, subsection (d) of Section 11-20-8, subsection  
7 (d) of Section 11-20-12, subsection (e) of Section 11-20-13,  
8 subsection (g) of Section 11-20-17, or Section 11-31-1.01:

9 "Abandoned residential property" means any type of  
10 permanent residential dwelling unit, including detached single  
11 family structures, and townhouses, condominium units and  
12 multifamily rental apartments covering the entire property,  
13 and manufactured homes treated under Illinois law as real  
14 estate and not as personal property, that has been unoccupied  
15 by any lawful occupant or occupants for at least 90 days, and  
16 for which after such 90 day period, the municipality has made  
17 good faith efforts to contact the legal owner or owners of the  
18 property identified on the recorded mortgage, or, if known, any  
19 agent of the owner or owners, and no contact has been made. A  
20 property for which the municipality has been given notice of  
21 the order of confirmation of sale pursuant to subsection (b-10)  
22 of Section 15-1508 of the Code of Civil Procedure shall not be  
23 deemed to be an abandoned residential property for the purposes  
24 of subsection (d) of Section 11-20-7, subsection (d) of Section  
25 11-20-8, subsection (d) of Section 11-20-12, subsection (e) of  
26 Section 11-20-13, subsection (g) of Section 11-20-17, and

1 Section 11-31-1.01 of this Code.

2 "MERS program" means the nationwide Mortgage Electronic  
3 Registration System approved by Fannie Mae, Freddie Mac, and  
4 Ginnie Mae that has been created by the mortgage banking  
5 industry with the mission of registering every mortgage loan in  
6 the United States to lawfully make information concerning each  
7 residential mortgage loan and the property securing it  
8 available by Internet access to mortgage originators,  
9 servicers, warehouse lenders, wholesale lenders, retail  
10 lenders, document custodians, settlement agents, title  
11 companies, insurers, investors, county recorders, units of  
12 local government, and consumers.

13 (i) Any entity or person who performs a removal, securing,  
14 or enclosing activity pursuant to the authority of a  
15 municipality under subsection (d) of Section 11-20-7,  
16 subsection (d) of Section 11-20-8, subsection (d) of Section  
17 11-20-12, subsection (e) of Section 11-20-13, subsection (g) of  
18 Section 11-20-17, or Section 11-31-1.01, may, in its, his, or  
19 her own name, file a lien pursuant to subsection (b) of this  
20 Section and appear in a foreclosure action on that lien  
21 pursuant to subsection (d) of this Section in the place of the  
22 municipality, provided that the municipality shall remain  
23 subject to subsection (c) of this Section, and such party shall  
24 be subject to all of the provisions in this Section as if such  
25 party were the municipality.

26 (i-5) All amounts received by the municipality for costs

1 incurred pursuant to this Section for which the municipality  
2 has been reimbursed under Section 7.31 of the Illinois Housing  
3 Development Act shall be remitted to the State Treasurer for  
4 deposit into the Abandoned Residential Property Municipality  
5 Relief Fund.

6 (j) If prior to subsection (d) of Section 11-20-7,  
7 subsection (d) of Section 11-20-8, subsection (d) of Section  
8 11-20-12, ~~and~~ subsection (e) of Section 11-20-13, and  
9 subsection (g) of Section 11-20-17, becoming inoperative a lien  
10 is filed pursuant to any of those subsections, then the lien  
11 shall remain in full force and effect after the subsections  
12 have become inoperative, subject to all of the provisions of  
13 this Section. If prior to the repeal of Section 11-31-1.01 a  
14 lien is filed pursuant to Section 11-31-1.01, then the lien  
15 shall remain in full force and effect after the repeal of  
16 Section 11-31-1.01, subject to all of the provisions of this  
17 Section.

18 (Source: P.A. 96-856, eff. 3-1-10; 96-1419, eff. 10-1-10.)

19 (65 ILCS 5/11-20-17 new)

20 Sec. 11-20-17. Vacant and abandoned property ordinances.

21 (a) For the purposes of minimizing the hazards to persons  
22 and property resulting from vacant and abandoned property, the  
23 corporate authority of each municipality may prescribe rules,  
24 regulations, or ordinances for the maintenance of vacant and  
25 abandoned property. The corporate authorities of a

1 municipality may impose registration fees for vacant and  
2 abandoned property and fines for failure to comply with the  
3 rules, regulations, or ordinances enacted pursuant to this  
4 Section.

5 (b) Pursuant to such rules, regulations, or ordinances,  
6 municipalities may hold responsible for failure to maintain or  
7 secure a vacant and abandoned property (i) any owner of the  
8 property, (ii) any beneficiary or trustee who holds a deed of  
9 trust on the property, or (iii) any mortgagee who holds a  
10 mortgage on the property.

11 (c) A beneficiary, trustee, or mortgagee seeking to comply  
12 with rules, regulations, or ordinances regarding the  
13 maintenance or security of vacant property may enter that  
14 property to remedy any potential violation of a rule,  
15 regulation, or ordinance to maintain or secure vacant property,  
16 provided such entry is not barred by an automatic stay issued  
17 by a bankruptcy court.

18 (d) Beneficiaries, trustees, mortgagees, and their agents  
19 and assignees shall be held harmless from and against all  
20 claims of negligence, civil trespass, and criminal trespass in  
21 connection with compliance activity under the rules,  
22 regulations, and ordinances for the maintenance or security of  
23 vacant property, provided that the person authorizing or  
24 engaging in the compliance activity has (i) made a good faith  
25 effort to identify any owner and occupant of the property, and  
26 (ii) made a good faith effort to contact any owner and occupant

1 in a manner reasonably calculated to give the owner and  
2 occupant notice that the compliance activity is imminent.

3 (e) For the purpose of this Section, "owner" means the  
4 legal or beneficial owner of an improved or unimproved parcel  
5 of real estate.

6 (f) For the purpose of this Section, "mortgagee" means (i)  
7 the holder of an indebtedness, obligee of a non-monetary  
8 obligation secured by a mortgage, any assignee of the mortgage,  
9 or any person designated or authorized to act on behalf of such  
10 holder, (ii) any person or entity who previously initiated a  
11 foreclosure on the vacant property or obtained a foreclosure  
12 judgment against the vacant property if the deed to vacant  
13 property has not been transferred to the purchaser at the  
14 judicial sale, or (iii) any person claiming through a mortgagee  
15 as successor.

16 (g) For the purpose of this section, "vacant property"  
17 means any property having complete or incomplete structures  
18 that are empty or otherwise uninhabited.

19 (h) For the purpose of this Section, "removal cost" means  
20 the total value of fees and fines imposed pursuant to rules,  
21 regulations, or ordinances regarding maintenance, security, or  
22 demolition of vacant property.

23 (i) To enforce fees and fines pursuant to this Section, a  
24 municipality may: (i) elect to obtain a lien upon the  
25 underlying property for the removal cost in accordance with  
26 Section 11-20-15; (ii) in the case of an abandoned residential

1 property as defined in Section 11-20-15.1, elect to obtain a  
2 lien for the removal cost pursuant to Section 11-20-15.1, in  
3 which case the provisions of Section 11-20-15.1 shall be the  
4 exclusive remedy for the removal cost; or (iii) elect to obtain  
5 a lien for the removal cost by exercising any enforcement  
6 actions available under its police powers.

7 Section 10. The Code of Civil Procedure is amended by  
8 changing Sections 15-1512 and 15-1603 and by adding Section  
9 15-1510.5 as follows:

10 (735 ILCS 5/15-1510.5 new)

11 Sec. 15-1510.5. Mortgage Foreclosure Prevention Fee.

12 (a) Definitions.

13 "Civil legal services provider" means a not-for-profit  
14 corporation that (1) employs one or more attorneys who are  
15 licensed to practice law in the State of Illinois and who  
16 directly provide civil legal services or (2) is established  
17 for the purpose of providing civil legal services by an  
18 organized panel of pro bono attorneys.

19 "Community-based outreach" means in-person contact  
20 with mortgagors in foreclosure intended to inform such  
21 mortgagors about the foreclosure process and the  
22 mortgagors' rights and options for assistance in the  
23 process, including the availability of mortgage  
24 foreclosure housing counseling and mortgage foreclosure

1       legal services.

2       "Comprehensive court-sponsored foreclosure mediation  
3 programs" means programs, administered at least in part by  
4 an Illinois Circuit Court, that offer mediation in actions  
5 for foreclosure. Programs shall provide mortgagors access  
6 to housing counseling and legal services and include  
7 community-based outreach.

8       "Governmental agency" means any State, county, or  
9 local government body in Illinois, and any agency or  
10 instrumentality thereof, corporate or otherwise.

11       "HUD-approved housing counseling agency" means a  
12 mortgage foreclosure housing counseling agency that is  
13 approved by the United States Department of Housing and  
14 Urban Development, or any successor agency.

15       "Mortgage foreclosure housing counseling" means  
16 housing counseling provided by a mortgage foreclosure  
17 counselor that works for a HUD-approved housing counseling  
18 agency.

19       "Mortgage foreclosure legal services" means legal  
20 services to mortgagors with an interest in a property  
21 subject to a mortgage foreclosure proceeding under Article  
22 XV of the Code of Civil Procedure provided by a civil legal  
23 service attorney that works for a civil legal services  
24 provider.

25       "Mortgage Foreclosure Prevention Fund" means a special  
26 fund used expressly to support mortgage foreclosure

1       prevention programs.

2       (b) There shall be a \$500 Mortgage Foreclosure Prevention  
3 Fee collected from the proceeds resulting from a judicial sale  
4 of residential real estate conducted pursuant to a foreclosure  
5 judgment under this Article. The fee shall be remitted to the  
6 Department of Revenue by the purchaser at the time of sale and  
7 the Department shall deposit these amounts into the Mortgage  
8 Foreclosure Prevention Fund. Amounts in the Fund may be  
9 expended only for eligible activities described in this  
10 Section.

11       Eligible foreclosure mitigation activities are mortgage  
12 foreclosure housing counseling, mortgage foreclosure legal  
13 services, community-based outreach, and administration of  
14 comprehensive court-sponsored foreclosure mediation programs.

15       Eligible entities are HUD-approved housing counseling  
16 agencies, civil legal services providers, not-for-profit  
17 corporations, and governmental agencies.

18       (c) All of the moneys in the Fund collected in counties  
19 with a population greater than 3,000,000 shall be used to make  
20 grants to eligible entities for eligible foreclosure  
21 mitigation activities to be carried out in coordination with  
22 comprehensive court-sponsored foreclosure mediation programs  
23 servicing residents of the county in which the funds were  
24 collected. At least 75% of those moneys shall be used to make  
25 grants to eligible entities for mortgage foreclosure housing  
26 counseling or mortgage foreclosure legal services.



1       (d) Moneys in the Fund collected in counties with a  
2 population less than 3,000,000 shall be used to make grants to  
3 eligible entities for eligible foreclosure mitigation  
4 activities serving residents of the county in which the funds  
5 were collected. At least 75% of those moneys shall be used to  
6 make grants to eligible entities for mortgage foreclosure  
7 housing counseling or mortgage foreclosure legal services.

8       (e) All grants shall be made by the Illinois Housing  
9 Development Authority (IDHA). IHDA may prescribe reasonable  
10 rules for the administration of this Section.

11       (735 ILCS 5/15-1512) (from Ch. 110, par. 15-1512)

12       Sec. 15-1512. Application of Proceeds of Sale and Surplus.  
13       The proceeds resulting from a sale of real estate under this  
14       Article shall be applied in the following order:

15       (a) the reasonable expenses of sale;

16       (b) the reasonable expenses of securing possession before  
17       sale, holding, maintaining, and preparing the real estate for  
18       sale, including payment of taxes and other governmental  
19       charges, premiums on hazard and liability insurance,  
20       receiver's and management fees, the Mortgage Foreclosure  
21 Prevention Fee, and, to the extent provided for in the mortgage  
22       or other recorded agreement and not prohibited by law,  
23       reasonable attorneys' fees, payments made pursuant to Section  
24       15-1505 and other legal expenses incurred by the mortgagee;

25       (c) if the sale was pursuant to judicial foreclosure,

1 satisfaction of claims in the order of priority adjudicated in  
2 the judgment of foreclosure or order confirming the sale; and

3 (d) remittance of any surplus to be held by the person  
4 appointed by the court to conduct the sale until further order  
5 of the court. If there is a surplus, such person conducting the  
6 sale shall send written notice to all parties to the proceeding  
7 advising them of the amount of the surplus, and that the  
8 surplus shall be held until a party obtains a court order for  
9 its distribution or until, in the absence of an order, the  
10 surplus is forfeited to the State.

11 (Source: P.A. 86-974.)

12 (735 ILCS 5/15-1603) (from Ch. 110, par. 15-1603)

13 Sec. 15-1603. Redemption.

14 (a) Owner of Redemption. Except as provided in subsection  
15 (b) of Section 15-1402, only an owner of redemption may redeem  
16 from the foreclosure, and such owner of redemption may redeem  
17 only during the redemption period specified in subsection (b)  
18 of Section 15-1603 and only if the right of redemption has not  
19 been validly waived.

20 (b) Redemption Period.

21 (1) In the foreclosure of a mortgage of real estate  
22 which is residential real estate at the time the  
23 foreclosure is commenced, the redemption period shall end  
24 on the later of (i) the date 7 months from the date the  
25 mortgagor or, if more than one, all the mortgagors (A) have

1           been served with summons or by publication or (B) have  
2           otherwise submitted to the jurisdiction of the court, or  
3           (ii) the date 3 months from the date of entry of a judgment  
4           of foreclosure.

5           (2) In all other foreclosures, the redemption period  
6           shall end on the later of (i) the date 6 months from the  
7           date the mortgagor or, if more than one, all the mortgagors  
8           (A) have been served with summons or by publication or (B)  
9           have otherwise submitted to the jurisdiction of the court,  
10          or (ii) the date 3 months from the date of entry of a  
11          judgment of foreclosure.

12          (3) Notwithstanding paragraphs (1) and (2), the  
13          redemption period shall end at the later of the expiration  
14          of any reinstatement period provided for in Section 15-1602  
15          or the date 60 days after the date the judgment of  
16          foreclosure is entered, if the court finds that (i) the  
17          value of the mortgaged real estate as of the date of the  
18          judgment is less than 90% of the amount specified pursuant  
19          to subsection (d) of Section 15-1603 and (ii) the mortgagee  
20          waives any and all rights to a personal judgment for a  
21          deficiency against the mortgagor and against all other  
22          persons liable for the indebtedness or other obligations  
23          secured by the mortgage.

24          (4) Notwithstanding paragraphs (1) and (2), the  
25          redemption period shall end on the date 30 days after the  
26          date the judgment of foreclosure is entered if the court

1 finds that the mortgaged real estate has been abandoned.  
2 The court may find that the mortgaged real estate has been  
3 abandoned if evidence is presented supporting the fact that  
4 the mortgaged property has been abandoned and no appearance  
5 has been made to oppose the finding that the mortgaged  
6 property has been abandoned. A mortgaged property is  
7 abandoned if the mortgaged property is not actually  
8 occupied, more than 5 attempts, at least one by certified  
9 mail and one by telephone, to contact the defendant have  
10 been made, and either (i) at least 2 of the following  
11 factors apply: (A) construction was initiated on the  
12 property and was discontinued prior to completion, leaving  
13 the building unsuitable for occupancy, and no construction  
14 has taken place for at least 6 months; (B) the property has  
15 had more than one, uncorrected, municipal code violation  
16 over the past year; (C) gas, electric, or water service to  
17 the premises has been terminated; (D) windows or entrances  
18 to the premises are boarded up or closed off, or multiple  
19 window panes are broken and unrepaired; (E) doors to the  
20 premises are smashed through, broken off, unhinged, or  
21 continuously unlocked; (F) the police or sheriff's office  
22 has received at least 2 reports of trespassers on the  
23 premises, or of vandalism or other illegal acts being  
24 committed on the premises in the past 6 months, or (ii)  
25 there exist written statements of the mortgagor, the  
26 mortgagor's personal representatives or assigns, including

1        documents of conveyance, which indicate a clear intent to  
2        abandon the premises.

3            In cases where the redemption period is shortened on  
4        account of abandonment, the reinstatement period shall not  
5        extend beyond the redemption period as shortened.

6        (c) Extension of Redemption Period.

7            (1) Once expired, the right of redemption provided for  
8        in Sections 15-1603 or 15-1604 shall not be revived. The  
9        period within which the right of redemption provided for in  
10       Sections 15-1603 or 15-1604 may be exercised runs  
11       independently of any action by any person to enforce the  
12       judgment of foreclosure or effect a sale pursuant thereto.  
13       Neither the initiation of any legal proceeding nor the  
14       order of any court staying the enforcement of a judgment of  
15       foreclosure or the sale pursuant to a judgment or the  
16       confirmation of the sale, shall have the effect of tolling  
17       the running of the redemption period.

18           (2) If a court has the authority to stay, and does  
19        stay, the running of the redemption period, or if the  
20        redemption period is extended by any statute of the United  
21        States, the redemption period shall be extended until the  
22        expiration of the same number of days after the expiration  
23        of the stay order as the number of days remaining in the  
24        redemption period at the time the stay order became  
25        effective, or, if later, until the expiration of 30 days  
26        after the stay order terminates. If the stay order

1 terminates more than 30 days prior to the expiration of the  
2 redemption period, the redemption period shall not be  
3 extended.

4 (d) Amount Required to Redeem. The amount required to  
5 redeem shall be the sum of:

6 (1) The amount specified in the judgment of  
7 foreclosure, which shall consist of (i) all principal and  
8 accrued interest secured by the mortgage and due as of the  
9 date of the judgment, (ii) all costs allowed by law, (iii)  
10 costs and expenses approved by the court, (iv) to the  
11 extent provided for in the mortgage and approved by the  
12 court, additional costs, expenses and reasonable  
13 attorneys' fees incurred by the mortgagee, (v) all amounts  
14 paid pursuant to Section 15-1505 and (vi) per diem interest  
15 from the date of judgment to the date of redemption  
16 calculated at the mortgage rate of interest applicable as  
17 if no default had occurred; and

18 (2) The amount of other expenses authorized by the  
19 court which the mortgagee reasonably incurs between the  
20 date of judgment and the date of redemption, which shall be  
21 the amount certified by the mortgagee in accordance with  
22 subsection (e) of Section 15-1603.

23 (e) Notice of Intent to Redeem. An owner of redemption who  
24 intends to redeem shall give written notice of such intent to  
25 redeem to the mortgagee's attorney of record specifying the  
26 date designated for redemption and the current address of the

1 owner of redemption for purposes of receiving notice. Such  
2 owner of redemption shall file with the clerk of the court a  
3 certification of the giving of such notice. The notice of  
4 intent to redeem must be received by the mortgagee's attorney  
5 at least 15 days (other than Saturday, Sunday or court holiday)  
6 prior to the date designated for redemption. The mortgagee  
7 shall thereupon file with the clerk of the court and shall give  
8 written notice to the owner of redemption at least three days  
9 (other than Saturday, Sunday or court holiday) before the date  
10 designated for redemption a certification, accompanied by  
11 copies of paid receipts or appropriate affidavits, of any  
12 expenses authorized in paragraph (2) of subsection (d) of  
13 Section 15-1603. If the mortgagee fails to serve such  
14 certification within the time specified herein, then the owner  
15 of redemption intending to redeem may redeem on the date  
16 designated for redemption in the notice of intent to redeem,  
17 and the mortgagee shall not be entitled to payment of any  
18 expenses authorized in paragraph (2) of subsection (d) of  
19 Section 15-1603.

20 (f) Procedure for Redemption.

21 (1) An owner of redemption may redeem the real estate  
22 from the foreclosure by paying the amount specified in  
23 subsection (d) of Section 15-1603 to the mortgagee or the  
24 mortgagee's attorney of record on or before the date  
25 designated for redemption pursuant to subsection (e) of  
26 Section 15-1603.

1           (2) If the mortgagee refuses to accept payment or if  
2 the owner of redemption redeeming from the foreclosure  
3 objects to the reasonableness of the additional expenses  
4 authorized in paragraph (2) of subsection (d) of Section  
5 15-1603 and certified in accordance with subsection (e) of  
6 Section 15-1603, the owner of redemption shall pay the  
7 certified amount to the clerk of the court on or before the  
8 date designated for redemption, together with a written  
9 statement specifying the expenses to which objection is  
10 made. In such case the clerk shall pay to the mortgagee the  
11 amount tendered minus the amount to which the objection  
12 pertains.

13           (3) Upon payment to the clerk, whether or not the owner  
14 of redemption files an objection at the time of payment,  
15 the clerk shall give a receipt of payment to the person  
16 redeeming from the foreclosure, and shall file a copy of  
17 that receipt in the foreclosure record. Upon receipt of the  
18 amounts specified to be paid to the mortgagee pursuant to  
19 this Section, the mortgagee shall promptly furnish the  
20 mortgagor with a release of the mortgage or satisfaction of  
21 the judgment, as appropriate, and the evidence of all  
22 indebtedness secured by the mortgage shall be cancelled.

23           (g) Procedure Upon Objection. If an objection is filed by  
24 an owner of redemption in accordance with paragraph (2) of  
25 subsection (f) of Section 15-1603, the clerk shall hold the  
26 amount to which the objection pertains until the court orders



1 distribution of those funds. The court shall hold a hearing  
2 promptly to determine the distribution of any funds held by the  
3 clerk pursuant to such objection. Each party shall pay its own  
4 costs and expenses in connection with any objection, including  
5 attorneys' fees, subject to Section 2-611 of the Code of Civil  
6 Procedure.

7 (h) Failure to Redeem. Unless the real estate being  
8 foreclosed is redeemed from the foreclosure, it shall be sold  
9 as provided in this Article.

10 (Source: P.A. 86-974.)

11 Section 15. The State Finance Act is amended by adding  
12 Section 5.786 as follows:

13 (30 ILCS 105/5.786 new)

14 Sec. 5.786. The Mortgage Foreclosure Prevention Fund.

15 Section 99. Effective date. This Act takes effect upon  
16 becoming law."