

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 Common Interest Community Association Act is
5 amended by changing Sections 1-5, 1-15, 1-20, 1-25, 1-30, 1-35,
6 1-40, 1-45, 1-50, 1-60, 1-70, and 1-75 as follows:

7 (765 ILCS 160/1-5)

8 Sec. 1-5. Definitions. As used in this Act, unless the
9 context otherwise requires:

10 "Association" or "common interest community association"
11 means the association of all the members ~~unit owners~~ of a
12 common interest community, acting pursuant to bylaws through
13 its duly elected board of managers or board of directors.

14 "Board" means a common interest community association's
15 board of managers or board of directors, whichever is
16 applicable.

17 "Board member" or "member of the board" means a member of
18 the board of managers or the board of directors, whichever is
19 applicable.

20 "Board of directors" means, for a common interest community
21 that has been incorporated as an Illinois not-for-profit
22 corporation, the group of people elected by the members ~~unit~~
23 ~~owners~~ of a common interest community as the governing body to

1 exercise for the members ~~unit-owners~~ of the common interest
2 community association all powers, duties, and authority vested
3 in the board of directors under this Act and the common
4 interest community association's declaration and bylaws.

5 "Board of managers" means, for a common interest community
6 that is an unincorporated association, the group of people
7 elected by the members ~~unit-owners~~ of a common interest
8 community as the governing body to exercise for the members
9 ~~unit-owners~~ of the common interest community association all
10 powers, duties, and authority vested in the board of managers
11 under this Act and the common interest community association's
12 declaration and bylaws.

13 "Building" means all structures, attached or unattached,
14 containing one or more units.

15 "Common areas" means the portion of the property other than
16 a unit.

17 "Common expenses" means the proposed or actual expenses
18 affecting the property, including reserves, if any, lawfully
19 assessed by the common interest community association.

20 "Common interest community" means real estate other than a
21 condominium or cooperative with respect to which any person by
22 virtue of his or her ownership of a partial interest or a unit
23 therein is obligated to pay for the maintenance, improvement,
24 insurance premiums or real estate taxes of common areas
25 described in a declaration which is administered by an
26 association. "Common interest community" may include, but not

1 be limited to, an attached or detached townhome, villa, or
2 single-family home. A "common interest community" does not
3 include a master association.

4 "Community instruments" means all documents and authorized
5 amendments thereto recorded by a developer or common interest
6 community association, including, but not limited to, the
7 declaration, bylaws, plat of survey, and rules and regulations.

8 "Declaration" means any duly recorded instruments, however
9 designated, that have created a common interest community and
10 any duly recorded amendments to those instruments.

11 "Developer" means any person who submits property legally
12 or equitably owned in fee simple by the person to the
13 provisions of this Act, or any person who offers units legally
14 or equitably owned in fee simple by the person for sale in the
15 ordinary course of such person's business, including any
16 successor to such person's entire interest in the property
17 other than the purchaser of an individual unit.

18 "Developer control" means such control at a time prior to
19 the election of the board of the common interest community
20 association by a majority of the members ~~unit owners~~ other than
21 the developer.

22 "Majority" or "majority of the members ~~unit owners~~" means
23 the owners of more than 50% in the aggregate in interest of the
24 undivided ownership of the common elements. Any specified
25 percentage of the members ~~unit owners~~ means such percentage in
26 the aggregate in interest of such undivided ownership.

1 "Majority" or "majority of the members of the board of the
2 common interest community association" means more than 50% of
3 the total number of persons constituting such board pursuant to
4 the bylaws. Any specified percentage of the members of the
5 common interest community association means that percentage of
6 the total number of persons constituting such board pursuant to
7 the bylaws.

8 "Management company" or "community association manager"
9 means a person, partnership, corporation, or other legal entity
10 entitled to transact business on behalf of others, acting on
11 behalf of or as an agent for an association for the purpose of
12 carrying out the duties, responsibilities, and other
13 obligations necessary for the day to day operation and
14 management of any property subject to this Act.

15 "Meeting of the board" or "board meeting" means any
16 gathering of a quorum of the members of the board of the common
17 interest community association held for the purpose of
18 conducting board business.

19 "Member" means the person or entity designated as an owner
20 and entitled to one vote as defined by the community
21 instruments.

22 "Membership" means the collective group of members
23 entitled to vote as defined by the community instruments.

24 "Parcel" means the lot or lots or tract or tracts of land
25 described in the declaration as part of a common interest
26 community.

1 "Person" means a natural individual, corporation,
2 partnership, trustee, or other legal entity capable of holding
3 title to real property.

4 "Plat" means a plat or plats of survey of the parcel and of
5 all units in the common interest community, which may consist
6 of a three-dimensional horizontal and vertical delineation of
7 all such units, structures, easements, and common areas on the
8 property.

9 "Prescribed delivery method" means mailing, delivering,
10 posting in an association publication that is routinely mailed
11 to all members ~~unit owners~~, or any other delivery method that
12 is approved in writing by the member ~~unit owner~~ and authorized
13 by the community instruments.

14 "Property" means all the land, property, and space
15 comprising the parcel, all improvements and structures
16 erected, constructed or contained therein or thereon,
17 including any building and all easements, rights, and
18 appurtenances belonging thereto, and all fixtures and
19 equipment intended for the mutual use, benefit, or enjoyment of
20 the members ~~unit owners~~, under the authority or control of a
21 common interest community association.

22 "Purchaser" means any person or persons, other than the
23 developer, who purchase a unit in a bona fide transaction for
24 value.

25 "Record" means to record in the office of the recorder of
26 the county wherein the property is located.

1 "Reserves" means those sums paid by members ~~unit owners~~
2 which are separately maintained by the common interest
3 community association for purposes specified by the
4 declaration and bylaws of the common interest community
5 association.

6 "Unit" means a part of the property designed and intended
7 for any type of independent use.

8 "Unit owner" means the person or persons whose estates or
9 interests, individually or collectively, aggregate fee simple
10 absolute ownership of a unit.

11 (Source: P.A. 96-1400, eff. 7-29-10; 97-605, eff. 8-26-11.)

12 (765 ILCS 160/1-15)

13 Sec. 1-15. Construction, interpretation, and validity of
14 community instruments.

15 (a) Except to the extent otherwise provided by the
16 declaration or other community instruments, the terms defined
17 in Section 1-5 of this Act shall be deemed to have the meaning
18 specified therein unless the context otherwise requires.

19 (b) All provisions of the declaration, bylaws, and other
20 community instruments severed by this Act shall be revised by
21 the board of directors independent of the membership to comply
22 with this Act ~~are severable~~.

23 (c) A provision in the declaration limiting ownership,
24 rental, or occupancy of a unit to a person 55 years of age or
25 older shall be valid and deemed not to be in violation of

1 Article 3 of the Illinois Human Rights Act provided that the
2 person or the immediate family of a person owning, renting, or
3 lawfully occupying such unit prior to the recording of the
4 initial declaration shall not be deemed to be in violation of
5 such age restriction so long as they continue to own or reside
6 in such unit.

7 (d) Every common interest community association shall
8 define a member and its relationship to the units or unit
9 owners in its community instruments.

10 (Source: P.A. 96-1400, eff. 7-29-10; 97-605, eff. 8-26-11.)

11 (765 ILCS 160/1-20)

12 Sec. 1-20. Amendments to the declaration or bylaws.

13 (a) The administration of every property shall be governed
14 by the declaration and bylaws, which may either be embodied in
15 the declaration or in a separate instrument, a true copy of
16 which shall be appended to and recorded with the declaration.
17 No modification or amendment of the declaration or bylaws shall
18 be valid unless the same is set forth in an amendment thereof
19 and such amendment is duly recorded. An amendment of the
20 declaration or bylaws shall be deemed effective upon
21 recordation, unless the amendment sets forth a different
22 effective date.

23 (b) Unless otherwise provided by this Act, amendments to
24 community instruments authorized to be recorded shall be
25 executed and recorded by the president of the board or such

1 other officer authorized by the common interest community
2 association or the community instruments.

3 (c) If an association that currently permits leasing amends
4 its declaration, bylaws, or rules and regulations to prohibit
5 leasing, nothing in this Act or the declarations, bylaws, rules
6 and regulations of an association shall prohibit a unit owner
7 incorporated under 26 USC 501(c)(3) which is leasing a unit at
8 the time of the prohibition from continuing to do so until such
9 time that the unit owner voluntarily sells the unit; and no
10 special fine, fee, dues, or penalty shall be assessed against
11 the unit owner for leasing its unit.

12 (d) No action to incorporate a common interest community as
13 a municipality shall commence until an instrument agreeing to
14 incorporation has been signed by two-thirds of the members.

15 (Source: P.A. 96-1400, eff. 7-29-10; 97-605, eff. 8-26-11.)

16 (765 ILCS 160/1-25)

17 Sec. 1-25. Board of managers, board of directors, duties,
18 elections, and voting.

19 (a) Routine scheduled elections shall be held in accordance
20 with the community instruments for ~~There shall be an annual~~
21 ~~election of~~ the board of managers or board of directors from
22 among the membership of a common interest community
23 association.

24 (b) (Blank).

25 (c) The members of the board shall serve without

1 compensation, unless the community instruments indicate
2 otherwise.

3 (d) No member of the board or officer shall be elected for
4 a term of more than 4 ~~3~~ years, but officers and board members
5 may succeed themselves.

6 (e) If there is a vacancy on the board, the remaining
7 members of the board may fill the vacancy by a two-thirds vote
8 of the remaining board members until the next annual meeting of
9 the membership or until members holding 20% of the votes of the
10 association request a meeting of the members to fill the
11 vacancy for the balance of the term. A meeting of the members
12 shall be called for purposes of filling a vacancy on the board
13 no later than 30 days following the filing of a petition signed
14 by membership holding 20% of the votes of the association
15 requesting such a meeting.

16 (f) There shall be an election of a:

17 (1) president from among the members of the board, who
18 shall preside over the meetings of the board and of the
19 membership;

20 (2) secretary from among the members of the board, who
21 shall keep the minutes of all meetings of the board and of
22 the membership and who shall, in general, perform all the
23 duties incident to the office of secretary; and

24 (3) treasurer from among the members of the board, who
25 shall keep the financial records and books of account.

26 (g) If no election is held to elect board members within

1 the time period specified in the bylaws, or within a reasonable
2 amount of time thereafter not to exceed 90 days, then 20% of
3 the members may bring an action to compel compliance with the
4 election requirements specified in the bylaws. If the court
5 finds that an election was not held to elect members of the
6 board within the required period due to the bad faith acts or
7 omissions of the board of managers or the board of directors,
8 the members ~~unit-owners~~ shall be entitled to recover their
9 reasonable attorney's fees and costs from the association. If
10 the relevant notice requirements have been met and an election
11 is not held solely due to a lack of a quorum, then this
12 subsection (g) does not apply.

13 (h) Where there is more than one owner of a unit and there
14 is only one member vote associated with that unit, if only one
15 of the multiple owners is present at a meeting of the
16 membership, he or she is entitled to cast the member vote
17 associated with that unit.

18 (h-5) A member may vote:

19 (1) by proxy executed in writing by the member or by
20 his or her duly authorized attorney in fact, provided,
21 however, that the proxy bears the date of execution. Unless
22 the community instruments or the written proxy itself
23 provide otherwise, proxies will not be valid for more than
24 11 months after the date of its execution; or

25 (2) by submitting an association-issued ballot in
26 person at the election meeting; or

1 (3) by submitting an association-issued ballot to the
2 association or its designated agent by mail or other means
3 of delivery specified in the declaration or bylaws.

4 (i) The association may, upon adoption of the appropriate
5 rules by the board, conduct elections by secret ballot,
6 distributed by the association, whereby the voting ballot is
7 marked only with the voting interest for the member and the
8 vote itself, provided that the association shall further adopt
9 rules to verify the status of the member ~~issuing a proxy or~~
10 casting a ballot. A candidate for election to the board or such
11 candidate's representative shall have the right to be present
12 at the counting of ballots at such election.

13 (j) Upon proof of purchase, the purchaser of a unit from a
14 seller other than the developer pursuant to an installment
15 contract for purchase shall, during such times as he or she
16 resides in the unit, be counted toward a quorum for purposes of
17 election of members of the board at any meeting of the
18 membership called for purposes of electing members of the
19 board, shall have the right to vote for the members of the
20 board of the common interest community association and to be
21 elected to and serve on the board unless the seller expressly
22 retains in writing any or all of such rights.

23 (Source: P.A. 96-1400, eff. 7-29-10; 97-605, eff. 8-26-11.)

24 (765 ILCS 160/1-30)

25 Sec. 1-30. Board duties and obligations; records.

1 (a) The board shall meet at least 4 times annually.

2 (b) A member of the board of the common interest community
3 association may not enter into a contract with a current board
4 member, or with a corporation or partnership in which a board
5 member or a member of his or her immediate family has 25% or
6 more interest, unless notice of intent to enter into the
7 contract is given to members ~~unit-owners~~ within 20 days after a
8 decision is made to enter into the contract and the members
9 ~~unit-owners~~ are afforded an opportunity by filing a petition,
10 signed by 20% of the membership, for an election to approve or
11 disapprove the contract; such petition shall be filed within 20
12 days after such notice and such election shall be held within
13 30 days after filing the petition. For purposes of this
14 subsection, a board member's immediate family means the board
15 member's spouse, parents, and children.

16 (c) The bylaws shall provide for the maintenance, repair,
17 and replacement of the common areas and payments therefor,
18 including the method of approving payment vouchers.

19 (d) (Blank).

20 (e) The association may engage the services of a manager or
21 management company.

22 (f) The association shall have one class of membership
23 unless the declaration or bylaws provide otherwise; however,
24 this subsection (f) shall not be construed to limit the
25 operation of subsection (c) of Section 1-20 of this Act.

26 (g) The board shall have the power, after notice and an

1 opportunity to be heard, to levy and collect reasonable fines
2 from members ~~unit owners~~ for violations of the declaration,
3 bylaws, and rules and regulations of the common interest
4 community association.

5 (h) Other than attorney's fees and court or arbitration
6 costs, no fees pertaining to the collection of a member's ~~unit~~
7 ~~owner's~~ financial obligation to the association, including
8 fees charged by a manager or managing agent, shall be added to
9 and deemed a part of a member's ~~unit owner's~~ respective share
10 of the common expenses unless: (i) the managing agent fees
11 relate to the costs to collect common expenses for the
12 association; (ii) the fees are set forth in a contract between
13 the managing agent and the association; and (iii) the authority
14 to add the management fees to a member's ~~unit owner's~~
15 respective share of the common expenses is specifically stated
16 in the declaration or bylaws of the association.

17 (i) Board records.

18 (1) The board shall maintain the following records of
19 the association and make them available for examination and
20 copying at convenient hours of weekdays by any member ~~unit~~
21 ~~owner~~ in a common interest community subject to the
22 authority of the board, their mortgagees, and their duly
23 authorized agents or attorneys:

24 (i) Copies of the recorded declaration, other
25 community instruments, other duly recorded covenants
26 and bylaws and any amendments, articles of

1 incorporation, annual reports, and any rules and
2 regulations adopted by the board shall be available.
3 Prior to the organization of the board, the developer
4 shall maintain and make available the records set forth
5 in this paragraph (i) for examination and copying.

6 (ii) Detailed and accurate records in
7 chronological order of the receipts and expenditures
8 affecting the common areas, specifying and itemizing
9 the maintenance and repair expenses of the common areas
10 and any other expenses incurred, and copies of all
11 contracts, leases, or other agreements entered into by
12 the board shall be maintained.

13 (iii) The minutes of all meetings of the board
14 which shall be maintained for not less than 7 years.

15 (iv) With a written statement of a proper purpose,
16 ballots and proxies related thereto, if any, for any
17 election held for the board and for any other matters
18 voted on by the members ~~unit owners~~, which shall be
19 maintained for not less than one year.

20 (v) With a written statement of a proper purpose,
21 such other records of the board as are available for
22 inspection by members of a not-for-profit corporation
23 pursuant to Section 107.75 of the General Not For
24 Profit Corporation Act of 1986 shall be maintained.

25 (vi) With respect to units owned by a land trust, a
26 living trust, or other legal entity, the trustee,

1 officer, or manager of the entity may designate, in
2 writing, a person to cast votes on behalf of the member
3 ~~unit owner~~ and a designation shall remain in effect
4 until a subsequent document is filed with the
5 association.

6 (2) Where a request for records under this subsection
7 is made in writing to the board or its agent, failure to
8 provide the requested record or to respond within 30 days
9 shall be deemed a denial by the board.

10 (3) A reasonable fee may be charged by the board for
11 the cost of retrieving and copying records properly
12 requested.

13 (4) If the board fails to provide records properly
14 requested under paragraph (1) of this subsection (i) within
15 the time period provided in that paragraph (1), the member
16 ~~unit owner~~ may seek appropriate relief and shall be
17 entitled to an award of reasonable attorney's fees and
18 costs if the member ~~unit owner~~ prevails and the court finds
19 that such failure is due to the acts or omissions of the
20 board of managers or the board of directors.

21 (j) The board shall have standing and capacity to act in a
22 representative capacity in relation to matters involving the
23 common areas or more than one unit, on behalf of the members
24 ~~unit owners~~ as their interests may appear.

25 (Source: P.A. 96-1400, eff. 7-29-10; 97-605, eff. 8-26-11.)

1 (765 ILCS 160/1-35)

2 Sec. 1-35. Member ~~Unit—owner~~ powers, duties, and
3 obligations.

4 (a) The provisions of this Act, the declaration, bylaws,
5 other community instruments, and rules and regulations that
6 relate to the use of an individual unit or the common areas
7 shall be applicable to any person leasing a unit and shall be
8 deemed to be incorporated in any lease executed or renewed on
9 or after the effective date of this Act. With regard to any
10 lease entered into subsequent to the effective date of this
11 Act, the member ~~unit—owner~~ leasing the unit shall deliver a
12 copy of the signed lease to the association or if the lease is
13 oral, a memorandum of the lease, not later than the date of
14 occupancy or 10 days after the lease is signed, whichever
15 occurs first.

16 (b) If there are multiple owners of a single unit, only one
17 of the multiple owners shall be eligible to serve as a member
18 of the board at any one time, unless the member owns another
19 unit independently.

20 (c) Two-thirds of the membership may remove a board member
21 as a director at a duly called special meeting.

22 (d) In the event of any resale of a unit in a common
23 interest community association by a member ~~unit—owner~~ other
24 than the developer, the board shall make available for
25 inspection to the prospective purchaser, upon demand, the
26 following:

1 (1) A copy of the declaration, other instruments, and
2 any rules and regulations.

3 (2) A statement of any liens, including a statement of
4 the account of the unit setting forth the amounts of unpaid
5 assessments and other charges due and owing.

6 (3) A statement of any capital expenditures
7 anticipated by the association within the current or
8 succeeding 2 fiscal years.

9 (4) A statement of the status and amount of any reserve
10 or replacement fund and any other fund specifically
11 designated for association projects.

12 (5) A copy of the statement of financial condition of
13 the association for the last fiscal year for which such a
14 statement is available.

15 (6) A statement of the status of any pending suits or
16 judgments in which the association is a party.

17 (7) A statement setting forth what insurance coverage
18 is provided for all members ~~unit owners~~ by the association
19 for common properties.

20 The principal officer of the board or such other officer as
21 is specifically designated shall furnish the above information
22 within 30 days after receiving a written request for such
23 information.

24 A reasonable fee covering the direct out-of-pocket cost of
25 copying and providing such information may be charged by the
26 association or the board to the unit seller for providing the

1 information.

2 (Source: P.A. 96-1400, eff. 7-29-10; 97-605, eff. 8-26-11.)

3 (765 ILCS 160/1-40)

4 Sec. 1-40. Meetings.

5 (a) Notice of any membership meeting shall be given
6 detailing the time, place, and purpose of such meeting no less
7 than 10 and no more than 30 days prior to the meeting through a
8 prescribed delivery method.

9 (b) Meetings.

10 (1) Twenty percent of the membership shall constitute a
11 quorum, unless the community instruments indicate a lesser
12 amount.

13 (2) The membership shall hold an annual meeting. The
14 board of directors may be elected at the annual meeting.

15 (3) Special meetings of the board may be called by the
16 president, by 25% of the members of the board, or by any
17 other method that is prescribed in the community
18 instruments. Special meetings of the membership may be
19 called by the president, the board, 20% of the membership,
20 or any other method that is prescribed in the community
21 instruments.

22 (4) Except to the extent otherwise provided by this
23 Act, the board shall give the members ~~unit-owners~~ notice of
24 all board meetings at least 48 hours prior to the meeting
25 by sending notice by using a prescribed delivery method or

1 by posting copies of notices of meetings in entranceways,
2 elevators, or other conspicuous places in the common areas
3 of the common interest community at least 48 hours prior to
4 the meeting except where there is no common entranceway for
5 7 or more units, the board may designate one or more
6 locations in the proximity of these units where the notices
7 of meetings shall be posted. The board shall give members
8 ~~unit owners~~ notice of any board meeting, through a
9 prescribed delivery method, concerning the adoption of (i)
10 the proposed annual budget, (ii) regular assessments, or
11 (iii) a separate or special assessment within 10 to 60 days
12 prior to the meeting, unless otherwise provided in Section
13 1-45 (a) or any other provision of this Act.

14 (5) Meetings of the board shall be open to any unit
15 owner, except for the portion of any meeting held (i) to
16 discuss litigation when an action against or on behalf of
17 the particular association has been filed and is pending in
18 a court or administrative tribunal, or when the common
19 interest community association finds that such an action is
20 probable or imminent, (ii) to consider third party
21 contracts or information regarding appointment,
22 employment, or dismissal of an employee, or (iii) to
23 discuss violations of rules and regulations of the
24 association or a member's ~~unit owner's~~ unpaid share of
25 common expenses. Any vote on these matters shall be taken
26 at a meeting or portion thereof open to any member ~~unit~~

1 ~~owner.~~

2 (6) The board must reserve a portion of the meeting of
3 the board for comments by members ~~unit owners~~; provided,
4 however, the duration and meeting order for the member ~~unit~~
5 ~~owner~~ comment period is within the sole discretion of the
6 board.

7 (Source: P.A. 96-1400, eff. 7-29-10; 97-605, eff. 8-26-11.)

8 (765 ILCS 160/1-45)

9 Sec. 1-45. Finances.

10 (a) Each member ~~unit owner~~ shall receive through a
11 prescribed delivery method, at least 30 days but not more than
12 60 days prior to the adoption thereof by the board, a copy of
13 the proposed annual budget together with an indication of which
14 portions are intended for reserves, capital expenditures or
15 repairs or payment of real estate taxes.

16 (b) The board shall provide all members ~~unit owners~~ with a
17 reasonably detailed summary of the receipts, common expenses,
18 and reserves for the preceding budget year. The board shall (i)
19 make available for review to all members ~~unit owners~~ an
20 itemized accounting of the common expenses for the preceding
21 year actually incurred or paid, together with an indication of
22 which portions were for reserves, capital expenditures or
23 repairs or payment of real estate taxes and with a tabulation
24 of the amounts collected pursuant to the budget or assessment,
25 and showing the net excess or deficit of income over

1 expenditures plus reserves or (ii) provide a consolidated
2 annual independent audit report of the financial status of all
3 fund accounts within the association.

4 (c) If an adopted budget or any separate assessment adopted
5 by the board would result in the sum of all regular and
6 separate assessments payable in the current fiscal year
7 exceeding 115% of the sum of all regular and separate
8 assessments payable during the preceding fiscal year, the
9 common interest community association, upon written petition
10 by members ~~unit owners~~ with 20% of the votes of the association
11 delivered to the board within 14 days of the board action,
12 shall call a meeting of the members ~~unit owners~~ within 30 days
13 of the date of delivery of the petition to consider the budget
14 or separate assessment; unless a majority of the total votes of
15 the members ~~unit owners~~ are cast at the meeting to reject the
16 budget or separate assessment, it shall be deemed ratified.

17 (d) If total common expenses exceed the total amount of the
18 approved and adopted budget, the common interest community
19 association shall disclose this variance to all its members and
20 specifically identify the subsequent assessments needed to
21 offset this variance in future budgets. ~~Any common expense not~~
22 ~~set forth in the budget or any increase in assessments over the~~
23 ~~amount adopted in the budget shall be separately assessed~~
24 ~~against all unit owners.~~

25 (e) Separate assessments for expenditures relating to
26 emergencies or mandated by law may be adopted by the board

1 without being subject to member ~~unit-owner~~ approval or the
2 provisions of subsection (c) or (f) of this Section. As used
3 herein, "emergency" means a danger to or a compromise of the
4 structural integrity of the common areas or any of the common
5 assets of the common interest community. "Emergency" also
6 includes a danger to the life, health, safety, or welfare of
7 the membership ~~an immediate danger to the structural integrity~~
8 ~~of the common areas or to the life, health, safety, or property~~
9 ~~of the unit owners.~~

10 (f) Assessments for additions and alterations to the common
11 areas or to association-owned property not included in the
12 adopted annual budget, shall be separately assessed and are
13 subject to approval of a simple majority ~~two-thirds~~ of the
14 total members at a meeting called for that purpose.

15 (g) The board may adopt separate assessments payable over
16 more than one fiscal year. With respect to multi-year
17 assessments not governed by subsections (e) and (f) of this
18 Section, the entire amount of the multi-year assessment shall
19 be deemed considered and authorized in the first fiscal year in
20 which the assessment is approved.

21 (h) The board of a common interest community association
22 shall have the authority to establish and maintain a system of
23 master metering of public utility services to collect payments
24 in conjunction therewith, subject to the requirements of the
25 Tenant Utility Payment Disclosure Act.

26 (Source: P.A. 96-1400, eff. 7-29-10; 97-605, eff. 8-26-11.)

1 (765 ILCS 160/1-50)

2 Sec. 1-50. Administration of property prior to election of
3 the initial board of directors.

4 (a) Until the election of the initial board whose
5 declaration is recorded on or after the effective date of this
6 Act, the same rights, titles, powers, privileges, trusts,
7 duties, and obligations that are vested in or imposed upon the
8 board by this Act or in the declaration or other duly recorded
9 covenant shall be held and performed by the developer.

10 (b) The election of the initial board, whose declaration is
11 recorded on or after the effective date of this Act, shall be
12 held not later than 60 days after the conveyance by the
13 developer of 75% of the units, or 3 years after the recording
14 of the declaration, whichever is earlier. The developer shall
15 give at least 21 days' notice of the meeting to elect the
16 initial board of directors and shall upon request provide to
17 any member ~~unit owner~~, within 3 working days of the request,
18 the names, addresses, and weighted vote of each member ~~unit~~
19 ~~owner~~ entitled to vote at the meeting. Any member ~~unit owner~~
20 shall, upon receipt of the request, be provided with the same
21 information, within 10 days after the request, with respect to
22 each subsequent meeting to elect members of the board of
23 directors.

24 (c) If the initial board of a common interest community
25 association whose declaration is recorded on or after the

1 effective date of this Act is not elected by the time
2 established in subsection (b), the developer shall continue in
3 office for a period of 30 days, whereupon written notice of his
4 or her resignation shall be sent to all of the unit owners or
5 members.

6 (d) Within 60 days following the election of a majority of
7 the board, other than the developer, by members ~~unit owners~~,
8 the developer shall deliver to the board:

9 (1) All original documents as recorded or filed
10 pertaining to the property, its administration, and the
11 association, such as the declaration, articles of
12 incorporation, other instruments, annual reports, minutes,
13 rules and regulations, and contracts, leases, or other
14 agreements entered into by the association. If any original
15 documents are unavailable, a copy may be provided if
16 certified by affidavit of the developer, or an officer or
17 agent of the developer, as being a complete copy of the
18 actual document recorded or filed.

19 (2) A detailed accounting by the developer, setting
20 forth the source and nature of receipts and expenditures in
21 connection with the management, maintenance, and operation
22 of the property, copies of all insurance policies, and a
23 list of any loans or advances to the association which are
24 outstanding.

25 (3) Association funds, which shall have been at all
26 times segregated from any other moneys of the developer.

1 (4) A schedule of all real or personal property,
2 equipment, and fixtures belonging to the association,
3 including documents transferring the property, warranties,
4 if any, for all real and personal property and equipment,
5 deeds, title insurance policies, and all tax bills.

6 (5) A list of all litigation, administrative action,
7 and arbitrations involving the association, any notices of
8 governmental bodies involving actions taken or which may be
9 taken concerning the association, engineering and
10 architectural drawings and specifications as approved by
11 any governmental authority, all other documents filed with
12 any other governmental authority, all governmental
13 certificates, correspondence involving enforcement of any
14 association requirements, copies of any documents relating
15 to disputes involving members ~~unit-owners~~, and originals of
16 all documents relating to everything listed in this
17 paragraph.

18 (6) If the developer fails to fully comply with this
19 subsection (d) within the 60 days provided and fails to
20 fully comply within 10 days after written demand mailed by
21 registered or certified mail to his or her last known
22 address, the board may bring an action to compel compliance
23 with this subsection (d). If the court finds that any of
24 the required deliveries were not made within the required
25 period, the board shall be entitled to recover its
26 reasonable attorney's fees and costs incurred from and

1 after the date of expiration of the 10-day demand.

2 (e) With respect to any common interest community
3 association whose declaration is recorded on or after the
4 effective date of this Act, any contract, lease, or other
5 agreement made prior to the election of a majority of the board
6 other than the developer by or on behalf of members ~~unit owners~~
7 or underlying common interest community association, the
8 association or the board, which extends for a period of more
9 than 2 years from the recording of the declaration, shall be
10 subject to cancellation by more than one-half of the votes of
11 the members ~~unit owners~~, other than the developer, cast at a
12 special meeting of members called for that purpose during a
13 period of 90 days prior to the expiration of the 2-year period
14 if the board is elected by the members ~~unit owners~~, otherwise
15 by more than one-half of the underlying common interest
16 community association board. At least 60 days prior to the
17 expiration of the 2-year period, the board or, if the board is
18 still under developer control, the developer shall send notice
19 to every member ~~unit owner~~ notifying them of this provision, of
20 what contracts, leases, and other agreements are affected, and
21 of the procedure for calling a meeting of the members ~~unit~~
22 ~~owners~~ or for action by the board for the purpose of acting to
23 terminate such contracts, leases or other agreements. During
24 the 90-day period the other party to the contract, lease, or
25 other agreement shall also have the right of cancellation.

26 (f) The statute of limitations for any actions in law or

1 equity that the board may bring shall not begin to run until
2 the members ~~unit owners~~ have elected a majority of the members
3 of the board.

4 (Source: P.A. 96-1400, eff. 7-29-10.)

5 (765 ILCS 160/1-60)

6 Sec. 1-60. Errors and omissions.

7 (a) If there is an omission or error in the declaration or
8 other instrument of the association, the association may
9 correct the error or omission by an amendment to the
10 declaration or other instrument, as may be required to conform
11 it to this Act, to any other applicable statute, or to the
12 declaration. The amendment shall be adopted by vote of
13 two-thirds of the members of the board of directors or by a
14 majority vote of the members at a meeting called for that
15 purpose, unless the Act or the declaration of the association
16 specifically provides for greater percentages or different
17 procedures.

18 (b) If, through a scrivener's error, a unit has not been
19 designated as owning an appropriate undivided share of the
20 common areas or does not bear an appropriate share of the
21 common expenses, or if all of the common expenses or all of the
22 common elements have not been distributed in the declaration,
23 so that the sum total of the shares of common areas which have
24 been distributed or the sum total of the shares of the common
25 expenses fail to equal 100%, or if it appears that more than

1 100% of the common elements or common expenses have been
2 distributed, the error may be corrected by operation of law by
3 filing an amendment to the declaration, approved by vote of
4 two-thirds of the members of the board or a majority vote of
5 the members at a meeting called for that purpose, which
6 proportionately adjusts all percentage interests so that the
7 total is equal to 100%, unless the declaration specifically
8 provides for a different procedure or different percentage vote
9 by the owners of the units and the owners of mortgages thereon
10 affected by modification being made in the undivided interest
11 in the common areas, the number of votes in the association or
12 the liability for common expenses appertaining to the unit.

13 (c) If a scrivener's error in the declaration or other
14 instrument is corrected by vote of two-thirds of the members of
15 the board pursuant to the authority established in subsection
16 (a) or subsection (b), the board, upon written petition by
17 members with 20% of the votes of the association received
18 within 30 days of the board action, shall call a meeting of the
19 members within 30 days of the filing of the petition to
20 consider the board action. Unless a majority of the votes of
21 the members of the association are cast at the meeting to
22 reject the action, it is ratified whether or not a quorum is
23 present.

24 (d) Nothing contained in this Section shall be construed to
25 invalidate any provision of a declaration authorizing the
26 developer to amend an instrument prior to the latest date on

1 which the initial membership meeting of the members ~~unit owners~~
2 must be held, whether or not it has actually been held, to
3 bring the instrument into compliance with the legal
4 requirements of the Federal National Mortgage Association, the
5 Federal Home Loan Mortgage Corporation, the Federal Housing
6 Administration, the United States Department of Veterans
7 Affairs, or their respective successors and assigns.

8 (Source: P.A. 96-1400, eff. 7-29-10; 97-605, eff. 8-26-11.)

9 (765 ILCS 160/1-70)

10 Sec. 1-70. Display of American flag or military flag.

11 (a) Notwithstanding any provision in the declaration,
12 bylaws, community instruments, rules, regulations, or
13 agreements or other instruments of a common interest community
14 association or a board's construction of any of those
15 instruments, a board may not prohibit the display of the
16 American flag or a military flag, or both, on or within the
17 limited common areas and facilities of a member ~~unit owner~~ or
18 on the immediately adjacent exterior of the building in which
19 the unit of a member ~~unit owner~~ is located. A board may adopt
20 reasonable rules and regulations, consistent with Sections 4
21 through 10 of Chapter 1 of Title 4 of the United States Code,
22 regarding the placement and manner of display of the American
23 flag and a board may adopt reasonable rules and regulations
24 regarding the placement and manner of display of a military
25 flag. A board may not prohibit the installation of a flagpole

1 for the display of the American flag or a military flag, or
2 both, on or within the limited common areas and facilities of a
3 member ~~unit-owner~~ or on the immediately adjacent exterior of
4 the building in which the unit of a member ~~unit-owner~~ is
5 located, but a board may adopt reasonable rules and regulations
6 regarding the location and size of flagpoles.

7 (b) As used in this Section:

8 "American flag" means the flag of the United States (as
9 defined in Section 1 of Chapter 1 of Title 4 of the United
10 States Code and the Executive Orders entered in connection
11 with that Section) made of fabric, cloth, or paper
12 displayed from a staff or flagpole or in a window, but
13 "American flag" does not include a depiction or emblem of
14 the American flag made of lights, paint, roofing, siding,
15 paving materials, flora, or balloons, or any other similar
16 building, landscaping, or decorative component.

17 "Military flag" means a flag of any branch of the
18 United States armed forces or the Illinois National Guard
19 made of fabric, cloth, or paper displayed from a staff or
20 flagpole or in a window, but "military flag" does not
21 include a depiction or emblem of a military flag made of
22 lights, paint, roofing, siding, paving materials, flora,
23 or balloons, or any other similar building, landscaping, or
24 decorative component.

25 (Source: P.A. 96-1400, eff. 7-29-10.)

1 (765 ILCS 160/1-75)

2 Sec. 1-75. Exemptions for small common ~~community~~ interest
3 communities.

4 (a) A common interest community association organized
5 under the General Not for Profit Corporation Act of 1986 and
6 having either (i) 10 units or less or (ii) annual budgeted
7 assessments of \$100,000 or less shall be exempt from this Act
8 unless the association affirmatively elects to be covered by
9 this Act by a majority of its directors or members.

10 (b) Common interest community associations which in their
11 declaration, bylaws, or other governing documents provide that
12 the association may not use the courts or an arbitration
13 process to collect or enforce assessments, fines, or similar
14 levies and common interest community associations (i) of 10
15 units or less or (ii) having annual budgeted assessments of
16 \$50,000 or less shall be exempt from subsection (a) of Section
17 1-30, subsections (a) and (b) of Section 1-40, and Section 1-55
18 but shall be required to provide notice of meetings to members
19 ~~unit owners~~ in a manner and at a time that will allow members
20 ~~unit owners~~ to participate in those meetings.

21 (Source: P.A. 96-1400, eff. 7-29-10; 97-605, eff. 8-26-11.)

22 Section 99. Effective date. This Act takes effect upon
23 becoming law.