



98TH GENERAL ASSEMBLY

State of Illinois

2013 and 2014

HB5938

by Rep. Daniel V. Beiser

SYNOPSIS AS INTRODUCED:

See Index

Creates the Conveyance and Encumbrance of Manufactured Homes as Real Property and Severance Act. Provides that manufactured homes are deemed to be real property. Sets forth certain conditions that must be met to convey or voluntarily encumber a manufactured home as real property. Contains provisions concerning affidavits of affixation and affidavits of severance. Contains provisions concerning security interests and liens. Amends the Use Tax Act and the Retailers' Occupation Tax Act. Provides that the tax imposed on new mobile homes or new manufactured homes located outside of mobile home parks shall be calculated against 40% of the selling price of the home and against 100% of the selling price of any other building materials. Amends the Property Tax Code and the Mobile Home Local Services Tax Act. Makes changes concerning the taxation of mobile homes and manufactured homes located outside of mobile home parks. Amends various Acts to define and include "manufactured homes" and to make changes to provisions concerning registration of manufactured homes and security interests in or liens on manufactured homes. Contains other provisions. Effective immediately.

LRB098 18594 HLH 53735 b

FISCAL NOTE ACT
MAY APPLY

HOUSING
AFFORDABILITY
IMPACT NOTE ACT
MAY APPLY

1 AN ACT concerning revenue.

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

4 ARTICLE 5. CONVEYANCE AND ENCUMBRANCE OF MANUFACTURED HOMES AS
5 REAL PROPERTY AND SEVERANCE ACT

6 Section 5-1. Short title. This Act may be cited as the
7 Conveyance and Encumbrance of Manufactured Homes as Real
8 Property and Severance Act. All references in this Article to
9 "this Act" mean this Article.

10 Section 5-2. Findings and purpose.

11 (a) The General Assembly finds that there is a need to
12 clarify the legal status of manufactured homes affixed or to be
13 affixed to real property in the State.

14 (b) The purpose of this Act is to establish a clear
15 statutory procedure for converting to real property
16 manufactured homes located outside of mobile home parks that
17 are affixed to real property and for the severance of
18 manufactured homes from real property.

19 Section 5-5. Manufactured home; permanently affixed to
20 real property. For the purposes of this Act, "manufactured
21 home" means a manufactured home as defined in subdivision (53)

1 of Section 9-102 of the Uniform Commercial Code.
2 Notwithstanding the foregoing, for the purposes of subsection
3 (b)(2) of Section 1322 of the federal Bankruptcy Code (11
4 U.S.C. § 1322(b)(2)), a manufactured home shall be deemed to be
5 real property. For the purposes of this Act, a manufactured
6 home is "affixed to a permanent foundation" if it is anchored
7 to real property by attachment to a permanent foundation and
8 connected to residential utilities (such as water, gas,
9 electricity, or sewer or septic service).

10 Section 5-10. Act not mandatory; record notice. The owner
11 of a manufactured home that is personal property or a fixture
12 may, but need not, cause that manufactured home to be deemed to
13 be real property by satisfying the requirements of Section 5-30
14 of this Act and the requirements of Section 3-116.1 or 3-116.2
15 of the Illinois Vehicle Code, as applicable.

16 To convey or voluntarily encumber a manufactured home as
17 real property, the following conditions must be met:

18 (1) the manufactured home must be affixed a permanent
19 foundation to real property;

20 (2) the ownership interests in the manufactured home
21 and the real property to which the manufactured home is
22 affixed must be identical, or, if the manufactured home is
23 not located in a mobile home park as defined in Section 2.5
24 of the Mobile Home Park Act, and if the owner of the
25 manufactured home, if not the owner of the real property,

1 is in possession of the real property pursuant to the terms
2 of a lease in recordable form that has a term that
3 continues for at least 20 years after the date of
4 execution, then the consent of the lessor of the real
5 property must be given;

6 (3) the person (all, if more than one) having an
7 ownership interest in such manufactured home shall execute
8 and record with the recording officer of the county in
9 which the real property is located an affidavit of
10 affixation as provided in Section 5-15 of this Act and
11 satisfy the other applicable requirements of this Act; and

12 (4) upon receipt of a certified copy of the recorded
13 affidavit of affixation pursuant to Section 5-25 of this
14 Act, any person designated therein for filing with the
15 Secretary of State shall file the certified copy of
16 affidavit of affixation with the Secretary of State; except
17 that

18 (A) in a case described in subsection (a) (4) (A) of
19 Section 5-15 of this Act, a certified copy of the
20 affidavit of affixation and the original
21 Manufacturer's Statement of Origin, each as recorded
22 in the county in which the real property is located,
23 must be filed with the Secretary of State pursuant to
24 Section 3-116.1 of the Illinois Vehicle Code; and

25 (B) in a case described in subsection (a) (4) (B) of
26 Section 5-15 of this Act, a certified copy of the

1 recorded affidavit of affixation as recorded in the
2 county in which the real property is located, and the
3 original certificate of title, including, if
4 applicable, a certificate of title issued in
5 accordance with subsection (b) of Section 3-109 of the
6 Illinois Vehicle Code, must be filed with the Secretary
7 of State pursuant to Section 3-116.2 of the Illinois
8 Vehicle Code.

9 Section 5-15. Affidavit of affixation.

10 (a) An affidavit of affixation shall contain or be
11 accompanied by:

12 (1) the name of the manufacturer, the make, the model
13 name, the model year, the dimensions, and the
14 manufacturer's serial number or numbers of the
15 manufactured home, and whether the manufactured home is new
16 or used;

17 (2) (A) a statement that the party executing the
18 affidavit is the owner of the real property described
19 therein or (B) if the party executing the affidavit is not
20 the owner of the real property, (1) a statement that the
21 manufactured home is not located in a mobile home park as
22 defined in Section 2.5 of the Mobile Home Park Act and that
23 the party executing the affidavit is in possession of the
24 real property pursuant to the terms of a lease in
25 recordable form that has a term that continues for at least

1 20 years after the date of execution of the affidavit and
2 (2) the consent of the lessor of the real property,
3 endorsed upon or attached to the affidavit and acknowledged
4 or proved in the manner as to entitle a conveyance to be
5 recorded;

6 (3) the street address and the legal description of the
7 real property to which the manufactured home is or shall be
8 affixed; and

9 (4) as applicable:

10 (A) if the manufactured home is not covered by a
11 certificate of title, including, if applicable, a
12 certificate of title issued in accordance with
13 subsection (b) of Section 3-109 of the Illinois Vehicle
14 Code, a statement by the owner to that effect, and

15 (i) a statement by the owner of the
16 manufactured home that the manufactured home is
17 covered by a Manufacturer's Statement of Origin,
18 the date the Manufacturer's Statement of Origin
19 was issued, and the manufacturer's serial number
20 or numbers of the manufactured home; and

21 (ii) a statement that annexed to the affidavit
22 of affixation is the original Manufacturer's
23 Statement of Origin for the manufactured home,
24 duly endorsed to the owner of the manufactured
25 home, and that the owner of the manufactured home
26 shall surrender the Manufacturer's Statement of

1 Origin; or

2 (B) if the manufactured home is covered by a
3 certificate of title, including, if applicable, a
4 certificate of title issued in accordance with
5 subsection (b) of Section 3-109 of the Illinois Vehicle
6 Code, a statement by the owner of the manufactured home
7 that the manufactured home is covered by a certificate
8 of title, the date the title was issued, the title
9 number, and that the owner of the manufactured home
10 shall surrender the title;

11 (5) a statement whether or not the manufactured home is
12 subject to one or more security interests or liens, and

13 (A) if the manufactured home is subject to one or
14 more security interests or liens, the name and address
15 of each party holding a security interest in or lien on
16 the manufactured home, including but not limited to,
17 each holder shown on any certificate of title issued by
18 the Secretary of State, if any, the original principal
19 amount secured by each security interest or lien; and a
20 statement that the security interest or lien shall be
21 released; or

22 (B) a statement that each security interest in or
23 lien on the manufactured home, if any, has been
24 released, together with due proof of each such release;

25 (6) a statement that the manufactured home is or shall
26 be affixed to a permanent foundation; and

1 be the person(s) whose name(s) is/are subscribed below (each a
2 "Homeowner"), and who, being by me first duly sworn, did each
3 on his or her oath state as follows:

4 1. Homeowner owns the manufactured home ("Home") described as
5 follows:

6
7

8 (Year; Manufacturer's Name; Manufacturer's Serial No(s).)

9 2. The street address of the real property to which the Home is
10 or shall be permanently affixed ("Property Address") is:

11

12 (Street or Route; City; County; State; Zip Code)

13 3. The legal description of the real property to which the Home
14 is or shall be affixed ("Land") is:

15
16
17
18

19 4. Homeowner is the owner of the Land or, if not the owner of
20 the Land, the Home is not located in a mobile home park, as
21 defined in Section 2.5 of the Mobile Home Park Act, and
22 Homeowner is in possession of the Land pursuant to a lease

1 in recordable form that has a term that continues for at
2 least 20 years after the date of the execution of this
3 Affidavit, and the consent of the lessor is attached to
4 this Affidavit.

5 5. The Home is or shall be assessed and taxed as an improvement
6 to the Land.

7 6. As of the date of the execution of this Affidavit, or, if
8 the Home is not yet located at the Property Address, upon
9 the delivery of the Home to the Property Address:

10 (a) The Home [] is [] shall be affixed to a permanent
11 foundation as defined in Section 5-5 of the Conveyance and
12 Encumbrance of Manufactured Homes as Real Property and
13 Severance Act;

14 (b) The wheels, axles, towbar, or hitch were removed when
15 the Home was placed on the Property Address; and

16 7. The Home [] was [] was not permanently affixed before
17 January 1, 2011.

18 8. If Homeowner is the owner of the Land, any conveyance or
19 financing of the Home and the Land shall be a single
20 transaction under applicable State law.

21 9. The Home is subject to the following security interests or
22 liens:

23 Name of Lienholder:

24 Address:

1 Name of Lienholder:

2 Address:

3 10. Other than those disclosed in this Affidavit, Homeowner is
4 not aware of (i) any other security interest, claim, lien,
5 or encumbrance affecting the Home or (ii) any other facts
6 or information that could reasonably affect the validity of
7 the title of the Home or the existence or non-existence of
8 security interests in it.

9 11. A release of lien from each of the lienholders identified
10 in paragraph 11 of this Affidavit has been shall be
11 delivered to the Secretary of State.

12 12. Homeowner shall initial only one of the following, as it
13 applies to the Home:

14 The Home is not covered by a certificate of title. The
15 Home is covered by a Manufacturer's Statement of Origin,
16 issued on the of,, manufacturer's
17 serial number, which Homeowner shall
18 surrender. The original Manufacturer's Statement of Origin,
19 duly endorsed to Homeowner, is attached to this Affidavit.

20 The Home is covered by a certificate of title issued
21 on the day of,, title number
22, which Homeowner shall surrender.

23 13. Homeowner designates the following person to file a
24 certified copy of this Affidavit with the Secretary of
25 State, and the person to whom the Recorder shall return a

1 certified copy of this Affidavit after it has been duly
2 recorded in the real property records:

3 Name:.....

4 Address:

5 14. This Affidavit is executed by Homeowner pursuant to Section
6 5-15 of the Conveyance and Encumbrance of Manufactured
7 Homes as Real Property and Severance Act.

8
9 IN WITNESS WHEREOF, Homeowner(s) has/have executed this
10 Affidavit in my presence and in the presence of the
11 undersigned witnesses on this day of,

12 (SEAL)

13 Homeowner #1 Witness

14

15 Printed Name

16 (SEAL)

17 Homeowner #2 Witness

18

19 Printed Name

20 (SEAL)

21 Homeowner #3 Witness

1
2

Printed Name

3 (SEAL)

4 Homeowner #4

Witness

5

6 Printed Name

7 STATE OF)

8) SS.

9 COUNTY OF)

10 The foregoing instrument was acknowledged before me this
11 (date) by (name(s) of person(s) who acknowledged).

12 Notary Public

13 Signature

14 My commission expires:

15 Official Seal:

16 ATTENTION RECORDER: This instrument covers goods that are
17 or are to become fixtures on the Property described herein and
18 is to be filed for record in the records where conveyances of
19 real estate are recorded.

1 Section 5-20. Disposition of liens. Neither the act of
2 affixing a manufactured home to a permanent foundation nor the
3 recording of the affidavit of affixation shall impair the
4 rights of any holder of a security interest in or lien on a
5 manufactured home perfected as provided in Section 3-202 of the
6 Illinois Vehicle Code, unless and until the due filing with and
7 acceptance by the Secretary of State of an application to
8 surrender the title as provided in Section 3-116.2 of the
9 Illinois Vehicle Code and release of all security interests or
10 liens as provided in Section 3-205 of the Illinois Vehicle
11 Code. Upon the filing of such releases, the security interests
12 or liens perfected under Section 3-202 of the Illinois Vehicle
13 Code are terminated. The recording of an affidavit of
14 affixation does not change the character of any security
15 interest or lien noted on a certificate of title, and no
16 recording tax shall be imposed at the time an affidavit of
17 affixation is recorded upon any security interest in or lien on
18 a manufactured home perfected under Section 3-202 of the
19 Illinois Vehicle Code.

20 Section 5-25. Notice to Secretary of State. Upon payment of
21 the fees provided by law and recordation of the affidavit of
22 affixation, the recording officer shall endorse the affidavit
23 as "recorded in land records", setting forth thereon the
24 indexing information for the affidavit of affixation, and the
25 recording officer shall forthwith forward a certified copy of

1 the recorded affidavit of affixation and all attachments
2 thereto to the person designated therein for filing with the
3 Secretary of State. Upon receipt of a certified copy of the
4 recorded affidavit of affixation by the person designated
5 therein for filing with the Secretary of State, such person
6 shall forthwith deliver for filing to the Secretary a certified
7 copy of the affidavit of affixation and other documents as
8 provided in item (4) of Section 5-10 of this Act.

9 Section 5-30. Effect of recorded affidavit of affixation. A
10 manufactured home shall be deemed to be real property when all
11 of the following events have occurred:

12 (1) the manufactured home is permanently affixed to land as
13 provided in Section 5-5 of this Act;

14 (2) an affidavit of affixation conforming to the
15 requirements of Section 5-15 of this Act has been recorded;

16 (3) a certified copy of the recorded affidavit of
17 affixation has been delivered for filing to the Secretary of
18 State as provided in Section 5 of this Act; and

19 (4) the requirements of Section 3-116.1 or 3-116.2 of the
20 Illinois Vehicle Code, as applicable, have been satisfied.

21 Section 5-35. Conveyance and encumbrance as real property.
22 Upon the satisfaction of the requirements of Section 5-30 of
23 this Act and the requirements of Section 3-116.1 or 3-116.2 of
24 the Illinois Vehicle Code, as applicable, such manufactured

1 home shall be deemed to be real property; any mortgage, deed of
2 trust, lien, or security interest that can attach to land,
3 buildings erected thereon, or fixtures affixed thereto shall
4 attach as of the date of its recording in the same manner as if
5 the manufactured home were built from ordinary building
6 materials on site; title to such manufactured home shall be
7 transferred by deed or other form of conveyance that is
8 effective to transfer an interest in real property, together
9 with the land to which such structure has been affixed; and the
10 manufactured home shall be deemed to be real property and shall
11 be governed by the laws applicable to real property.

12 Section 5-40. Manufactured home that remains personal
13 property or a fixture. Except as provided in Sections 5-15,
14 5-25, 5-30, and 5-35 of this Act, an affidavit of affixation is
15 not necessary or effective to convey or encumber a manufactured
16 home or to change the character of the manufactured home to
17 real property. Every conveyance of land upon which is located a
18 manufactured home for which no affidavit of affixation has been
19 recorded or for which an affidavit of severance has been
20 recorded shall contain a recital that such conveyance does not
21 affect the title to said manufactured home and that the
22 transfer or encumbrance thereof can only be made pursuant to
23 the provisions of the Illinois Vehicle Code. Any agreement by
24 any party to the transaction whereby the requirements of this
25 subsection are waived shall be void as contrary to public

1 policy.

2 Section 5-45. Applicability. Nothing in this Act shall
3 impair any rights existing under law prior to the effective
4 date of this Act of anyone claiming an interest in the
5 manufactured home.

6 Section 5-50. Affidavit of severance.

7 (a) If and when a manufactured home for which an affidavit
8 of affixation has been recorded is detached or severed from the
9 real property to which it is affixed, the person (all, if more
10 than one) having an interest in the real property shall record
11 an affidavit of severance in the land records of the county
12 where the affidavit of affixation with respect to the
13 manufactured home is recorded. The affidavit of severance shall
14 contain or be accompanied by:

15 (i) the name, residence, and mailing address of the
16 owner of the manufactured home;

17 (ii) a description of the manufactured home including
18 the name of the manufacturer, manufacturer's serial number
19 or numbers of the manufactured home;

20 (iii) the book number, page number and date of
21 recordation of the affidavit of affixation;

22 (iv) a statement of either (A) any facts or information
23 known to the party executing the affidavit that could
24 reasonably affect the validity of the title of the

1 manufactured home or the existence or non-existence of a
2 security interest in or lien on it, or (B) that no such
3 facts or information are known to such party; and

4 (v) the name and address of the person designated for
5 filing the certified copy of the recorded affidavit of
6 severance with the Secretary of State, to whom the
7 recording officer shall return the certified copy of the
8 affidavit of severance after it has been duly recorded in
9 the real property records, as provided in subsection (d) of
10 this Section.

11 (b) The affidavit of severance shall be in the form set
12 forth in subsection (d) of this Section, duly acknowledged or
13 proved in like manner as to entitle a conveyance to be
14 recorded, and when so acknowledged or proved and upon payment
15 of the lawful fees therefor, such recording officer shall
16 immediately cause the affidavit and any attachments thereto to
17 be duly recorded and indexed in the record of deeds.

18 (c) Upon payment of the fees provided by law and
19 recordation of the affidavit of severance, the recording
20 officer shall endorse the affidavit as "recorded in land
21 records", setting forth thereon the indexing information for
22 the recorded affidavit of severance, and the recording officer
23 shall forthwith forward a certified copy of the recorded
24 affidavit of severance to the person designated therein for
25 filing with the Secretary of State. Upon receipt of a certified
26 copy of the recorded affidavit of severance by the person

1 designated therein for filing with the Secretary of State, such
 2 person shall deliver for filing to the Secretary of State such
 3 certified copy of the affidavit of severance and the other
 4 documents provided in subsection (a) of this Section, together
 5 with an application for a certificate of title to the
 6 manufactured home, to be issued in accordance with subsection
 7 (b) of Section 3-109 of the Illinois Vehicle Code.

8 (d) An affidavit of severance shall be in the form set
 9 forth below:

10 MANUFACTURED HOME
 11 AFFIDAVIT OF SEVERANCE

12 STATE OF)
 13) SS.
 14 COUNTY OF)

15 BEFORE ME, the undersigned notary public, on this day
 16 personally appeared (type the name(s) of
 17 each person signing this Affidavit) known to me to be the
 18 person(s) whose name(s) is/are subscribed below (each an
 19 "Affiant"), and who, being by me first duly sworn, did each on
 20 his or her oath state as follows:

21 1. The owner(s) of the manufactured home described below
 22 reside(s) at the following address:

1
2

(Street or Route; City; County; State; Zip Code)

3 Mailing address, if different:

4
5

(Street or Route; City; County; State; Zip Code)

6 2. The manufactured home that is the subject of this Affidavit
7 ("Home") is described as follows:

8
9

(Year; Manufacturer's Name; Manufacturer's Serial No(s).)

10 3. The Home was severed from the following address ("Land"):

11
12

(Street or Route; City; County; State; Zip Code)

13 4. An Affidavit of Affixation was duly recorded in the land
14 records of the county in which the Land is located on
15 (date), in book number at page
16 number

17 5. Affiant is the owner of the Land or, if not the owner of
18 the Land, is in possession of the Land pursuant to a
19 lease in recordable form, and the consent of the lessor
20 is attached to this Affidavit.

21 6. The Home is subject to the following security interests:

1 Name of Lienholder:

2 Address:

3 Name of Lienholder:

4 Address:

5 7. Other than those disclosed in this Affidavit, Affiant is
6 not aware of (i) any other security interest, claim,
7 lien, or encumbrance affecting the Home or (ii) any other
8 facts or information that could reasonably affect the
9 validity of the title of the Home or the existence or
10 non-existence of security interests in it.

11 8. A release of lien from each of the lienholders identified
12 in paragraph 6 of this Affidavit [] has been [] shall be
13 delivered to the Secretary of State.

14 9. Affiant designates the following person to file a
15 certified copy of this Affidavit with the Secretary of
16 State, and the person to whom the Recorder shall return a
17 certified copy of this Affidavit after it has been duly
18 recorded in the real property records:

19 Name:.....

20 Address:

21 10. This Affidavit is executed by Affiant pursuant to Section
22 5-50 of the Conveyance and Encumbrance of Manufactured
23 Homes as Real Property and Severance Act.

1 STATE OF

2) SS.

3 COUNTY OF

4 The foregoing instrument was acknowledged before me this
5 (date) by (name(s) of person(s) who acknowledged).

6 Notary Public

7 Signature

8 My commission expires:

9 Official Seal:

10 ATTENTION RECORDER: This instrument covers goods that had been
11 fixtures on the Property described herein and is to be filed
12 for record in the records where conveyances of real estate are
13 recorded.

14 Section 5-55. Documents in trust.

15 (a) Manufacturer's Statement of Origin. The holder of a
16 Manufacturer's Statement of Origin to a manufactured home may
17 deliver it to any person to facilitate conveying or encumbering
18 the home. Any person receiving a Manufacturer's Statement of
19 Origin so delivered holds it in trust for the person delivering
20 it.

21 (b) Lien Release. The holder of a security interest in a
22 manufactured home may deliver lien release documents to any

1 person to facilitate conveying or encumbering the home. Any
2 person receiving any such documents so delivered holds the
3 documents in trust for the lienholder.

4 ARTICLE 10. AMENDATORY PROVISIONS

5 Section 10-15. The Property Tax Code is amended by changing
6 Section 1-130 as follows:

7 (35 ILCS 200/1-130)

8 Sec. 1-130. Property; real property; real estate; land;
9 tract; lot.

10 (a) The land itself, with all things contained therein, and
11 also all buildings, structures and improvements, and other
12 permanent fixtures thereon, including all oil, gas, coal, and
13 other minerals in the land and the right to remove oil, gas and
14 other minerals, excluding coal, from the land, and all rights
15 and privileges belonging or pertaining thereto, except where
16 otherwise specified by this Code. Not included therein are
17 low-income housing tax credits authorized by Section 42 of the
18 Internal Revenue Code, 26 U.S.C. 42.

19 (b) Notwithstanding any other provision of law, mobile
20 homes and manufactured homes that (i) are located outside of
21 mobile home parks and (ii) are taxed under the Mobile Home
22 Local Services Tax Act on the effective date of this amendatory
23 Act of the 96th General Assembly shall continue to be taxed

1 under the Mobile Home Local Services Tax Act and shall not be
2 ~~classified,~~ assessed, and taxed as real property until the home
3 is sold or transferred or until the home is relocated to a
4 different parcel of land outside of a mobile home park. If a
5 mobile home or manufactured home described in this subsection
6 (b) is sold, transferred, or relocated to a different parcel of
7 land outside of a mobile home park, then the home shall be
8 ~~classified,~~ assessed, and taxed as real property whether or not
9 that mobile home or manufactured home is affixed to a permanent
10 foundation, as defined in Section 5-5 of the Conveyance and
11 Encumbrance of Manufactured Homes as Real Property and
12 Severance Act, or installed on a permanent foundation, and
13 whether or not such mobile home or manufactured home is real
14 property as defined in Section 5-35 of the Conveyance and
15 Encumbrance of Manufactured Homes as Real Property and
16 Severance Act. Mobile homes and manufactured homes that are
17 located outside of mobile home parks and ~~classified,~~ assessed,
18 and taxed as real property on the effective date of this
19 amendatory Act of the 96th General Assembly shall continue to
20 be ~~classified,~~ assessed, and taxed as real property whether or
21 not those mobile homes or manufactured homes are affixed to a
22 permanent foundation as defined in the Conveyance and
23 Encumbrance of Manufactured Homes as Real Property and
24 Severance Act or installed on permanent foundations and whether
25 or not those mobile homes or manufactured homes are real
26 property as defined in the Conveyance and Encumbrance of

1 Manufactured Homes as Real Property and Severance Act. If a
2 mobile or manufactured home that is located outside of a mobile
3 home park is relocated to a mobile home park, it must be
4 considered chattel and must be taxed according to the Mobile
5 Home Local Services Tax Act. The owner of a mobile home or
6 manufactured home that is located outside of a mobile home park
7 may file a request with the chief county assessment officer
8 ~~county~~ that the home be ~~classified, assessed, and~~ taxed as real
9 property.

10 (c) Mobile homes and manufactured homes that are located in
11 mobile home parks must be ~~considered chattel and must be~~ taxed
12 according to the Mobile Home Local Services Tax Act.

13 (d) If the provisions of this Section conflict with the
14 Illinois Manufactured Housing and Mobile Home Safety Act, the
15 Mobile Home Local Services Tax Act, the Mobile Home Park Act,
16 or any other provision of law with respect to the taxation of
17 mobile homes or manufactured homes located outside of mobile
18 home parks, the provisions of this Section shall control.

19 (Source: P.A. 96-1477, eff. 1-1-11.)

20 Section 10-20. The Mobile Home Local Services Tax Act is
21 amended by changing Sections 1 and 4 as follows:

22 (35 ILCS 515/1) (from Ch. 120, par. 1201)

23 Sec. 1. (a) As ~~Except as provided in subsections (b) and~~
24 ~~(c),~~ as used in this Act, "manufactured home" means a

1 factory-assembled, completely integrated structure designed
2 for permanent habitation, with a permanent chassis, and so
3 constructed as to permit its transport, on wheels temporarily
4 or permanently attached to its frame, and is a movable or
5 portable unit that is (i) 8 body feet or more in width, (ii) 40
6 body feet or more in length, and (iii) 320 or more square feet,
7 constructed to be towed on its own chassis (comprised of frame
8 and wheels) from the place of its construction to the location,
9 or subsequent locations, at which it is ~~installed and set up~~
10 ~~according to the manufacturer's instructions and~~ connected to
11 utilities for year-round occupancy for use as a permanent
12 habitation, and designed and situated so as to permit its
13 occupancy as a dwelling place for one or more persons, and
14 specifically includes a "manufactured home" as defined in
15 subdivision 53 of Section 9-102 of the Uniform Commercial Code.
16 The term shall include units containing parts that may be
17 folded, collapsed, or telescoped when being towed and that may
18 be expected to provide additional cubic capacity, and that are
19 designed to be joined into one integral unit capable of being
20 separated again into the components for repeated towing. The
21 term excludes campers and recreational vehicles. Mobile homes
22 and manufactured homes in mobile home parks must be assessed
23 and taxed as chattel. Mobile homes and manufactured homes
24 outside of mobile home parks must be assessed and taxed as real
25 property whether or not such mobile homes and manufactured
26 homes are affixed to a permanent foundation as defined in

1 Section 5-5 of the Conveyance and Encumbrance of Manufactured
2 Homes as Real Property and Severance Act, and whether or not
3 such mobile homes and manufactured homes are real property as
4 defined in Section 5-35 of the Conveyance and Encumbrance of
5 Manufactured Homes as Real Property and Severance Act. The
6 words "mobile home" and "manufactured home" are synonymous for
7 the purposes of this Act. Any such structure located outside of
8 a mobile home park shall not be assessed and taxed ~~construed~~ as
9 chattel, but must be assessed and taxed as real property as
10 defined by Section 1-130 of the Property Tax Code. All mobile
11 homes and manufactured homes located inside mobile home parks
12 must be ~~considered as chattel and~~ taxed according to this Act.
13 Mobile homes and manufactured homes located on a dealer's lot
14 for resale purposes or as a temporary office shall not be
15 subject to this tax.

16 (b) Mobile homes and manufactured homes that (i) are
17 located outside of mobile home parks and (ii) are taxed under
18 this Act on the effective date of this amendatory Act of the
19 96th General Assembly must continue to be taxed under this Act
20 and shall not be ~~classified,~~ assessed~~,~~ and taxed as real
21 property until the home is sold, transferred, or relocated to a
22 different parcel of land outside of a mobile home park. If a
23 mobile home or manufactured home described in this subsection
24 (b) is sold, transferred, or relocated to a different parcel of
25 land outside of a mobile home park, then the home must be
26 ~~classified,~~ assessed~~,~~ and taxed as real property whether or not

1 the mobile home or manufactured home is affixed to a permanent
2 foundation as defined in Section 5-5 of the Conveyance and
3 Encumbrance of Manufactured Homes as Real Property and
4 Severance Act and whether or not the mobile home or
5 manufactured home is real property as defined in Section 5-35
6 of the Conveyance and Encumbrance of Manufactured Homes as Real
7 Property and Severance Act. Mobile homes and manufactured homes
8 that are located outside of mobile home parks and ~~classified,~~
9 ~~assessed,~~ and taxed as real property on the effective date of
10 this amendatory Act of the 96th General Assembly must continue
11 to be ~~classified,~~ ~~assessed,~~ and taxed as real property whether
12 or not the mobile homes and manufactured homes are affixed to a
13 permanent foundation as defined in Section 5-5 of the
14 Conveyance and Encumbrance of Manufactured Homes as Real
15 Property and Severance Act or installed on permanent
16 foundations and whether or not the mobile homes and
17 manufactured homes are real property as defined in Section 5-35
18 of the Conveyance and Encumbrance of Manufactured Homes as Real
19 Property and Severance Act. If a mobile or manufactured home
20 that is located outside of a mobile home park is relocated to a
21 mobile home park, the home must be ~~considered chattel and must~~
22 ~~be~~ taxed according to the Mobile Home Local Services Tax Act.
23 The owner of a mobile home or manufactured home that is located
24 outside of a mobile home park may file a request with the
25 county that the home be ~~classified,~~ ~~assessed,~~ and taxed as real
26 property.

1 (c) Mobile homes and manufactured homes that are located in
2 mobile home parks must be ~~considered chattel and must be~~ taxed
3 according to this Act.

4 (Source: P.A. 96-1477, eff. 1-1-11.)

5 (35 ILCS 515/4) (from Ch. 120, par. 1204)

6 Sec. 4. The owner of each inhabited mobile home or
7 manufactured home located in this State, but not located inside
8 of a mobile home park, on the effective date of this amendatory
9 Act of the 96th General Assembly shall, within 30 days after
10 such date, record with the Office of the Recorder in the county
11 where the mobile home or manufactured home is located ~~file with~~
12 ~~the township assessor, if any, or with the Supervisor of~~
13 ~~Assessments or county assessor if there is no township~~
14 ~~assessor, or with the county assessor in those counties in~~
15 ~~which a county assessor is elected pursuant to Section 3-45 of~~
16 ~~the Property Tax Code,~~ a mobile home registration form
17 containing the information hereinafter specified, subject to
18 the county's recording fees ~~and record a signed copy of the~~
19 ~~title or certificate of origin in the county where the home is~~
20 ~~located or surrender the signed title or certificate of origin~~
21 ~~to be held by the county until such time as the home is to be~~
22 ~~removed from the county.~~ Mobile home park operators shall
23 forward a copy of the mobile home registration form provided in
24 Section 12 of "An Act to provide for, license and regulate
25 mobile homes and mobile home parks and to repeal an Act named

1 herein", approved September 8, 1971, as amended, to the
2 township assessor, if any, or to Supervisor of Assessments or
3 county assessor if there is no township assessor, or to the
4 county assessor in those counties in which a county assessor is
5 elected pursuant to Section 3-45 of the Property Tax Code,
6 within 5 days of the entry of a mobile home into such park. The
7 owner of a mobile home or manufactured home not located in a
8 mobile home park, other than a mobile home or manufactured home
9 with respect to which the requirements of Section 5-30 of the
10 Conveyance and Encumbrance of Manufactured Homes as Real
11 Property and Severance Act and the requirements of Section
12 3-116.1 or Section 3-116.2 of the Illinois Vehicle Code, as
13 applicable, have been satisfied unless with respect to the same
14 manufactured home there has been recorded an affidavit of
15 severance pursuant to Section 5-50 of the Conveyance and
16 Encumbrance of Manufactured Homes as Real Property and
17 Severance Act, shall, within 30 days after initial placement of
18 such mobile home or manufactured home in any county and within
19 30 days after movement of such mobile home or manufactured home
20 to a new location, record with the Office of the Recorder in
21 the county where the mobile home or manufactured home is
22 located ~~file with the county assessor, Supervisor of~~
23 ~~Assessments or township assessor, as the case may be,~~ a mobile
24 home registration showing the name and address of the owner and
25 every occupant of the mobile home or manufactured home, the
26 location of the mobile home or manufactured home, the year of

1 manufacture, and the square feet of floor space contained in
2 such mobile home or manufactured home together with the date
3 that the mobile home or manufactured home became inhabited, was
4 initially installed and set up in the county, or was moved to a
5 new location. Such registration shall also include the license
6 number of such mobile home or manufactured home and of the
7 towing vehicle, if there be any, and the State issuing such
8 licenses, subject to the county's recording fees. In the case
9 of a mobile home or manufactured home not located in a mobile
10 home park, the registration shall be signed by the owner or
11 occupant of the mobile home or manufactured home. ~~and the title~~
12 ~~or certificate of origin shall be signed and recorded in the~~
13 ~~county where the home is located or surrendered to the county~~
14 ~~and held until such time the home is removed from the county.~~
15 ~~Titles or certificates of origin held by a mortgage company on~~
16 ~~the home shall be signed and recorded in the county where~~
17 ~~located or surrendered to the county once the mortgage is~~
18 ~~released.~~ Failure to record the registration ~~or surrender the~~
19 ~~title or certificate of origin~~ shall not prevent the home from
20 being assessed and taxed as real property. It is the duty of
21 each township assessor, if any, and each Supervisor of
22 Assessments or county assessor if there is no township
23 assessor, or the county assessor in those counties in which a
24 county assessor is elected pursuant to Section 3-45 of the
25 Property Tax Code, to require timely filing of a properly
26 completed registration for each mobile home or manufactured

1 home located in a mobile home park in his or her township or
2 county, as the case may be. Any person furnishing
3 misinformation for purposes of registration or failing to
4 record ~~file~~ a required registration is guilty of a Class A
5 misdemeanor. This Section applies only when the tax permitted
6 by Section 3 has been imposed on mobile homes and manufactured
7 homes located inside mobile home parks.

8 (Source: P.A. 96-1477, eff. 1-1-11.)

9 Section 10-25. The Illinois Banking Act is amended by
10 changing Sections 3, 5a, 5d, and 6.1 as follows:

11 (205 ILCS 5/3) (from Ch. 17, par. 309)

12 Sec. 3. Formation and primary powers. It shall be lawful to
13 form banks, as herein provided, for the purpose of discount and
14 deposit, buying and selling exchange and doing a general
15 banking business, excepting the issuing of bills to circulate
16 as money; and such banks shall have the power to loan money on
17 personal and real estate security, and to accept and execute
18 trusts upon obtaining a certificate of authority pursuant to
19 the "Corporate Fiduciary Act", and shall be subject to all of
20 the provisions of this Act. For purposes of this Section, "real
21 estate" includes a manufactured home as defined in subdivision
22 (53) of Section 9-102 of the Uniform Commercial Code that is
23 real property as defined in Section 5-35 of the Conveyance and
24 Encumbrance of Manufactured Homes as Real Property and

1 Severance Act.

2 (Source: P.A. 85-1402.)

3 (205 ILCS 5/5a) (from Ch. 17, par. 312)

4 Sec. 5a. Reverse mortgage loans. Notwithstanding any other
5 provision of this Act, a bank may engage in making "reverse
6 mortgage" loans.

7 For purposes of this Section, a "reverse mortgage" loan
8 shall be a loan extended on the basis of existing equity in
9 homestead property. A bank, in making a "reverse mortgage"
10 loan, may add deferred interest to principal or otherwise
11 provide for the charging of interest or premium on the deferred
12 interest.

13 The loans shall be repaid upon sale of the property or upon
14 the death of the owner or, if the property is in joint tenancy,
15 upon the death of the last surviving joint tenant who had an
16 interest in the property at the time the loan was initiated.

17 "Homestead" property, for purposes of this Section, means
18 the domicile and contiguous real estate owned and occupied by
19 the mortgagor. For purposes of this Section, "homestead"
20 includes a manufactured home as defined in subdivision (53) of
21 Section 9-102 of the Uniform Commercial Code, used as the
22 domicile, that is real property, as defined in Section 5-35 of
23 the Conveyance and Encumbrance of Manufactured Homes as Real
24 Property and Severance Act, and is owned and occupied by the
25 mortgagor.

1 The Commissioner of Banks and Real Estate shall prescribe
2 rules governing this Section and Section 1-6a of the Illinois
3 Savings and Loan Act of 1985.

4 (Source: P.A. 88-643, eff. 1-1-95; 89-508, eff. 7-3-96.)

5 (205 ILCS 5/5d) (from Ch. 17, par. 312.3)

6 Sec. 5d. Notwithstanding any other provision of this Act, a
7 bank may engage in making revolving credit loans secured by
8 mortgages or deeds of trust on real property or by security
9 assignments of beneficial interests in land trusts.

10 For purposes of this Section, "revolving credit", has the
11 meaning defined in Section 4.1 of "An Act in relation to the
12 rate of interest and other charges in connection with sales on
13 credit and the lending of money", approved May 24, 1879, as
14 amended.

15 Any mortgage or deed of trust given to secure a revolving
16 credit loan may, and when so expressed therein shall, secure
17 not only the existing indebtedness, but also such future
18 advances, whether such advances are obligatory or to be made at
19 the option of the lender, or otherwise, as are made within
20 twenty years from the date thereof, to the same extent as if
21 such future advances were made on the date of the execution of
22 such mortgage or deed of trust, although there may be no
23 advance made at the time of execution of such mortgage or other
24 instrument, and although there may be no indebtedness
25 outstanding at the time any advance is made. The lien of such

1 mortgage or deed of trust, as to third persons without actual
2 notice thereof, shall be valid as to all such indebtedness and
3 future advances from the time said mortgage or deed of trust is
4 filed for record in the office of the Recorder of Deeds or the
5 Registrar of Titles of the county where the real property
6 described therein is located. The total amount of indebtedness
7 that may be so secured may increase or decrease from time to
8 time, but the total unpaid balance so secured at any one time
9 shall not exceed a maximum principal amount which must be
10 specified in such mortgage or deed of trust, plus interest
11 thereon, and any disbursements made for the payment of taxes,
12 special assessments, or insurance on said real property, with
13 interest on such disbursements.

14 Any such mortgage or deed of trust shall be valid and have
15 priority over all subsequent liens and encumbrances, including
16 statutory liens, except taxes and assessments levied on said
17 real property.

18 For purposes of this Section, "real property" includes a
19 manufactured home as defined in subdivision (53) of Section
20 9-102 of the Uniform Commercial Code, that is real property as
21 defined in Section 5-35 of the Conveyance and Encumbrance of
22 Manufactured Homes as Real Property and Severance Act.

23 (Source: P.A. 83-1539; 83-1380.)

24 (205 ILCS 5/6.1) (from Ch. 17, par. 313.1)

25 Sec. 6.1. Non-recourse reverse mortgage loans.

1 (a) It is the intent of this amendatory Act of 1991 that
2 homeowners at least 62 years of age be permitted to meet their
3 financial needs by accessing the equity in their homes through
4 a reverse mortgage. The General Assembly recognizes that many
5 restrictions and requirements that exist to govern traditional
6 mortgage transactions are inapplicable in the context of
7 reverse mortgages. In order to foster reverse mortgage
8 transactions and better serve the citizens of this State, this
9 Section authorizes the making of reverse mortgages, and
10 expressly relieves reverse mortgage lenders and borrowers from
11 compliance with inappropriate requirements.

12 As used in this Section, "borrower" means any homeowner who
13 is, or whose spouse is, at least 62 years of age.

14 For purposes of this Section, "real property" includes a
15 manufactured home as defined in subdivision (53) of Section
16 9-102 of the Uniform Commercial Code which is real property as
17 defined in Section 5-35 of the Conveyance and Encumbrance of
18 Manufactured Homes as Real Property and Severance Act.

19 As used in this Section, "reverse mortgage" means a
20 non-recourse loan, secured by real property, that complies with
21 all of the following:

22 (1) Provides cash advances to a borrower based on the
23 equity in a borrower's owner-occupied principal residence,
24 provided that it is a residence designed to be occupied by
25 not more than 4 families.

26 (2) Requires no payment of principal or interest until

1 the entire loan becomes due and payable.

2 (b) Reverse mortgage loans shall be subject only to all of
3 the following provisions:

4 (1) Payment, in whole or in part, shall be permitted
5 without penalty at any time during the term of the
6 mortgage.

7 (2) A reverse mortgage may provide for an interest rate
8 that is fixed or adjustable and may provide for interest
9 that is contingent on appreciation in the value of the
10 property.

11 (3) If a reverse mortgage provides for periodic
12 advances to a borrower, the advances may not be reduced in
13 amount or number based on any adjustment in the interest
14 rate.

15 (4) A reverse mortgage may be subject to any additional
16 terms and conditions imposed by a lender that are required
17 under the provisions of the federal Housing and Community
18 Development Act of 1987 to enable the lender to obtain
19 federal government insurance on the mortgage if the loans
20 are to be insured under that Act.

21 (c) The repayment obligation under a reverse mortgage is
22 subject to all of the following:

23 (1) Temporary absences from the home not exceeding 60
24 consecutive days shall not cause the mortgage to become due
25 and payable.

26 (2) Temporary absences from the home exceeding 60 days,

1 but not exceeding one year shall not cause the mortgage to
2 become due and payable, provided that the borrower has
3 taken action that secures the home in a manner satisfactory
4 to the lender.

5 (3) The lender must disclose any interest or other fees
6 to be charged during the period that commences on the date
7 the mortgage becomes due and payable and ends when
8 repayment in full is made in accordance with applicable
9 State and federal laws, rules, and regulations.

10 (d) A reverse mortgage shall become due and payable upon
11 the occurrence of any of the following events:

12 (1) The real property securing the loan is sold.

13 (2) All borrowers cease to occupy the home as a
14 principal residence.

15 (3) A fixed maturity date agreed to by the lender and
16 the borrower is reached.

17 (4) An event that is specified in the loan documents
18 and that jeopardizes the lender's security occurs.

19 (e) No reverse mortgage commitment may be made by a lender
20 unless the loan applicant attests, in writing, that the
21 applicant has received from the lender, at the time of initial
22 inquiry, a statement prepared by the Department on Aging
23 regarding the advisability and availability of independent
24 information and counseling services on reverse mortgages.

25 (Source: P.A. 87-488.)

1 Section 10-30. The Illinois Savings and Loan Act of 1985 is
2 amended by changing Sections 1-10.30 and 5-2 as follows:

3 (205 ILCS 105/1-10.30) (from Ch. 17, par. 3301-10.30)

4 Sec. 1-10.30. "Real property": the interests, benefits,
5 and rights inherent in the ownership of the physical real
6 estate. It is the rights with which the ownership of real
7 estate is endowed. "Real property" includes a manufactured home
8 as defined in subdivision (53) of Section 9-102 of the Uniform
9 Commercial Code that is real property as defined in Section
10 5-35 of the Conveyance and Encumbrance of Manufactured Homes as
11 Real Property and Severance Act. For purposes of this Act, the
12 term "Real Estate" is synonymous with "Real Property".

13 (Source: P.A. 84-543.)

14 (205 ILCS 105/5-2) (from Ch. 17, par. 3305-2)

15 Sec. 5-2. Investment in loans. An association may loan
16 funds to members as follows:

17 (a) On the security of withdrawable capital accounts, but
18 no such loan shall exceed the withdrawal value of the pledged
19 account;

20 (b) On the security of real estate:

21 (1) Of a value, determined in accordance with Section 5-12
22 of this Act, sufficient to provide good and ample security for
23 the loan;

24 (2) With a fee simple title or a leasehold title of not

1 less duration than 10 years beyond the maturity of the loan;

2 (3) With the title established by such evidence of title as
3 is consistent with sound lending practices in the locality;

4 (4) With the security interest in such real estate
5 evidenced by an appropriate written instrument and the loan
6 evidenced by a note, bond or similar written instrument. A loan
7 on the security of the whole of the beneficial interest in a
8 land trust satisfies the requirements of this paragraph if the
9 title to the land is held by a corporate trustee and if the
10 real estate held in the land trust meets the other requirements
11 of this subsection; and

12 (5) With a mortgage loan not to exceed 40 years;

13 (c) For the purpose of repair, improvement,
14 rehabilitation, furnishing or equipment of real estate or any
15 other purpose;

16 (d) For the purpose of financing or refinancing an existing
17 ownership interest in certificates of stock, certificates of
18 beneficial interest or other evidence of an ownership interest
19 in, and a proprietary lease from, a corporation, trust or
20 partnership formed for the purpose of the cooperative ownership
21 of real estate, secured by the assignment or transfer of such
22 certificates or other evidence of ownership of the borrower;

23 (e) Through the purchase of loans which at the time of
24 purchase the association could make in accordance with this
25 Section and the by-laws;

26 (f) Through the purchase of installment contracts for the

1 sale of real estate, and title thereto which is subject to such
2 contracts, but in each instance only if the association at the
3 time of purchase could make a mortgage loan of the same amount
4 and for the same length of time on the security of such real
5 estate;

6 (g) Through loans guaranteed or insured, wholly or in part
7 by the United States or any of its instrumentalities, and
8 without regard to the limits in amount and terms otherwise
9 imposed by this Article;

10 (h) Through secured or unsecured loans for business,
11 corporate, personal, family, or household purposes, or for
12 secured or unsecured loans for agricultural or commercial
13 purposes to the same extent that such agricultural or
14 commercial loans are authorized by federal law for any savings
15 and loan association organized under federal law and authorized
16 to do business in this State, except that loans to service
17 corporations shall not be subject to the limitations of this
18 paragraph;

19 (i) For the purpose of manufactured ~~mobile~~ home financing
20 subject, however, to the regulation of the Commissioner; as
21 used in this Section, "manufactured home" means a manufactured
22 home as defined in subdivision (53) of Section 9-102 of the
23 Uniform Commercial Code;

24 (j) Through loans to its members secured by the cash
25 surrender value of any life insurance policy or any collateral
26 which would be a legal investment if made by such association

1 pursuant to the terms of this Act; and

2 (k) Any provision of this Act to the contrary
3 notwithstanding, any association may make any loan to its
4 members or investment which such association could make if it
5 were incorporated and operating as an association organized
6 under the laws of the United States.

7 (Source: P.A. 86-137.)

8 Section 10-35. The Savings Bank Act is amended by changing
9 Sections 6002 and 6008 as follows:

10 (205 ILCS 205/6002) (from Ch. 17, par. 7306-2)

11 Sec. 6002. Investment in loans.

12 (a) Subject to the regulations of the Commissioner, a
13 savings bank may loan funds as follows:

14 (1) On the security of deposit accounts, but no such loan
15 shall exceed the withdrawal value of the pledged account.

16 (2) On the security of real estate:

17 (A) of a value, determined in accordance with this Act,
18 sufficient to provide good and ample security for the loan;

19 (B) with a fee simple title or a leasehold title;

20 (C) with the title established by evidence of title as
21 is consistent with sound lending practices in the locality;

22 (D) with the security interest in the real estate
23 evidenced by an appropriate written instrument and the loan
24 evidenced by a note, bond, or similar written instrument; a

1 loan on the security of the whole of the beneficial
2 interest in a land trust satisfies the requirements of this
3 paragraph if the title to the land is held by a corporate
4 trustee and if the real estate held in the land trust meets
5 the other requirements of this subsection;

6 (E) with a mortgage loan not to exceed 40 years.

7 (3) For the purpose of repair, improvement,
8 rehabilitation, furnishing, or equipment of real estate.

9 (4) For the purpose of financing or refinancing an existing
10 ownership interest in certificates of stock, certificates of
11 beneficial interest, other evidence of an ownership interest
12 in, or a proprietary lease from a corporation, trust, or
13 partnership formed for the purpose of the cooperative ownership
14 of real estate, secured by the assignment or transfer of
15 certificates or other evidence of ownership of the borrower.

16 (5) Through the purchase of loans that, at the time of
17 purchase, the savings bank could make in accordance with this
18 Section and the bylaws.

19 (6) Through the purchase of installment contracts for the
20 sale of real estate and title thereto that is subject to the
21 contracts, but in each instance only if the savings bank, at
22 the time of purchase, could make a mortgage loan of the same
23 amount and for the same length of time on the security of the
24 real estate.

25 (7) Through loans guaranteed or insured, wholly or in part,
26 by the United States or any of its instrumentalities.

1 (8) Subject to regulations adopted by the Commissioner,
2 through secured or unsecured loans for business, corporate,
3 commercial, or agricultural purposes; provided that the total
4 of all loans granted under this paragraph shall not exceed 15%
5 of the savings bank's total assets unless a greater amount is
6 authorized in writing by the Commissioner.

7 (9) For the purpose of manufactured ~~mobile~~ home financing
8 subject, however, to the regulation of the Commissioner. As
9 used in this Section, "manufactured home" means a manufactured
10 home as defined in subdivision (53) of Section 9-102 of the
11 Uniform Commercial Code.

12 (10) Through loans secured by the cash surrender value of
13 any life insurance policy or any collateral that would be a
14 legal investment under the terms of this Act if made by the
15 savings bank.

16 (11) Any provision of this Act or any other law, except for
17 paragraph (18) of Section 6003, to the contrary
18 notwithstanding, but subject to the Financial Institutions
19 Insurance Sales Law and subject to the Commissioner's
20 regulations, any savings bank may make any loan or investment
21 or engage in any activity that it could make or engage in if it
22 were organized under State law as a savings and loan
23 association or under federal law as a federal savings and loan
24 association or federal savings bank.

25 (12) A savings bank may issue letters of credit or other
26 similar arrangements only as provided for by regulation of the

1 Commissioner with regard to aggregate amounts permitted, take
2 out commitments for stand-by letters of credit, underlying
3 documentation and underwriting, legal limitations on loans of
4 the savings bank, control and subsidiary records, and other
5 procedures deemed necessary by the Commissioner.

6 (13) For the purpose of automobile financing, subject to
7 the regulation of the Commissioner.

8 (14) For the purpose of financing primary, secondary,
9 undergraduate, or postgraduate education.

10 (15) Through revolving lines of credit on the security of a
11 first or junior lien on the borrower's personal residence,
12 based primarily on the borrower's equity, the proceeds of which
13 may be used for any purpose; those loans being commonly
14 referred to as home equity loans.

15 (16) As secured or unsecured credit to cover the payment of
16 checks, drafts, or other funds transfer orders in excess of the
17 available balance of an account on which they are drawn,
18 subject to the regulations of the Commissioner.

19 (b) For purposes of this Section, "real estate" includes a
20 manufactured home as defined in subdivision (53) of Section
21 9-102 of the Uniform Commercial Code which is real property as
22 defined in Section 5-35 of the Conveyance and Encumbrance of
23 Manufactured Homes as Real Property and Severance Act.

24 (Source: P.A. 90-301, eff. 8-1-97; 91-97, eff. 7-9-99.)

25 (205 ILCS 205/6008) (from Ch. 17, par. 7306-8)

1 Sec. 6008. Purchase of real estate at forced sale. A
2 savings bank may purchase at any sheriff's or other judicial
3 sale, either public or private, any real estate upon which the
4 savings bank has any mortgage, lien or other encumbrance, or in
5 which the savings bank has any other interest. The savings bank
6 thereafter may repair, insure, improve, sell, convey, lease,
7 preserve, mortgage, exchange, or otherwise dispose of real
8 estate so acquired in the best interests of the savings bank.
9 For purposes of this Section, "real estate" includes a
10 manufactured home as defined in subdivision (53) of Section
11 9-102 of the Uniform Commercial Code which is real property as
12 defined in Section 5-35 of the Conveyance and Encumbrance of
13 Manufactured Homes as Real Property and Severance Act.

14 (Source: P.A. 86-1213.)

15 Section 10-40. The Illinois Credit Union Act is amended by
16 changing Sections 46 and 46.1 as follows:

17 (205 ILCS 305/46) (from Ch. 17, par. 4447)

18 Sec. 46. Loans and interest rate.

19 (1) A credit union may make loans to its members for such
20 purpose and upon such security and terms, including rates of
21 interest, as the credit committee, credit manager, or loan
22 officer approves. Notwithstanding the provisions of any other
23 law in connection with extensions of credit, a credit union may
24 elect to contract for and receive interest and fees and other

1 charges for extensions of credit subject only to the provisions
2 of this Act and rules promulgated under this Act, except that
3 extensions of credit secured by residential real estate shall
4 be subject to the laws applicable thereto. The rates of
5 interest to be charged on loans to members shall be set by the
6 board of directors of each individual credit union in
7 accordance with Section 30 of this Act and such rates may be
8 less than, but may not exceed, the maximum rate set forth in
9 this Section. A borrower may repay his loan prior to maturity,
10 in whole or in part, without penalty. The credit contract may
11 provide for the payment by the member and receipt by the credit
12 union of all costs and disbursements, including reasonable
13 attorney's fees and collection agency charges, incurred by the
14 credit union to collect or enforce the debt in the event of a
15 delinquency by the member, or in the event of a breach of any
16 obligation of the member under the credit contract. A
17 contingency or hourly arrangement established under an
18 agreement entered into by a credit union with an attorney or
19 collection agency to collect a loan of a member in default
20 shall be presumed prima facie reasonable.

21 (2) Credit unions may make loans based upon the security of
22 any interest or equity in real estate, subject to rules and
23 regulations promulgated by the Secretary. In any contract or
24 loan which is secured by a mortgage, deed of trust, or
25 conveyance in the nature of a mortgage, on residential real
26 estate, the interest which is computed, calculated, charged, or

1 collected pursuant to such contract or loan, or pursuant to any
2 regulation or rule promulgated pursuant to this Act, may not be
3 computed, calculated, charged or collected for any period of
4 time occurring after the date on which the total indebtedness,
5 with the exception of late payment penalties, is paid in full.

6 For purposes of this subsection (2) of this Section 46, a
7 prepayment shall mean the payment of the total indebtedness,
8 with the exception of late payment penalties if incurred or
9 charged, on any date before the date specified in the contract
10 or loan agreement on which the total indebtedness shall be paid
11 in full, or before the date on which all payments, if timely
12 made, shall have been made. In the event of a prepayment of the
13 indebtedness which is made on a date after the date on which
14 interest on the indebtedness was last computed, calculated,
15 charged, or collected but before the next date on which
16 interest on the indebtedness was to be calculated, computed,
17 charged, or collected, the lender may calculate, charge and
18 collect interest on the indebtedness for the period which
19 elapsed between the date on which the prepayment is made and
20 the date on which interest on the indebtedness was last
21 computed, calculated, charged or collected at a rate equal to
22 1/360 of the annual rate for each day which so elapsed, which
23 rate shall be applied to the indebtedness outstanding as of the
24 date of prepayment. The lender shall refund to the borrower any
25 interest charged or collected which exceeds that which the
26 lender may charge or collect pursuant to the preceding

1 sentence. The provisions of this amendatory Act of 1985 shall
2 apply only to contracts or loans entered into on or after the
3 effective date of this amendatory Act.

4 (3) Notwithstanding any other provision of this Act, a
5 credit union authorized under this Act to make loans secured by
6 an interest or equity in real estate may engage in making
7 "reverse mortgage" loans to persons for the purpose of making
8 home improvements or repairs, paying insurance premiums or
9 paying real estate taxes on the homestead properties of such
10 persons. If made, such loans shall be made on such terms and
11 conditions as the credit union shall determine and as shall be
12 consistent with the provisions of this Section and such rules
13 and regulations as the Secretary shall promulgate hereunder.
14 For purposes of this Section, a "reverse mortgage" loan shall
15 be a loan extended on the basis of existing equity in homestead
16 property and secured by a mortgage on such property. Such loans
17 shall be repaid upon the sale of the property or upon the death
18 of the owner or, if the property is in joint tenancy, upon the
19 death of the last surviving joint tenant who had such an
20 interest in the property at the time the loan was initiated,
21 provided, however, that the credit union and its member may by
22 mutual agreement, establish other repayment terms. A credit
23 union, in making a "reverse mortgage" loan, may add deferred
24 interest to principal or otherwise provide for the charging of
25 interest or premiums on such deferred interest. "Homestead"
26 property, for purposes of this Section, means the domicile and

1 contiguous real estate owned and occupied by the mortgagor.

2 (4) Notwithstanding any other provisions of this Act, a
3 credit union authorized under this Act to make loans secured by
4 an interest or equity in real property may engage in making
5 revolving credit loans secured by mortgages or deeds of trust
6 on such real property or by security assignments of beneficial
7 interests in land trusts.

8 For purposes of this Section, "revolving credit" has the
9 meaning defined in Section 4.1 of the Interest Act.

10 Any mortgage or deed of trust given to secure a revolving
11 credit loan may, and when so expressed therein shall, secure
12 not only the existing indebtedness but also such future
13 advances, whether such advances are obligatory or to be made at
14 the option of the lender, or otherwise, as are made within
15 twenty years from the date thereof, to the same extent as if
16 such future advances were made on the date of the execution of
17 such mortgage or deed of trust, although there may be no
18 advance made at the time of execution of such mortgage or other
19 instrument, and although there may be no indebtedness
20 outstanding at the time any advance is made. The lien of such
21 mortgage or deed of trust, as to third persons without actual
22 notice thereof, shall be valid as to all such indebtedness and
23 future advances from the time said mortgage or deed of trust is
24 filed for record in the office of the recorder of deeds or the
25 registrar of titles of the county where the real property
26 described therein is located. The total amount of indebtedness

1 that may be so secured may increase or decrease from time to
2 time, but the total unpaid balance so secured at any one time
3 shall not exceed a maximum principal amount which must be
4 specified in such mortgage or deed of trust, plus interest
5 thereon, and any disbursements made for the payment of taxes,
6 special assessments, or insurance on said real property, with
7 interest on such disbursements.

8 Any such mortgage or deed of trust shall be valid and have
9 priority over all subsequent liens and encumbrances, including
10 statutory liens, except taxes and assessments levied on said
11 real property.

12 (4-5) For purposes of this Section, "real estate" and "real
13 property" include a manufactured home as defined in subdivision
14 (53) of Section 9-102 of the Uniform Commercial Code which is
15 real property as defined in Section 5-35 of the Conveyance and
16 Encumbrance of Manufactured Homes as Real Property and
17 Severance Act.

18 (5) Compliance with federal or Illinois preemptive laws or
19 regulations governing loans made by a credit union chartered
20 under this Act shall constitute compliance with this Act.

21 (6) Credit unions may make residential real estate mortgage
22 loans on terms and conditions established by the United States
23 Department of Agriculture through its Rural Development
24 Housing and Community Facilities Program. The portion of any
25 loan in excess of the appraised value of the real estate shall
26 be allocable only to the guarantee fee required under the

1 program.

2 (Source: P.A. 96-141, eff. 8-7-09; 97-133, eff. 1-1-12.)

3 (205 ILCS 305/46.1) (from Ch. 17, par. 4447.1)

4 Sec. 46.1. Non-recourse reverse mortgage loans. Any credit
5 union authorized under this Act to make loans secured by an
6 interest or equity in real estate may make non-recourse reverse
7 mortgage loans as provided in Section 6.1 of the Illinois
8 Banking Act.

9 For purposes of this Section, "real estate" includes a
10 manufactured home as defined in subdivision (53) of Section
11 9-102 of the Uniform Commercial Code that is real property as
12 defined in Section 5-35 of the Conveyance and Encumbrance of
13 Manufactured Homes as Real Property and Severance Act.

14 (Source: P.A. 87-488.)

15 Section 10-45. The Residential Mortgage License Act of 1987
16 is amended by changing Section 1-4 as follows:

17 (205 ILCS 635/1-4)

18 Sec. 1-4. Definitions.

19 (a) "Residential real property" or "residential real
20 estate" shall mean any real property located in Illinois, upon
21 which is constructed or intended to be constructed a dwelling.
22 Those terms include a manufactured home as defined in
23 subdivision (53) of Section 9-102 of the Uniform Commercial

1 Code which is real property as defined in Section 5-35 of the
2 Conveyance and Encumbrance of Manufactured Homes as Real
3 Property and Severance Act.

4 (b) "Making a residential mortgage loan" or "funding a
5 residential mortgage loan" shall mean for compensation or gain,
6 either directly or indirectly, advancing funds or making a
7 commitment to advance funds to a loan applicant for a
8 residential mortgage loan.

9 (c) "Soliciting, processing, placing, or negotiating a
10 residential mortgage loan" shall mean for compensation or gain,
11 either directly or indirectly, accepting or offering to accept
12 an application for a residential mortgage loan, assisting or
13 offering to assist in the processing of an application for a
14 residential mortgage loan on behalf of a borrower, or
15 negotiating or offering to negotiate the terms or conditions of
16 a residential mortgage loan with a lender on behalf of a
17 borrower including, but not limited to, the submission of
18 credit packages for the approval of lenders, the preparation of
19 residential mortgage loan closing documents, including a
20 closing in the name of a broker.

21 (d) "Exempt person or entity" shall mean the following:

22 (1) (i) Any banking organization or foreign banking
23 corporation licensed by the Illinois Commissioner of Banks
24 and Real Estate or the United States Comptroller of the
25 Currency to transact business in this State; (ii) any
26 national bank, federally chartered savings and loan

1 association, federal savings bank, federal credit union;
2 (iii) any pension trust, bank trust, or bank trust company;
3 (iv) any bank, savings and loan association, savings bank,
4 or credit union organized under the laws of this or any
5 other state; (v) any Illinois Consumer Installment Loan Act
6 licensee; (vi) any insurance company authorized to
7 transact business in this State; (vii) any entity engaged
8 solely in commercial mortgage lending; (viii) any service
9 corporation of a savings and loan association or savings
10 bank organized under the laws of this State or the service
11 corporation of a federally chartered savings and loan
12 association or savings bank having its principal place of
13 business in this State, other than a service corporation
14 licensed or entitled to reciprocity under the Real Estate
15 License Act of 2000; or (ix) any first tier subsidiary of a
16 bank, the charter of which is issued under the Illinois
17 Banking Act by the Illinois Commissioner of Banks and Real
18 Estate, or the first tier subsidiary of a bank chartered by
19 the United States Comptroller of the Currency and that has
20 its principal place of business in this State, provided
21 that the first tier subsidiary is regularly examined by the
22 Illinois Commissioner of Banks and Real Estate or the
23 Comptroller of the Currency, or a consumer compliance
24 examination is regularly conducted by the Federal Reserve
25 Board.

26 (1.5) Any employee of a person or entity mentioned in

1 item (1) of this subsection, when acting for such person or
2 entity, or any registered mortgage loan originator when
3 acting for an entity described in subsection (tt) of this
4 Section.

5 (1.8) Any person or entity that does not originate
6 mortgage loans in the ordinary course of business, but
7 makes or acquires residential mortgage loans with his or
8 her own funds for his or her or its own investment without
9 intent to make, acquire, or resell more than 3 residential
10 mortgage loans in any one calendar year.

11 (2) (Blank).

12 (3) Any person employed by a licensee to assist in the
13 performance of the residential mortgage licensee's
14 activities regulated by this Act who is compensated in any
15 manner by only one licensee.

16 (4) (Blank).

17 (5) Any individual, corporation, partnership, or other
18 entity that originates, services, or brokers residential
19 mortgage loans, as these activities are defined in this
20 Act, and who or which receives no compensation for those
21 activities, subject to the Commissioner's regulations and
22 the federal Secure and Fair Enforcement for Mortgage
23 Licensing Act of 2008 and the rules promulgated under that
24 Act with regard to the nature and amount of compensation.

25 (6) (Blank).

26 (e) "Licensee" or "residential mortgage licensee" shall

1 mean a person, partnership, association, corporation, or any
2 other entity who or which is licensed pursuant to this Act to
3 engage in the activities regulated by this Act.

4 (f) "Mortgage loan" "residential mortgage loan" or "home
5 mortgage loan" shall mean any loan primarily for personal,
6 family, or household use that is secured by a mortgage, deed of
7 trust, or other equivalent consensual security interest on a
8 dwelling as defined in Section 103(v) of the federal Truth in
9 Lending Act, or residential real estate upon which is
10 constructed or intended to be constructed a dwelling.

11 (g) "Lender" shall mean any person, partnership,
12 association, corporation, or any other entity who either lends
13 or invests money in residential mortgage loans.

14 (h) "Ultimate equitable owner" shall mean a person who,
15 directly or indirectly, owns or controls an ownership interest
16 in a corporation, foreign corporation, alien business
17 organization, trust, or any other form of business organization
18 regardless of whether the person owns or controls the ownership
19 interest through one or more persons or one or more proxies,
20 powers of attorney, nominees, corporations, associations,
21 partnerships, trusts, joint stock companies, or other entities
22 or devices, or any combination thereof.

23 (i) "Residential mortgage financing transaction" shall
24 mean the negotiation, acquisition, sale, or arrangement for or
25 the offer to negotiate, acquire, sell, or arrange for, a
26 residential mortgage loan or residential mortgage loan

1 commitment.

2 (j) "Personal residence address" shall mean a street
3 address and shall not include a post office box number.

4 (k) "Residential mortgage loan commitment" shall mean a
5 contract for residential mortgage loan financing.

6 (l) "Party to a residential mortgage financing
7 transaction" shall mean a borrower, lender, or loan broker in a
8 residential mortgage financing transaction.

9 (m) "Payments" shall mean payment of all or any of the
10 following: principal, interest and escrow reserves for taxes,
11 insurance and other related reserves, and reimbursement for
12 lender advances.

13 (n) "Commissioner" shall mean the Commissioner of Banks and
14 Real Estate, except that, beginning on April 6, 2009 (the
15 effective date of Public Act 95-1047), all references in this
16 Act to the Commissioner of Banks and Real Estate are deemed, in
17 appropriate contexts, to be references to the Secretary of
18 Financial and Professional Regulation, or his or her designee,
19 including the Director of the Division of Banking of the
20 Department of Financial and Professional Regulation.

21 (n-1) "Director" shall mean the Director of the Division of
22 Banking of the Department of Financial and Professional
23 Regulation, except that, beginning on July 31, 2009 (the
24 effective date of Public Act 96-112), all references in this
25 Act to the Director are deemed, in appropriate contexts, to be
26 the Secretary of Financial and Professional Regulation, or his

1 or her designee, including the Director of the Division of
2 Banking of the Department of Financial and Professional
3 Regulation.

4 (o) "Loan brokering", "brokering", or "brokerage service"
5 shall mean the act of helping to obtain from another entity,
6 for a borrower, a loan secured by residential real estate
7 situated in Illinois or assisting a borrower in obtaining a
8 loan secured by residential real estate situated in Illinois in
9 return for consideration to be paid by either the borrower or
10 the lender including, but not limited to, contracting for the
11 delivery of residential mortgage loans to a third party lender
12 and soliciting, processing, placing, or negotiating
13 residential mortgage loans.

14 (p) "Loan broker" or "broker" shall mean a person,
15 partnership, association, corporation, or limited liability
16 company, other than those persons, partnerships, associations,
17 corporations, or limited liability companies exempted from
18 licensing pursuant to Section 1-4, subsection (d), of this Act,
19 who performs the activities described in subsections (c), (o),
20 and (yy) of this Section.

21 (q) "Servicing" shall mean the collection or remittance for
22 or the right or obligation to collect or remit for any lender,
23 noteowner, noteholder, or for a licensee's own account, of
24 payments, interests, principal, and trust items such as hazard
25 insurance and taxes on a residential mortgage loan in
26 accordance with the terms of the residential mortgage loan; and

1 includes loan payment follow-up, delinquency loan follow-up,
2 loan analysis and any notifications to the borrower that are
3 necessary to enable the borrower to keep the loan current and
4 in good standing. "Servicing" includes management of
5 third-party entities acting on behalf of a residential mortgage
6 licensee for the collection of delinquent payments and the use
7 by such third-party entities of said licensee's servicing
8 records or information, including their use in foreclosure.

9 (r) "Full service office" shall mean an office, provided by
10 the licensee and not subleased from the licensee's employees,
11 and staff in Illinois reasonably adequate to handle efficiently
12 communications, questions, and other matters relating to any
13 application for, or an existing home mortgage secured by
14 residential real estate situated in Illinois with respect to
15 which the licensee is brokering, funding originating,
16 purchasing, or servicing. The management and operation of each
17 full service office must include observance of good business
18 practices such as proper signage; adequate, organized, and
19 accurate books and records; ample phone lines, hours of
20 business, staff training and supervision, and provision for a
21 mechanism to resolve consumer inquiries, complaints, and
22 problems. The Commissioner shall issue regulations with regard
23 to these requirements and shall include an evaluation of
24 compliance with this Section in his or her periodic examination
25 of each licensee.

26 (s) "Purchasing" shall mean the purchase of conventional or

1 government-insured mortgage loans secured by residential real
2 estate situated in Illinois from either the lender or from the
3 secondary market.

4 (t) "Borrower" shall mean the person or persons who seek
5 the services of a loan broker, originator, or lender.

6 (u) "Originating" shall mean the issuing of commitments for
7 and funding of residential mortgage loans.

8 (v) "Loan brokerage agreement" shall mean a written
9 agreement in which a broker or loan broker agrees to do either
10 of the following:

11 (1) obtain a residential mortgage loan for the borrower
12 or assist the borrower in obtaining a residential mortgage
13 loan; or

14 (2) consider making a residential mortgage loan to the
15 borrower.

16 (w) "Advertisement" shall mean the attempt by publication,
17 dissemination, or circulation to induce, directly or
18 indirectly, any person to enter into a residential mortgage
19 loan agreement or residential mortgage loan brokerage
20 agreement relative to a mortgage secured by residential real
21 estate situated in Illinois.

22 (x) "Residential Mortgage Board" shall mean the
23 Residential Mortgage Board created in Section 1-5 of this Act.

24 (y) "Government-insured mortgage loan" shall mean any
25 mortgage loan made on the security of residential real estate
26 insured by the Department of Housing and Urban Development or

1 Farmers Home Loan Administration, or guaranteed by the Veterans
2 Administration.

3 (z) "Annual audit" shall mean a certified audit of the
4 licensee's books and records and systems of internal control
5 performed by a certified public accountant in accordance with
6 generally accepted accounting principles and generally
7 accepted auditing standards.

8 (aa) "Financial institution" shall mean a savings and loan
9 association, savings bank, credit union, or a bank organized
10 under the laws of Illinois or a savings and loan association,
11 savings bank, credit union or a bank organized under the laws
12 of the United States and headquartered in Illinois.

13 (bb) "Escrow agent" shall mean a third party, individual or
14 entity charged with the fiduciary obligation for holding escrow
15 funds on a residential mortgage loan pending final payout of
16 those funds in accordance with the terms of the residential
17 mortgage loan.

18 (cc) "Net worth" shall have the meaning ascribed thereto in
19 Section 3-5 of this Act.

20 (dd) "Affiliate" shall mean:

21 (1) any entity that directly controls or is controlled
22 by the licensee and any other company that is directly
23 affecting activities regulated by this Act that is
24 controlled by the company that controls the licensee;

25 (2) any entity:

26 (A) that is controlled, directly or indirectly, by

1 a trust or otherwise, by or for the benefit of
2 shareholders who beneficially or otherwise control,
3 directly or indirectly, by trust or otherwise, the
4 licensee or any company that controls the licensee; or

5 (B) a majority of the directors or trustees of
6 which constitute a majority of the persons holding any
7 such office with the licensee or any company that
8 controls the licensee;

9 (3) any company, including a real estate investment
10 trust, that is sponsored and advised on a contractual basis
11 by the licensee or any subsidiary or affiliate of the
12 licensee.

13 The Commissioner may define by rule and regulation any
14 terms used in this Act for the efficient and clear
15 administration of this Act.

16 (ee) "First tier subsidiary" shall be defined by regulation
17 incorporating the comparable definitions used by the Office of
18 the Comptroller of the Currency and the Illinois Commissioner
19 of Banks and Real Estate.

20 (ff) "Gross delinquency rate" means the quotient
21 determined by dividing (1) the sum of (i) the number of
22 government-insured residential mortgage loans funded or
23 purchased by a licensee in the preceding calendar year that are
24 delinquent and (ii) the number of conventional residential
25 mortgage loans funded or purchased by the licensee in the
26 preceding calendar year that are delinquent by (2) the sum of

1 (i) the number of government-insured residential mortgage
2 loans funded or purchased by the licensee in the preceding
3 calendar year and (ii) the number of conventional residential
4 mortgage loans funded or purchased by the licensee in the
5 preceding calendar year.

6 (gg) "Delinquency rate factor" means the factor set by rule
7 of the Commissioner that is multiplied by the average gross
8 delinquency rate of licensees, determined annually for the
9 immediately preceding calendar year, for the purpose of
10 determining which licensees shall be examined by the
11 Commissioner pursuant to subsection (b) of Section 4-8 of this
12 Act.

13 (hh) "Loan originator" means any natural person who, for
14 compensation or in the expectation of compensation, either
15 directly or indirectly makes, offers to make, solicits, places,
16 or negotiates a residential mortgage loan. This definition
17 applies only to Section 7-1 of this Act.

18 (ii) "Confidential supervisory information" means any
19 report of examination, visitation, or investigation prepared
20 by the Commissioner under this Act, any report of examination
21 visitation, or investigation prepared by the state regulatory
22 authority of another state that examines a licensee, any
23 document or record prepared or obtained in connection with or
24 relating to any examination, visitation, or investigation, and
25 any record prepared or obtained by the Commissioner to the
26 extent that the record summarizes or contains information

1 derived from any report, document, or record described in this
2 subsection. "Confidential supervisory information" does not
3 include any information or record routinely prepared by a
4 licensee and maintained in the ordinary course of business or
5 any information or record that is required to be made publicly
6 available pursuant to State or federal law or rule.

7 (jj) "Mortgage loan originator" means an individual who for
8 compensation or gain or in the expectation of compensation or
9 gain:

10 (i) takes a residential mortgage loan application; or

11 (ii) offers or negotiates terms of a residential
12 mortgage loan.

13 "Mortgage loan originator" includes an individual engaged
14 in loan modification activities as defined in subsection (yy)
15 of this Section. A mortgage loan originator engaged in loan
16 modification activities shall report those activities to the
17 Department of Financial and Professional Regulation in the
18 manner provided by the Department; however, the Department
19 shall not impose a fee for reporting, nor require any
20 additional qualifications to engage in those activities beyond
21 those provided pursuant to this Act for mortgage loan
22 originators.

23 "Mortgage loan originator" does not include an individual
24 engaged solely as a loan processor or underwriter except as
25 otherwise provided in subsection (d) of Section 7-1A of this
26 Act.

1 "Mortgage loan originator" does not include a person or
2 entity that only performs real estate brokerage activities and
3 is licensed in accordance with the Real Estate License Act of
4 2000, unless the person or entity is compensated by a lender, a
5 mortgage broker, or other mortgage loan originator, or by any
6 agent of that lender, mortgage broker, or other mortgage loan
7 originator.

8 "Mortgage loan originator" does not include a person or
9 entity solely involved in extensions of credit relating to
10 timeshare plans, as that term is defined in Section 101(53D) of
11 Title 11, United States Code.

12 (kk) "Depository institution" has the same meaning as in
13 Section 3 of the Federal Deposit Insurance Act, and includes
14 any credit union.

15 (ll) "Dwelling" means a residential structure or mobile
16 home which contains one to 4 family housing units, or
17 individual units of condominiums or cooperatives.

18 (mm) "Immediate family member" means a spouse, child,
19 sibling, parent, grandparent, or grandchild, and includes
20 step-parents, step-children, step-siblings, or adoptive
21 relationships.

22 (nn) "Individual" means a natural person.

23 (oo) "Loan processor or underwriter" means an individual
24 who performs clerical or support duties as an employee at the
25 direction of and subject to the supervision and instruction of
26 a person licensed, or exempt from licensing, under this Act.

1 "Clerical or support duties" includes subsequent to the receipt
2 of an application:

3 (i) the receipt, collection, distribution, and
4 analysis of information common for the processing or
5 underwriting of a residential mortgage loan; and

6 (ii) communicating with a consumer to obtain the
7 information necessary for the processing or underwriting
8 of a loan, to the extent that the communication does not
9 include offering or negotiating loan rates or terms, or
10 counseling consumers about residential mortgage loan rates
11 or terms. An individual engaging solely in loan processor
12 or underwriter activities shall not represent to the
13 public, through advertising or other means of
14 communicating or providing information, including the use
15 of business cards, stationery, brochures, signs, rate
16 lists, or other promotional items, that the individual can
17 or will perform any of the activities of a mortgage loan
18 originator.

19 (pp) "Nationwide Mortgage Licensing System and Registry"
20 means a mortgage licensing system developed and maintained by
21 the Conference of State Bank Supervisors and the American
22 Association of Residential Mortgage Regulators for the
23 licensing and registration of licensed mortgage loan
24 originators.

25 (qq) "Nontraditional mortgage product" means any mortgage
26 product other than a 30-year fixed rate mortgage.

1 (rr) "Person" means a natural person, corporation,
2 company, limited liability company, partnership, or
3 association.

4 (ss) "Real estate brokerage activity" means any activity
5 that involves offering or providing real estate brokerage
6 services to the public, including:

7 (1) acting as a real estate agent or real estate broker
8 for a buyer, seller, lessor, or lessee of real property;

9 (2) bringing together parties interested in the sale,
10 purchase, lease, rental, or exchange of real property;

11 (3) negotiating, on behalf of any party, any portion of
12 a contract relating to the sale, purchase, lease, rental,
13 or exchange of real property, other than in connection with
14 providing financing with respect to any such transaction;

15 (4) engaging in any activity for which a person engaged
16 in the activity is required to be registered or licensed as
17 a real estate agent or real estate broker under any
18 applicable law; or

19 (5) offering to engage in any activity, or act in any
20 capacity, described in this subsection (ss).

21 (tt) "Registered mortgage loan originator" means any
22 individual that:

23 (1) meets the definition of mortgage loan originator
24 and is an employee of:

25 (A) a depository institution;

26 (B) a subsidiary that is:

1 (i) owned and controlled by a depository
2 institution; and

3 (ii) regulated by a federal banking agency; or

4 (C) an institution regulated by the Farm Credit
5 Administration; and

6 (2) is registered with, and maintains a unique
7 identifier through, the Nationwide Mortgage Licensing
8 System and Registry.

9 (uu) "Unique identifier" means a number or other identifier
10 assigned by protocols established by the Nationwide Mortgage
11 Licensing System and Registry.

12 (vv) "Residential mortgage license" means a license issued
13 pursuant to Section 1-3, 2-2, or 2-6 of this Act.

14 (ww) "Mortgage loan originator license" means a license
15 issued pursuant to Section 7-1A, 7-3, or 7-6 of this Act.

16 (xx) "Secretary" means the Secretary of the Department of
17 Financial and Professional Regulation, or a person authorized
18 by the Secretary or by this Act to act in the Secretary's
19 stead.

20 (yy) "Loan modification" means, for compensation or gain,
21 either directly or indirectly offering or negotiating on behalf
22 of a borrower or homeowner to adjust the terms of a residential
23 mortgage loan in a manner not provided for in the original or
24 previously modified mortgage loan.

25 (zz) "Short sale facilitation" means, for compensation or
26 gain, either directly or indirectly offering or negotiating on

1 behalf of a borrower or homeowner to facilitate the sale of
2 residential real estate subject to one or more residential
3 mortgage loans or debts constituting liens on the property in
4 which the proceeds from selling the residential real estate
5 will fall short of the amount owed and the lien holders are
6 contacted to agree to release their lien on the residential
7 real estate and accept less than the full amount owed on the
8 debt.

9 (Source: P.A. 96-112, eff. 7-31-09; 96-1000, eff. 7-2-10;
10 96-1216, eff. 1-1-11; 97-143, eff. 7-14-11; 97-891, eff.
11 8-3-12.)

12 Section 10-50. The Mobile Home Park Act is amended by
13 changing Section 2.1 as follows:

14 (210 ILCS 115/2.1) (from Ch. 111 1/2, par. 712.1)

15 Sec. 2.1. "Manufactured home" means a factory-assembled,
16 completely integrated structure designed for permanent
17 habitation, with a permanent chassis, and so constructed as to
18 permit its transport, on wheels temporarily or permanently
19 attached to its frame, and is a movable or portable unit that
20 is (i) 8 body feet or more in width, (ii) 40 body feet or more
21 in length, and (iii) 320 or more square feet, constructed to be
22 towed on its own chassis (comprised of frame and wheels) from
23 the place of its construction to the location, or subsequent
24 locations, at which it is ~~installed and set up according to the~~

1 ~~manufacturer's instructions and~~ connected to utilities for
2 year-round occupancy for use as a permanent habitation, and
3 designed and situated so as to permit its occupancy as a
4 dwelling place for one or more persons, and specifically
5 includes a "manufactured home" as defined in subdivision (53)
6 of Section 9-102 of the Uniform Commercial Code. The term shall
7 include units containing parts that may be folded, collapsed,
8 or telescoped when being towed and that may be expected to
9 provide additional cubic capacity, and that are designed to be
10 joined into one integral unit capable of being separated again
11 into the components for repeated towing. The term excludes
12 campers and recreational vehicles. The term "mobile home" shall
13 not include modular homes and their support systems. The words
14 "mobile home" and "manufactured home" are synonymous for the
15 purposes of this Act.

16 (Source: P.A. 96-1477, eff. 1-1-11.)

17 Section 10-55. The Abandoned Mobile Home Act is amended by
18 changing Section 10 as follows:

19 (210 ILCS 117/10)

20 Sec. 10. Definitions. As used in this Act:

21 "Manufactured home" means a factory-assembled, completely
22 integrated structure designed for permanent habitation, with a
23 permanent chassis, and so constructed as to permit its
24 transport, on wheels temporarily or permanently attached to its

1 frame, and is a movable or portable unit that is (i) 8 body
2 feet or more in width, (ii) 40 body feet or more in length, and
3 (iii) 320 or more square feet, constructed to be towed on its
4 own chassis (comprised of frame and wheels) from the place of
5 its construction to the location, or subsequent locations, at
6 which it is ~~installed and set up according to the~~
7 ~~manufacturer's instructions and~~ connected to utilities for
8 year-round occupancy for use as a permanent habitation, and
9 designed and situated so as to permit its occupancy as a
10 dwelling place for one or more persons, and specifically
11 includes a "manufactured home" as defined in subdivision (53)
12 of Section 9-102 of the Uniform Commercial Code. The term shall
13 include units containing parts that may be folded, collapsed,
14 or telescoped when being towed and that may be expected to
15 provide additional cubic capacity, and that are designed to be
16 joined into one integral unit capable of being separated again
17 into the components for repeated towing. The term excludes
18 campers and recreational vehicles. The words "mobile home" and
19 "manufactured home" are synonymous for the purposes of this
20 Act.

21 "Abandoned mobile home" means a mobile home located inside
22 a mobile home park that has no owner currently residing in the
23 mobile home or authorized tenant of the owner currently
24 residing in the mobile home to the best knowledge of the
25 municipality; has had its electricity, natural gas, sewer, and
26 water payments declared delinquent by the utility companies

1 that are providing such services; and for which the Mobile Home
2 Privilege Tax, imposed under the Mobile Home Local Services Tax
3 Act, is delinquent for at least 3 months. A mobile home
4 abandoned outside a mobile home park must be treated like other
5 real property for condemnation purposes.

6 "Municipality" means any city, village, incorporated town,
7 or its duly authorized agent. If an abandoned mobile home is
8 located in an unincorporated area, the county where the mobile
9 home is located shall have all powers granted to a municipality
10 under this Act.

11 (Source: P.A. 96-1477, eff. 1-1-11.)

12 Section 10-60. The Illinois Manufactured Housing and
13 Mobile Home Safety Act is amended by changing Section 2 as
14 follows:

15 (430 ILCS 115/2) (from Ch. 67 1/2, par. 502)

16 Sec. 2. Unless clearly indicated otherwise by the context,
17 the following words and terms when used in this Act, for the
18 purpose of this Act, shall have the following meanings:

19 (a) "Manufactured home" means a manufactured home as
20 defined in subdivision (53) of Section 9-102 of the Uniform
21 Commercial Code. "Mobile home" means a factory-assembled,
22 completely integrated structure, constructed on or before June
23 30, 1976, designed for permanent habitation, with a permanent
24 chassis, and so constructed as to permit its transport, on

1 wheels temporarily or permanently attached to its frame, that
2 is a movable or portable unit that is constructed to be towed
3 on its own chassis (comprised of frame and wheels) from the
4 place of its construction to the location, or subsequent
5 locations, at which it is connected to utilities for year-round
6 occupancy for use as a permanent habitation, and designed and
7 situated so as to permit its occupancy as a dwelling place for
8 one or more persons. ~~a factory assembled, completely~~
9 ~~integrated structure designed for permanent habitation, with a~~
10 ~~permanent chassis, and so constructed as to permit its~~
11 ~~transport, on wheels temporarily or permanently attached to its~~
12 ~~frame, and is a movable or portable unit that is (i) 8 body~~
13 ~~feet or more in width, (ii) 40 body feet or more in length, and~~
14 ~~(iii) 320 or more square feet, constructed to be towed on its~~
15 ~~own chassis (comprised of frame and wheels) from the place of~~
16 ~~its construction to the location, or subsequent locations, at~~
17 ~~which it is installed and set up according to the~~
18 ~~manufacturer's instructions and connected to utilities for~~
19 ~~year round occupancy for use as a permanent habitation, and~~
20 ~~designed and situated so as to permit its occupancy as a~~
21 ~~dwelling place for one or more persons.~~ The terms "manufactured
22 home" and "mobile home" term shall include units otherwise
23 meeting their respective definitions containing parts that may
24 be folded, collapsed, or telescoped when being towed and that
25 may be expected to provide additional cubic capacity, and that
26 are designed to be joined into one integral unit capable of

1 being separated again into the components for repeated towing.
2 The terms "mobile home" and "manufactured home" exclude ~~term~~
3 ~~excludes~~ campers and recreational vehicles. The terms "mobile
4 home" and "manufactured home" do not include modular homes or
5 manufactured housing units.

6 (b) "Person" means a person, partnership, corporation, or
7 other legal entity.

8 (c) "Manufacturer" means any person who manufactures
9 mobile homes or manufactured housing at the place or places,
10 either on or away from the building site, at which machinery,
11 equipment and other capital goods are assembled and operated
12 for the purpose of making, fabricating, forming or assembling
13 mobile homes or manufactured housing.

14 (d) "Department" means the Department of Public Health.

15 (e) "Director" means the Director of the Department of
16 Public Health.

17 (f) "Dealer" means any person, other than a manufacturer,
18 as defined in this Act, who sells 3 or more mobile homes or
19 manufactured housing units in any consecutive 12-month period.

20 (g) "Codes" means the safety codes for manufactured housing
21 and mobile homes promulgated by the Department. The Codes shall
22 contain the standards and requirements for manufactured
23 housing and mobile homes so that adequate performance for the
24 intended use is made the test of acceptability. The Code of
25 Standards shall permit the use of new and used technology,
26 techniques, methods and materials, for both manufactured

1 housing and mobile homes, consistent with recognized and
2 accepted codes and standards developed by the International
3 Code Council (ICC) or by the organizations that formed the ICC
4 in 1994: Building Officials and Code Administrators, the
5 International Conference of Building Officials, the Southern
6 Building Codes Congress International, the National Fire
7 Protection Association, the International Association of
8 Plumbing and Mechanical Officials, the American National
9 Standards Institute, the Illinois State Plumbing Code, and the
10 United States Department of Housing and Urban Development,
11 hereinafter referred to as "HUD", applying to manufactured
12 housing and mobile homes installed and set up according to the
13 manufacturer's instructions. A copy of said safety codes,
14 including said revisions thereof is on file with the
15 Department.

16 (h) "Seal" means a device or insignia issued by the
17 Department to be displayed on the exterior of the mobile home
18 or the interior of a manufactured housing unit or modular home
19 to evidence compliance with the applicable safety code.

20 (i) "Modular home" means a building assembly or system of
21 building sub-assemblies, designed for habitation as a dwelling
22 for one or more persons, including the necessary electrical,
23 plumbing, heating, ventilating and other service systems,
24 which is of closed or open construction and which is made or
25 assembled by a manufacturer, on or off the building site, for
26 installation, or assembly and installation, on the building

1 site, installed and set up according to the manufacturer's
2 instructions on an approved foundation and support system. The
3 construction of modular dwelling units located in Illinois is
4 regulated by the Illinois Department of Public Health.

5 (j) "Closed construction" is any building, component,
6 assembly or system manufactured in such a manner that all
7 portions cannot readily be inspected at the installation site
8 without disassembly, damage to, or destruction thereof.

9 (k) "Open construction" is any building, component,
10 assembly or system manufactured in such a manner that all
11 portions can be readily inspected at the installation site
12 without disassembly, damage to, or destruction thereof.

13 (l) "Approved foundation and support system" means, for a
14 modular home or modular dwelling unit, a closed perimeter
15 formation consisting of materials such as concrete, mortared
16 concrete block, or mortared brick extending into the ground
17 below the frost line which shall include, but not necessarily
18 be limited to, cellars, basements, or crawl spaces, and does
19 include the use of piers supporting the marriage wall of the
20 home that extend below the frost line.

21 (m) "Code compliance certificate" means the certificate
22 provided by the manufacturer to the Department that warrants
23 that the manufactured housing unit or mobile home complies with
24 the applicable code.

25 (n) "Manufactured housing", "manufactured housing unit",
26 "modular dwelling", and "modular home" shall not be confused

1 with "manufactured home" or "mobile home".

2 (Source: P.A. 96-1477, eff. 1-1-11.)

3 Section 10-65. The Manufactured Home Quality Assurance Act
4 is amended by changing Section 10 as follows:

5 (430 ILCS 117/10)

6 Sec. 10. Definitions. In this Act:

7 "Department" means the Illinois Department of Public
8 Health.

9 "Licensed installer" means a person who has successfully
10 completed a manufactured home installation course approved by
11 the Department and paid the required fees.

12 "Manufactured home" means a "manufactured home", as
13 defined in subdivision (53) of Section 9-102 of the Uniform
14 Commercial Code. "Mobile home" means a factory-assembled,
15 completely integrated structure, constructed on or before June
16 30, 1976, designed for permanent habitation, with a permanent
17 chassis, and so constructed as to permit its transport, on
18 wheels temporarily or permanently attached to its frame, that
19 is a movable or portable unit that is constructed to be towed
20 on its own chassis (comprised of frame and wheels) from the
21 place of its construction to the location, or subsequent
22 locations, at which it is connected to utilities for year-round
23 occupancy for use as a permanent habitation, and designed and
24 situated so as to permit its occupancy as a dwelling place for

1 one or more persons. ~~a factory assembled, completely~~
2 ~~integrated structure designed for permanent habitation, with a~~
3 ~~permanent chassis, and so constructed as to permit its~~
4 ~~transport, on wheels temporarily or permanently attached to its~~
5 ~~frame, and is a movable or portable unit that is (i) 8 body~~
6 ~~feet or more in width, (ii) 40 body feet or more in length, and~~
7 ~~(iii) 320 or more square feet, constructed to be towed on its~~
8 ~~own chassis (comprised of frame and wheels) from the place of~~
9 ~~its construction to the location, or subsequent locations, at~~
10 ~~which it is installed and set up according to the~~
11 ~~manufacturer's instructions and connected to utilities for~~
12 ~~year-round occupancy for use as a permanent habitation, and~~
13 ~~designed and situated so as to permit its occupancy as a~~
14 ~~dwelling place for one or more persons.~~ The terms "manufactured
15 home" and "mobile home" term shall include units otherwise
16 meeting their respective definitions containing parts that may
17 be folded, collapsed, or telescoped when being towed and that
18 may be expected to provide additional cubic capacity, and that
19 are designed to be joined into one integral unit capable of
20 being separated again into the components for repeated towing.
21 The terms "manufactured home" and "mobile home" exclude term
22 ~~excludes~~ campers and recreational vehicles.

23 "Manufacturer" means a manufacturer of a manufactured
24 home, whether the manufacturer is located within or outside of
25 the State of Illinois.

26 "Mobile home" or "manufactured home" does not include a

1 modular home.

2 "Mobile home park" means a tract of land or 2 contiguous
3 tracts of land that contain sites with the necessary utilities
4 for 5 or more mobile homes or manufactured homes. A mobile home
5 park may be operated either free of charge or for revenue
6 purposes.

7 (Source: P.A. 96-1477, eff. 1-1-11.)

8 Section 10-70. The Illinois Vehicle Code is amended by
9 changing Sections 3-100, 3-102, 3-103, 3-104, 3-106, 3-107,
10 3-109, 3-110, 3-116, 3-202, 3-205, 3-207, and 3-208 and by
11 adding Sections 1-144.03, 3-116.1, 3-116.2, and 3-116.3 as
12 follows:

13 (625 ILCS 5/1-144.03 new)

14 Sec. 1-144.03. Mobile home or manufactured home. A mobile
15 home or manufactured home means a manufactured home as defined
16 in subdivision (53) of Section 9-102 of the Uniform Commercial
17 Code.

18 (625 ILCS 5/3-100) (from Ch. 95 1/2, par. 3-100)

19 Sec. 3-100. Definitions. For the purposes of this Chapter,
20 the following words shall have the meanings ascribed to them:

21 "Electronic" includes electrical, digital, magnetic,
22 optical, electromagnetic, or any other form of technology that
23 entails capabilities similar to these technologies.

1 "Electronic record" means a record generated,
2 communicated, received, or stored by electronic means for use
3 in an information system or for transmission from one
4 information system to another.

5 "Electronic signature" means a signature in electronic
6 form attached to or logically associated with an electronic
7 record.

8 "Owner" means a person who holds legal document of
9 ownership of a vehicle, limited to a certificate of origin,
10 certificate of title, salvage certificate, or junking
11 certificate. However, in the event a vehicle is the subject of
12 an agreement for the conditional sale or lease thereof with the
13 right of purchase upon performance of the conditions stated in
14 the agreement and with an immediate right of possession vested
15 in the conditional vendee or lessee, or in the event a
16 mortgagor of such vehicle is entitled to possession, then such
17 conditional vendee or lessee or mortgagor shall be deemed the
18 owner for the purpose of this Chapter, except as provided under
19 paragraph (c) of Section 3-118.

20 "Record" means information that is inscribed, stored, or
21 otherwise fixed on a tangible medium or that is stored in an
22 electronic or other medium and is retrievable in perceivable
23 form.

24 "Signature" or "signed" includes any symbol executed or
25 adopted, or any security procedure employed or adopted, using
26 electronic means or otherwise, by or on behalf of a person with

1 intent to authenticate a record.

2 "Vehicle" means a vehicle as defined in Section 1-217 of
3 this Code. Unless otherwise specified, "vehicle" also means a
4 "manufactured home" as defined in Section 1-144.03 of this
5 Code.

6 (Source: P.A. 91-79, eff. 1-1-00; 91-357, eff. 7-29-99; 91-772,
7 eff. 1-1-01.)

8 (625 ILCS 5/3-102) (from Ch. 95 1/2, par. 3-102)

9 Sec. 3-102. Exclusions.

10 No certificate of title need be obtained for:

11 1. A vehicle owned by the State of Illinois; or a vehicle
12 owned by the United States unless it is registered in this
13 State;

14 2. A vehicle owned by a manufacturer or dealer and held for
15 sale, even though incidentally moved on the highway or used for
16 purposes of testing or demonstration, provided a dealer
17 reassignment area is still available on the manufacturer's
18 certificate of origin or the Illinois title; or a vehicle used
19 by a manufacturer solely for testing;

20 3. A vehicle owned by a non-resident of this State and not
21 required by law to be registered in this State;

22 4. A motor vehicle regularly engaged in the interstate
23 transportation of persons or property for which a currently
24 effective certificate of title has been issued in another
25 State;

- 1 5. A vehicle moved solely by animal power;
- 2 6. An implement of husbandry;
- 3 7. Special mobile equipment;
- 4 8. An apportionable trailer or an apportionable
5 semitrailer registered in the State prior to April 1, 1998.
- 6 9. A manufactured home for which an affidavit of affixation
7 has been recorded pursuant to the Conveyance and Encumbrance of
8 Manufactured Homes as Real Property and Severance Act unless
9 with respect to the same manufactured home there has been
10 recorded an affidavit of severance pursuant to that Act.

11 (Source: P.A. 91-441, eff. 1-1-00.)

12 (625 ILCS 5/3-103) (from Ch. 95 1/2, par. 3-103)

13 Sec. 3-103. Optional certificate of title.

14 (a) The owner of an implement of husbandry or special
15 mobile equipment may apply for and obtain a certificate of
16 title on it. All of the provisions of this chapter, except part
17 (e) of Section 3-104, are applicable to a certificate of title
18 so issued, except that a person who receives a transfer of an
19 interest in the vehicle without knowledge of the certificate of
20 title is not prejudiced by reason of the existence of the
21 certificate, and the perfection of a security interest under
22 this act is not effective until the lienholder has complied
23 with the provisions of applicable law which otherwise relate to
24 the perfection of security interests in personal property.

25 An application for an optional certificate of title must be

1 accompanied by either an exemption determination from the
2 Department of Revenue showing that no tax imposed under the
3 "Use Tax Act" or the "Retailers' Occupation Tax Act" is owed by
4 anyone with respect to that vehicle or by a receipt from the
5 Department of Revenue showing that any tax so imposed has been
6 paid. No optional certificate of title shall be issued in the
7 absence of such a receipt or exemption determination.

8 If the proof of payment or of nonliability is, after the
9 issuance of the optional certificate of title, found to be
10 invalid, the Secretary of State shall revoke the optional
11 certificate of title and require that it be returned to him.

12 (b) The owner of a manufactured home which is affixed to a
13 permanent foundation and for which a certificate of title has
14 not previously been issued and surrendered for cancellation may
15 apply for a certificate of title, including, if applicable, a
16 certificate of title issued in accordance with subsection (b)
17 of Section 3-109, which shall be issued for the sole purpose of
18 (i) surrendering such certificate of title for cancellation in
19 accordance with Section 3-116.2 or (ii) satisfying the
20 requirements of subdivision (e)(4) of Section 9-334 of the
21 Uniform Commercial Code. The Secretary of State shall issue a
22 certificate of title, in accordance with this Chapter, upon
23 satisfaction of the application requirements of this Code.

24 (Source: P.A. 78-1165.)

25 (625 ILCS 5/3-104) (from Ch. 95 1/2, par. 3-104)

1 Sec. 3-104. Application for certificate of title.

2 (a) The application for a certificate of title for a
3 vehicle in this State must be made by the owner to the
4 Secretary of State on the form prescribed and must contain:

5 1. The name, Illinois residence and mail address of the
6 owner;

7 2. A description of the vehicle including, so far as
8 the following data exists: Its make, year-model,
9 identifying number, type of body, whether new or used, as
10 to house trailers as defined in Section 1-128 of this
11 Code,and as to manufactured homes as defined in Section
12 1-144.03 of this Code, the square footage ~~of the house~~
13 ~~trailer~~ based upon the outside dimensions ~~of the house~~
14 ~~trailer~~ excluding the length of the tongue and hitch, and,
15 as to vehicles of the second division, whether for-hire,
16 not-for-hire, or both for-hire and not-for-hire;

17 3. The date of purchase by applicant and, if
18 applicable, the name and address of the person from whom
19 the vehicle was acquired and the names and addresses of any
20 lienholders in the order of their priority and signatures
21 of owners;

22 4. The current odometer reading at the time of transfer
23 and that the stated odometer reading is one of the
24 following: actual mileage, not the actual mileage or
25 mileage is in excess of its mechanical limits; and

26 5. Any further information the Secretary of State

1 reasonably requires to identify the vehicle and to enable
2 him to determine whether the owner is entitled to a
3 certificate of title and the existence or nonexistence of
4 security interests in the vehicle.

5 (a-5) The Secretary of State shall designate on the
6 prescribed application form a space where the owner of a
7 vehicle may designate a beneficiary, to whom ownership of the
8 vehicle shall pass in the event of the owner's death.

9 (b) If the application refers to a vehicle purchased from a
10 dealer, it must also be signed by the dealer as well as the
11 owner, and the dealer must promptly mail or deliver the
12 application and required documents to the Secretary of State.

13 (c) If the application refers to a vehicle last previously
14 registered in another State or country, the application must
15 contain or be accompanied by:

16 1. Any certified document of ownership so recognized
17 and issued by the other State or country and acceptable to
18 the Secretary of State, and

19 2. Any other information and documents the Secretary of
20 State reasonably requires to establish the ownership of the
21 vehicle and the existence or nonexistence of security
22 interests in it.

23 (d) If the application refers to a new vehicle it must be
24 accompanied by the Manufacturer's Statement of Origin, or other
25 documents as required and acceptable by the Secretary of State,
26 with such assignments as may be necessary to show title in the

1 applicant.

2 (e) If an application refers to a vehicle rebuilt from a
3 vehicle previously salvaged, that application shall comply
4 with the provisions set forth in Sections 3-302 through 3-304
5 of this Code.

6 (f) An application for a certificate of title for any
7 vehicle, whether purchased in Illinois or outside Illinois, and
8 even if previously registered in another State, must be
9 accompanied by either an exemption determination from the
10 Department of Revenue showing that no tax imposed pursuant to
11 the Use Tax Act or the vehicle use tax imposed by Section
12 3-1001 of the Illinois Vehicle Code is owed by anyone with
13 respect to that vehicle, or a receipt from the Department of
14 Revenue showing that any tax so imposed has been paid. An
15 application for a certificate of title for any vehicle
16 purchased outside Illinois, even if previously registered in
17 another state, must be accompanied by either an exemption
18 determination from the Department of Revenue showing that no
19 tax imposed pursuant to the Municipal Use Tax Act or the County
20 Use Tax Act is owed by anyone with respect to that vehicle, or
21 a receipt from the Department of Revenue showing that any tax
22 so imposed has been paid. In the absence of such a receipt for
23 payment or determination of exemption from the Department, no
24 certificate of title shall be issued to the applicant.

25 If the proof of payment of the tax or of nonliability
26 therefor is, after the issuance of the certificate of title and

1 display certificate of title, found to be invalid, the
2 Secretary of State shall revoke the certificate and require
3 that the certificate of title and, when applicable, the display
4 certificate of title be returned to him.

5 (g) If the application refers to a vehicle not manufactured
6 in accordance with federal safety and emission standards, the
7 application must be accompanied by all documents required by
8 federal governmental agencies to meet their standards before a
9 vehicle is allowed to be issued title and registration.

10 (h) If the application refers to a vehicle sold at public
11 sale by a sheriff, it must be accompanied by the required fee
12 and a bill of sale issued and signed by a sheriff. The bill of
13 sale must identify the new owner's name and address, the year
14 model, make and vehicle identification number of the vehicle,
15 court order document number authorizing such sale, if
16 applicable, and the name and address of any lienholders in
17 order of priority, if applicable.

18 (i) If the application refers to a vehicle for which a
19 court of law determined the ownership, it must be accompanied
20 with a certified copy of such court order and the required fee.
21 The court order must indicate the new owner's name and address,
22 the complete description of the vehicle, if known, the name and
23 address of the lienholder, if any, and must be signed and dated
24 by the judge issuing such order.

25 (j) If the application refers to a vehicle sold at public
26 auction pursuant to the Labor and Storage Lien (Small Amount)

1 Act, it must be accompanied by an affidavit or affirmation
2 furnished by the Secretary of State along with the documents
3 described in the affidavit or affirmation and the required fee.

4 (k) The Secretary may provide an expedited process for the
5 issuance of vehicle titles. Expedited title applications must
6 be delivered to the Secretary of State's Vehicle Services
7 Department in Springfield by express mail service or hand
8 delivery. Applications must be complete, including necessary
9 forms, fees, and taxes. Applications received before noon on a
10 business day will be processed and shipped that same day.
11 Applications received after noon on a business day will be
12 processed and shipped the next business day. The Secretary
13 shall charge an additional fee of \$30 for this service, and
14 that fee shall cover the cost of return shipping via an express
15 mail service. All fees collected by the Secretary of State for
16 expedited services shall be deposited into the Motor Vehicle
17 License Plate Fund. In the event the Vehicle Services
18 Department determines that the volume of expedited title
19 requests received on a given day exceeds the ability of the
20 Vehicle Services Department to process those requests in an
21 expedited manner, the Vehicle Services Department may decline
22 to provide expedited services, and the additional fee for the
23 expedited service shall be refunded to the applicant.

24 (l) If the application refers to a homemade trailer, (i) it
25 must be accompanied by the appropriate documentation regarding
26 the source of materials used in the construction of the

1 trailer, as required by the Secretary of State, (ii) the
2 trailer must be inspected by a Secretary of State employee
3 prior to the issuance of the title, and (iii) upon approval of
4 the Secretary of State, the trailer must have a vehicle
5 identification number, as provided by the Secretary of State,
6 stamped or riveted to the frame.

7 (m) The holder of a Manufacturer's Statement of Origin to a
8 manufactured home may deliver it to any person to facilitate
9 conveying or encumbering the manufactured home. Any person
10 receiving any such Manufacturer's Statement of Origin so
11 delivered holds it in trust for the person delivering it.

12 (n) Within 45 days after the completion of the first retail
13 sale of a manufactured home, the Manufacturer's Statement of
14 Origin to that manufactured home must be surrendered to the
15 Secretary of State either in conjunction with an application
16 for a certificate of title for that manufactured home or in
17 accordance with Section 3-116.1.

18 (Source: P.A. 96-519, eff. 1-1-10; 96-554, eff. 1-1-10;
19 96-1000, eff. 7-2-10; 97-918, eff. 1-1-13.)

20 (625 ILCS 5/3-106) (from Ch. 95 1/2, par. 3-106)

21 Sec. 3-106. Certificate of title - Issuance - Records. (a)
22 The Secretary of State shall file each application received
23 and, when satisfied as to its genuineness and regularity, and
24 that no tax imposed by the "Use Tax Act" or the vehicle use
25 tax, as imposed by Section 3-1001 of "The Illinois Vehicle

1 Code", or pursuant to the "Municipal Use Tax Act" or pursuant
2 to the "County Use Tax Act" is owed as evidenced by the receipt
3 for payment or determination of exemption from the Department
4 of Revenue provided for in Section 3-104 of this Act, and that
5 the applicant is entitled to the issuance of a certificate of
6 title, shall issue a certificate of title of the vehicle.

7 (b) The Secretary of State shall maintain a record of all
8 certificates of title issued by him under a distinctive title
9 number assigned to the vehicle; and, in the discretion of the
10 Secretary of State, in any other method determined.

11 (c) The Secretary of State shall not issue a certificate of
12 title, including a certificate of title issued in accordance
13 with subsection (b) of Section 3-109, to a manufactured home
14 for which there has been recorded an affidavit of affixation
15 pursuant to the Conveyance and Encumbrance of Manufactured
16 Homes as Real Property and Severance Act unless with respect to
17 the same manufactured home there has been recorded an affidavit
18 of severance pursuant to the Conveyance and Encumbrance of
19 Manufactured Homes as Real Property and Severance Act.

20 (d) The Secretary of State shall file, upon receipt, each
21 affidavit of affixation and each affidavit of severance
22 relating to a manufactured home that is delivered in accordance
23 with the Conveyance and Encumbrance of Manufactured Homes as
24 Real Property and Severance Act, when satisfied as to its
25 genuineness and regularity.

26 (e) The Secretary of State shall maintain a record of each

1 affidavit of affixation and each affidavit of severance filed
2 in accordance with subsection (d) of this Section. The record
3 shall state the name of the owner of the related manufactured
4 home, the name of manufacturer, model year, manufacturer's
5 serial number, and any other data the Secretary of State
6 prescribes.

7 (f) The Secretary of State shall file, upon receipt, each
8 application for surrender of the Manufacturer's Statement of
9 Origin relating to a manufactured home that is delivered in
10 accordance with Section 3-116.1, when satisfied as to its
11 genuineness and regularity.

12 (g) The Secretary of State shall file, upon receipt, each
13 application for surrender of the certificate of title relating
14 to a manufactured home that is delivered in accordance with
15 Section 3-116.2, when satisfied as to its genuineness and
16 regularity.

17 (h) The Secretary of State shall maintain a record,
18 including a record in the form of a searchable electronic
19 database accessible to the public, of each Manufacturer's
20 Statement of Origin accepted for surrender as provided in
21 Section 3-116.1. The record shall state the date the
22 Manufacturer's Statement of Origin was accepted for surrender,
23 the name of manufacturer, make, model name, model year,
24 manufacturer's serial number, and any other data the Secretary
25 of State prescribes.

26 (i) The Secretary of State shall maintain a record,

1 including a record in the form of a searchable electronic
2 database accessible to the public, of each manufactured home
3 certificate of title accepted for surrender as provided in
4 Section 3-116.2. The record shall state the date the
5 certificate of title was accepted for surrender, the name of
6 manufacturer, model year, manufacturer's serial number, and
7 any other data the Secretary of State prescribes.

8 (Source: P.A. 86-444.)

9 (625 ILCS 5/3-107) (from Ch. 95 1/2, par. 3-107)

10 Sec. 3-107. Contents and effect.

11 (a) Each certificate of title issued by the Secretary of
12 State shall contain:

13 1. the date issued;

14 2. the name and address of the owner;

15 3. the names and addresses of any lienholders, in the
16 order of priority as shown on the application or, if the
17 application is based on a certificate of title, as shown on
18 the certificate;

19 4. the title number assigned to the vehicle;

20 5. a description of the vehicle including, so far as
21 the following data exists: its make, year-model,
22 identifying number, type of body, whether new or used, as
23 to house trailers as defined in Section 1-128 of this Code,
24 and as to manufactured homes as defined in Section 1-144.03
25 of this Code, the square footage of the vehicle based upon

1 the outside dimensions ~~of the house trailer~~ excluding the
2 length of the tongue and hitch, and, if a new vehicle, the
3 date of the first sale of the vehicle for use;

4 6. an odometer certification as provided for in this
5 Code; and

6 7. any other data the Secretary of State prescribes.

7 (a-5) In the event the applicant seeks to have the vehicle
8 titled as a custom vehicle or street rod, that fact must be
9 stated in the application. The custom vehicle or street rod
10 must be inspected as required by Section 3-406 of this Code
11 prior to issuance of the title. Upon successful completion of
12 the inspection, the vehicle may be titled in the following
13 manner. The make of the vehicle shall be listed as the make of
14 the actual vehicle or the make it is designed to resemble
15 (e.g., Ford or Chevrolet); the model of the vehicle shall be
16 listed as custom vehicle or street rod; and the year of the
17 vehicle shall be listed as the year the actual vehicle was
18 manufactured or the year it is designed to resemble. A vehicle
19 previously titled as other than a custom vehicle or street rod
20 may be issued a corrected title reflecting the custom vehicle
21 or street rod model if it otherwise meets the requirements for
22 the designation.

23 (b) The certificate of title shall contain forms for
24 assignment and warranty of title by the owner, and for
25 assignment and warranty of title by a dealer, and may contain
26 forms for applications for a certificate of title by a

1 transferee, the naming of a lienholder and the assignment or
2 release of the security interest of a lienholder.

3 (b-5) The Secretary of State shall designate on a
4 certificate of title a space where the owner of a vehicle may
5 designate a beneficiary, to whom ownership of the vehicle shall
6 pass in the event of the owner's death.

7 (c) A certificate of title issued by the Secretary of State
8 is prima facie evidence of the facts appearing on it.

9 (d) A certificate of title for a vehicle is not subject to
10 garnishment, attachment, execution or other judicial process,
11 but this subsection does not prevent a lawful levy upon the
12 vehicle.

13 (e) Any certificate of title issued by the Secretary of
14 State is subject to a lien in favor of the State of Illinois
15 for any fees or taxes required to be paid under this Act and as
16 have not been paid, as provided for in this Code.

17 (f) Notwithstanding any other provision of law, a
18 certificate of title issued by the Secretary of State to a
19 manufactured home is prima facie evidence of the facts
20 appearing on it, notwithstanding the fact that such
21 manufactured home, at any time, shall have become affixed in
22 any manner to real property.

23 (Source: P.A. 95-784, eff. 1-1-09; 96-487, eff. 1-1-10.)

24 (625 ILCS 5/3-109) (from Ch. 95 1/2, par. 3-109)

25 Sec. 3-109. Registration without certificate of title;

1 bond. If the Secretary of State is not satisfied as to the
2 ownership of the vehicle, including but not limited to, in the
3 case of a manufactured home, a circumstance in which the
4 manufactured home is covered by a Manufacturer's Statement of
5 Origin that the owner of the manufactured home, after diligent
6 search and inquiry, is unable to produce, or that there are no
7 undisclosed security interests in it, the Secretary of State
8 may register the vehicle but shall either:

9 (a) Withhold issuance of a certificate of title until the
10 applicant presents documents reasonably sufficient to satisfy
11 the Secretary of State as to the applicant's ownership of the
12 vehicle and that there are no undisclosed security interests in
13 it; or

14 (b) As a condition of issuing a certificate of title,
15 require the applicant to file with the Secretary of State a
16 bond in the form prescribed by the Secretary of State and
17 executed by the applicant, and either accompanied by the
18 deposit of cash with the Secretary of State or also executed by
19 a person authorized to conduct a surety business in this State.
20 The bond shall be in an amount equal to one and one-half times
21 the value of the vehicle as determined by the Secretary of
22 State and conditioned to indemnify any prior owner and
23 lienholder and any subsequent purchaser of the vehicle or
24 person acquiring any security interest in it, and their
25 respective successors in interest, against any expense, loss or
26 damage, including reasonable attorney's fees, by reason of the

1 issuance of the certificate of title of the vehicle or on
2 account of any defect in or undisclosed security interest upon
3 the right, title and interest of the applicant in and to the
4 vehicle. Any such interested person has a right of action to
5 recover on the bond for any breach of its conditions, but the
6 aggregate liability of the surety to all persons shall not
7 exceed the amount of the bond. The bond, and any deposit
8 accompanying it, shall be returned at the end of three (3)
9 years or prior thereto if (i) the vehicle is no longer
10 registered in this State and the currently valid certificate of
11 title is surrendered to the Secretary of State or (ii), in the
12 case of a certificate of title to a manufactured home, the
13 currently valid certificate of title is surrendered to the
14 Secretary of State in accordance with Section 3-116.2, unless
15 the Secretary of State has been notified of the pendency of an
16 action to recover on the bond.

17 Security deposited as a bond hereunder shall be placed by
18 the Secretary of State in the custody of the State Treasurer.

19 (c) During July, annually, the Secretary shall compile a
20 list of all bonds on deposit, pursuant to this Section, for
21 more than 3 years and concerning which he has received no
22 notice as to the pendency of any judicial proceeding that could
23 affect the disposition thereof. Thereupon, he shall promptly
24 send a notice by certified mail to the last known address of
25 each depositor advising him that his bond will be subject to
26 escheat to the State of Illinois if not claimed within 30 days

1 after the mailing date of such notice. At the expiration of
2 such time, the Secretary of State shall file with the State
3 Treasurer an order directing the transfer of such deposit to
4 the Road Fund in the State Treasury. Upon receipt of such
5 order, the State Treasurer shall make such transfer, after
6 converting to cash any other type of security. Thereafter any
7 person having a legal claim against such deposit may enforce it
8 by appropriate proceedings in the Court of Claims subject to
9 the limitations prescribed for such Court. At the expiration of
10 such limitation period such deposit shall escheat to the State
11 of Illinois.

12 (Source: P.A. 81-1458.)

13 (625 ILCS 5/3-110) (from Ch. 95 1/2, par. 3-110)

14 Sec. 3-110. Refusing certificate of title. The Secretary of
15 State shall refuse issuance of a certificate of title if any
16 required fee is not paid or if he has reasonable grounds to
17 believe that:

18 (a) the applicant is not the owner of the vehicle;

19 (b) the application contains a false or fraudulent
20 statement;

21 (c) the applicant fails to furnish required
22 information or documents or any additional information the
23 Secretary of State reasonably requires; or

24 (d) the applicant has not paid to the Secretary of
25 State any fees or taxes due under this Act and have not

1 been paid upon reasonable notice and demand.

2 Except as provided in Section 3-116.2, the Secretary of
3 State shall not refuse to issue a certificate of title to a
4 manufactured home by reason of the fact that, at any time, in
5 any manner, it shall have been affixed to real property.

6 (Source: P.A. 97-333, eff. 8-12-11.)

7 (625 ILCS 5/3-116) (from Ch. 95 1/2, par. 3-116)

8 Sec. 3-116. When Secretary of State to issue a certificate
9 of title.

10 (a) The Secretary of State, upon receipt of a properly
11 assigned certificate of title, with an application for a
12 certificate of title, the required fee and any other documents
13 required by law, shall issue a new certificate of title in the
14 name of the transferee as owner and mail it to the first
15 lienholder named in it or, if none, to the owner or owner's
16 designee.

17 (b) The Secretary of State, upon receipt of an application
18 for a new certificate of title by a transferee other than by
19 voluntary transfer, with proof of the transfer, the required
20 fee and any other documents required by law, shall issue a new
21 certificate of title in the name of the transferee as owner.

22 (c) Any person, firm or corporation, who shall knowingly
23 possess, buy, sell, exchange or give away, or offer to buy,
24 sell, exchange or give away the certificate of title to any
25 motor vehicle which is a junk or salvage, or who shall fail to

1 surrender the certificate of title to the Secretary of State as
2 required under the provisions of this Section and Section
3 3-117.2, shall be guilty of Class 3 felony.

4 (d) The Secretary of State shall file and retain for four
5 (4) years a record of every surrendered certificate of title or
6 proof of ownership accepted by the Secretary of State, the file
7 to be maintained so as to permit the tracing of title of the
8 vehicle designated therein. Such filing and retention
9 requirements shall be in addition to and not in substitution
10 for the recordkeeping requirements set forth in Section 3-106
11 of this Code, which recordkeeping requirements are not limited
12 to any period of time.

13 (e) The Secretary of State, upon receipt of an application
14 for corrected certificate of title, with the original title,
15 the required fee and any other required documents, shall issue
16 a corrected certificate of title in the name of the owner and
17 mail it to the first lienholder named in it or, if none, to the
18 owner or owner's designee.

19 (f) The Secretary of State, upon receipt of a certified
20 copy of a court order awarding ownership to an applicant along
21 with an application for a certificate of title and the required
22 fee, shall issue a certificate of title to the applicant.

23 (Source: P.A. 90-212, eff. 1-1-98.)

24 (625 ILCS 5/3-116.1 new)

25 Sec. 3-116.1. Surrender of Manufacturer's Statement of

1 Origin to a manufactured home.

2 (a) The owner (all, if more than one) of a manufactured
3 home that is covered by a Manufacturer's Statement of Origin
4 and that is affixed to a permanent foundation as defined in the
5 Conveyance and Encumbrance of Manufactured Homes as Real
6 Property and Severance Act, or which the owner intends to affix
7 to a permanent foundation as defined in the Conveyance and
8 Encumbrance of Manufactured Homes as Real Property and
9 Severance Act, may surrender the Manufacturer's Statement of
10 Origin to the manufactured home to the Secretary of State by
11 filing with the Secretary of State an application for surrender
12 of Manufacturer's Statement of Origin containing or
13 accompanied by:

14 (1) the name, residence, and mailing address of the
15 owner;

16 (2) a description of the manufactured home
17 including the name of the manufacturer, the make, the model
18 name, the model year, the dimensions, and the vehicle
19 identification number of the manufactured home and whether
20 it is new or used, and any other information the Secretary
21 of State requires;

22 (3) the date of purchase by the owner of the
23 manufactured home, the name and address of the person from
24 whom the home was acquired, and the names and addresses of
25 any security interest holders and lienholders in the order
26 of their apparent priority;

1 (4) a statement signed by the owner, stating either
2 (i) any facts or information known to the owner that could
3 reasonably affect the validity of the title to the
4 manufactured home or the existence or non-existence of a
5 security interest in or lien on it or (ii) that no such
6 facts or information are known to the owner;

7 (5) a certified copy of the recorded affidavit of
8 affixation in accordance with the Conveyance and
9 Encumbrance of Manufactured Homes as Real Property and
10 Severance Act;

11 (6) the original Manufacturer's Statement of
12 Origin;

13 (7) the name and mailing address of each owner of
14 the manufactured home or such owner's designee wishing to
15 receive written acknowledgment of surrender from the
16 Secretary of State; and

17 (8) any other information and documents the
18 Secretary of State reasonably requires to identify the
19 owner of the manufactured home and to enable him or her to
20 determine whether the owner satisfied the requirements of
21 the Conveyance and Encumbrance of Manufactured Homes as
22 Real Property and Severance Act and is entitled to
23 surrender the Manufacturer's Statement of Origin, and the
24 existence or non-existence of security interests in or
25 liens on the manufactured home.

26 (b) When satisfied as to the genuineness and regularity of

1 the surrender of a Manufacturer's Statement of Origin to a
2 manufactured home, payment of any applicable fees and upon
3 satisfaction of the requirements of subsection (a) of this
4 Section, the Secretary of State shall (i) cancel the
5 Manufacturer's Statement of Origin and update his or her
6 records in accordance with the provisions of Section 3-106 and
7 (ii) provide written acknowledgment of compliance with the
8 provisions of this Section to each person identified on the
9 application for surrender of Manufacturer's Statement of
10 Origin pursuant to subsection (a) (7) of this Section.

11 (c) Upon satisfaction of the requirements of this Section,
12 a manufactured home shall be conveyed and encumbered as
13 provided in the Conveyance and Encumbrance of Manufactured
14 Homes as Real Property and Severance Act. If the application to
15 surrender a Manufacturer's Statement of Origin is delivered to
16 the Secretary of State within 60 days of recording the related
17 affidavit of affixation with the recording officer in the
18 county in which the real property to which the manufactured
19 home is or shall be affixed and the application is thereafter
20 accepted by the Secretary of State, the requirements of this
21 Section shall be deemed satisfied as of the date the affidavit
22 of affixation is recorded.

23 (d) Upon written request by a person identified on the
24 application for surrender of Manufacturer's Statement of
25 Origin pursuant to subsection (a) (7) of this Section, the
26 Secretary of State shall provide written acknowledgment of

1 compliance with the provisions of this Section.

2 (625 ILCS 5/3-116.2 new)

3 Sec. 3-116.2. Application for surrender of title.

4 (a) The owner (all, if more than one) of a manufactured
5 home that is covered by a certificate of title, including, if
6 applicable, a certificate of title issued in accordance with
7 subsection (b) of Section 3-109, and that is permanently
8 affixed to real property as defined in the Conveyance and
9 Encumbrance of Manufactured Homes as Real Property and
10 Severance Act, or which the owner intends to permanently affix
11 to real property as defined in the Conveyance and Encumbrance
12 of Manufactured Homes as Real Property and Severance Act, may
13 surrender the certificate of title to the manufactured home to
14 the Secretary of State by filing with the Secretary of State an
15 application for surrender of title containing or accompanied
16 by:

17 (1) the name, residence, and mailing address of the
18 owner;

19 (2) a description of the manufactured home including
20 the name of the manufacturer, the make, the model name, the
21 model year, the dimensions, and the vehicle identification
22 number or numbers of the manufactured home and whether it
23 is new or used and any other information the Secretary of
24 State requires;

25 (3) the date of purchase by the owner of the

1 manufactured home, the name and address of the person from
2 whom the home was acquired and the names and addresses of
3 any security interest holders and lienholders in the order
4 of their apparent priority;

5 (4) a statement signed by the owner, stating either,
6 (i) any facts or information known to the owner that could
7 reasonably affect the validity of the title to the
8 manufactured home or the existence or non-existence of a
9 security interest in or lien on it; or (ii) that no such
10 facts or information are known to the owner;

11 (5) a certified copy of the affidavit of affixation in
12 accordance with the Conveyance and Encumbrance of
13 Manufactured Homes as Real Property and Severance Act;

14 (6) the original certificate of title;

15 (7) the name and mailing address of each owner of the
16 manufactured home or such owner's designee wishing written
17 acknowledgment of surrender from the Secretary of State;

18 (8) a release of security interests (if any) pursuant
19 to Section 3-205 of this Code; and

20 (9) any other information and documents the Secretary
21 of State reasonably requires to identify the owner of the
22 manufactured home and to enable him or her to determine
23 whether the owner satisfied the requirements of the
24 Conveyance and Encumbrance of Manufactured Homes as Real
25 Property and Severance Act and is entitled to surrender the
26 certificate of title and the existence or non-existence of

1 security interests in or liens on the manufactured home.

2 (b) The Secretary of State shall not accept for surrender a
3 certificate of title to a manufactured home unless and until
4 all security interests or liens perfected pursuant to Sections
5 3-106 and 3-202 have been released.

6 (c) When satisfied as to the genuineness and regularity of
7 the surrender of a certificate of title to a manufactured home,
8 payment of any applicable fees and upon satisfaction of the
9 requirements of subsections (a) and (b) of this Section, the
10 Secretary of State shall (i) cancel the certificate of title
11 and update his or her records in accordance with the provisions
12 of Section 3-106 and (ii) provide written acknowledgment of
13 compliance with the provisions of this Section to each person
14 identified on the application for surrender of title pursuant
15 to subsection (a) (7) of this Section.

16 (d) Upon satisfaction of the requirements of this Section,
17 a manufactured home shall be conveyed and encumbered as
18 provided in the Conveyance and Encumbrance of Manufactured
19 Homes as Real Property and Severance Act. If the application to
20 surrender a certificate of title is delivered to the Secretary
21 of State within 60 days of recording the related affidavit of
22 affixation with the recording officer in the county in which
23 the real property to which the manufactured home is or shall be
24 affixed, and the application is thereafter accepted by the
25 Secretary of State, the requirements of this Section shall be
26 deemed satisfied as of the date the affidavit of affixation is

1 recorded.

2 (e) Upon written request by a person identified on the
3 application for surrender of title pursuant to subsection
4 (a)(7) of this Section, the Secretary of State shall provide
5 written acknowledgment of compliance with the provisions of
6 this Section.

7 (625 ILCS 5/3-116.3 new)

8 Sec. 3-116.3. Application for a certificate of title to a
9 severed manufactured home.

10 (a) Notwithstanding any other provision of law, where a
11 manufactured home has been affixed to a permanent foundation,
12 and an affidavit of affixation has been recorded as part of the
13 real property records in the county in which the manufactured
14 home is located in accordance with the Conveyance and
15 Encumbrance of Manufactured Homes as Real Property and
16 Severance Act, and where the manufactured home subsequently is
17 detached or severed from the real property, the owner (all, if
18 more than one) of the manufactured home shall, unless exempted
19 by other provisions of this Code, apply for a new certificate
20 of title by filing with the Secretary of State an application
21 for a certificate of title to a manufactured home, to be issued
22 in accordance with subsection (b) of Section 3-109, containing
23 or accompanied by:

24 (1) the name, residence, and mailing address of the
25 owner;

1 (2) a description of the manufactured home, including
2 the name of the manufacturer, the make, the model name, the
3 model year, the dimensions, and the vehicle identification
4 number or numbers of the manufactured home and whether it
5 is new or used, and any other information the Secretary of
6 State requires;

7 (3) a statement signed by the applicant, stating
8 either: (i) any facts or information known to the applicant
9 that could reasonably affect the validity of the title of
10 the manufactured home or the existence or non-existence of
11 any security interest in or lien on it or (ii) that no such
12 facts or information are known to the applicant;

13 (4) a certified copy of the recorded affidavit of
14 severance provided in accordance with the Conveyance and
15 Encumbrance of Manufactured Homes as Real Property and
16 Severance Act; and

17 (5) any other information and documents the Secretary
18 of State reasonably requires.

19 (b) Upon satisfaction of the requirements of subsection (a)
20 of this Section and subsection (b) of Section 3-109, the
21 Secretary of State shall issue a new certificate of title
22 pursuant to subsection (b) of Section 3-109 and update his or
23 her records in accordance with the provisions of Section 3-106.

24 (c) Immediately upon satisfaction of the requirements of
25 this Section and thereafter, a manufactured home shall be
26 conveyed and encumbered as personal property.

1 (d) The satisfaction of the requirements of this Section
2 with respect to a manufactured home shall have no effect on the
3 manner in which such manufactured home is taxed pursuant to the
4 Property Tax Code or the Mobile Home Local Services Tax Act.

5 (625 ILCS 5/3-202) (from Ch. 95 1/2, par. 3-202)

6 Sec. 3-202. Perfection of security interest.

7 (a) Unless excepted by Section 3-201, a security interest
8 in a vehicle of a type for which a certificate of title is
9 required is not valid against subsequent transferees or
10 lienholders of the vehicle unless perfected as provided in this
11 Act. A purchase money security interest in a manufactured home
12 is perfected against the rights of judicial lien creditors and
13 execution creditors on and after the date such purchase money
14 security interest attaches.

15 (b) A security interest is perfected by the delivery to the
16 Secretary of State of the existing certificate of title, if
17 any, an application for a certificate of title containing the
18 name and address of the lienholder and the required fee. The
19 security interest is perfected as of the time of its creation
20 if the delivery to the Secretary of State is completed within
21 30 days after the creation of the security interest or receipt
22 by the new lienholder of the existing certificate of title from
23 a prior lienholder or licensed dealer, otherwise as of the time
24 of the delivery.

25 (c) If a vehicle is subject to a security interest when

1 brought into this State, the validity of the security interest
2 is determined by the law of the jurisdiction where the vehicle
3 was when the security interest attached, subject to the
4 following:

5 1. If the parties understood at the time the security
6 interest attached that the vehicle would be kept in this
7 State and it was brought into this State within 30 days
8 thereafter for purposes other than transportation through
9 this State, the validity of the security interest in this
10 State is determined by the law of this State.

11 2. If the security interest was perfected under the law
12 of the jurisdiction where the vehicle was when the security
13 interest attached, the following rules apply:

14 (A) If the name of the lienholder is shown on an
15 existing certificate of title issued by that
16 jurisdiction, his security interest continues
17 perfected in this State.

18 (B) If the name of the lienholder is not shown on
19 an existing certificate of title issued by that
20 jurisdiction, a security interest may be perfected by
21 the lienholder delivering to the Secretary of State the
22 prescribed notice and by payment of the required fee.
23 Such security interest is perfected as of the time of
24 delivery of the prescribed notice and payment of the
25 required fee.

26 3. If the security interest was not perfected under the

1 law of the jurisdiction where the vehicle was when the
2 security interest attached, it may be perfected in this
3 State; in that case perfection dates from the time of
4 perfection in this State.

5 4. A security interest may be perfected under paragraph
6 3 of this subsection either as provided in subsection (b)
7 or by the lienholder delivering to the Secretary of State a
8 notice of security interest in the form the Secretary of
9 State prescribes and the required fee.

10 (d) Except as otherwise provided in Sections 3-116.1,
11 3-116.2, 3-207, and the Conveyance and Encumbrance of
12 Manufactured Homes as Real Property and Severance Act, after a
13 certificate of title has been issued for a manufactured home
14 and as long as the manufactured home is subject to any security
15 interest perfected pursuant to this Section, the Secretary of
16 State shall not file an affidavit of affixation, nor cancel the
17 Manufacturer's Statement of Origin, nor revoke the certificate
18 of title, nor issue a certificate of title under Section 3-106,
19 and, in any event, the validity and priority of any security
20 interest perfected pursuant to this Section shall continue,
21 notwithstanding the provision of any other law.

22 (Source: P.A. 95-284, eff. 1-1-08.)

23 (625 ILCS 5/3-205) (from Ch. 95 1/2, par. 3-205)

24 Sec. 3-205. Release of security interest.

25 (a) Within 21 days after receiving payment to satisfy a

1 security interest in a vehicle for which the certificate of
2 title is in the possession of the lienholder, he shall execute
3 a release of his security interest, and mail or deliver the
4 certificate and release to the next lienholder named therein,
5 or, if none, to the owner or any person who delivers to the
6 lienholder an authorization from the owner to receive the
7 certificate. If the payment is in the form of cash, a cashier's
8 check, or a certified check, the number of days is reduced to
9 10 business days. If the owner desires a new certificate
10 reflecting no lien, the certificate and release from the
11 lienholder may be submitted to the Secretary of State, along
12 with the prescribed application and required fee, for issuance
13 of that new certificate.

14 (b) Within 21 days after receiving payment to satisfy a
15 security interest in a vehicle for which the certificate of
16 title is in the possession of a prior lienholder, the
17 lienholder whose security interest is satisfied shall execute a
18 release and deliver the release to the owner or any person who
19 delivers to the lienholder an authorization from the owner to
20 receive it. If the payment is in the form of cash, a cashier's
21 check, or a certified check, the number of days is reduced to
22 10 business days. The lienholder in possession of the
23 certificate of title may either deliver the certificate to the
24 owner, or the person authorized by him, for delivery to the
25 Secretary of State, or, upon receipt of the release, may mail
26 or may deliver the certificate and release, along with

1 prescribed application and require fee, to the Secretary of
2 State, who shall issue a new certificate.

3 (c) In addition to any other penalty, a lienholder who
4 fails to execute a release of his or her security interest or
5 who fails to mail or deliver the certificate and release within
6 the time limit provided in subsection (a) or (b) is liable to
7 the person or entity that was supposed to receive the release
8 or certificate for \$150 plus reasonable attorney fees and court
9 costs. An action under this Section may be brought in small
10 claims court or in any other appropriate court.

11 (d) The holder of a security interest in or a lien on a
12 manufactured home may deliver lien release documents to any
13 person to facilitate conveying or encumbering the manufactured
14 home. Any person receiving any such documents so delivered
15 holds the documents in trust for the security interest holder
16 or the lienholder.

17 (Source: P.A. 93-621, eff. 12-15-03.)

18 (625 ILCS 5/3-207) (from Ch. 95 1/2, par. 3-207)

19 Sec. 3-207. Exclusiveness of procedure.

20 The method provided in this act of perfecting and giving
21 notice of security interests subject to this act is exclusive.
22 Security interests subject to this act are hereby exempted from
23 the provisions of law which otherwise require or relate to the
24 recording or filing of instruments creating or evidencing
25 security interests in vehicles including chattel mortgages and

1 conditional sale agreements, provided, however, that with
2 respect to a manufactured home that is or will be affixed to a
3 permanent foundation, upon recordation of an affidavit of
4 affixation pursuant to the Conveyance and Encumbrance of
5 Manufactured Homes as Real Property and Severance Act and
6 satisfaction of the requirements of Section 3-116.1 or 3-116.2,
7 as applicable, any perfection or termination of a security
8 interest with respect to such permanently affixed property
9 shall be governed by the laws applicable to real property.

10 (Source: P.A. 76-1586.)

11 (625 ILCS 5/3-208) (from Ch. 95 1/2, par. 3-208)

12 Sec. 3-208. Suspension or revocation of certificates.

13 (a) The Secretary of State may suspend or revoke a
14 certificate of title, upon notice and reasonable opportunity to
15 be heard in accordance with Section 2-118, when authorized by
16 any other provision of law or if he finds:

17 1. The certificate of title was fraudulently procured
18 or erroneously issued, or

19 2. The vehicle has been scrapped, dismantled or
20 destroyed.

21 Except as provided in Section 3-116.2, the Secretary of
22 State shall not suspend or revoke a certificate of title to a
23 manufactured home by reason of the fact that, at any time, it
24 shall have become affixed in any manner to real property.

25 (b) Suspension or revocation of a certificate of title does

1 not, in itself, affect the validity of a security interest
2 noted on it.

3 (c) When the Secretary of State suspends or revokes a
4 certificate of title, the owner or person in possession of it
5 shall, immediately upon receiving notice of the suspension or
6 revocation, mail or deliver the certificate to the Secretary of
7 State.

8 (d) The Secretary of State may seize and impound any
9 certificate of title which has been suspended or revoked.

10 (Source: P.A. 76-1586.)

11 Section 10-75. The Code of Civil Procedure is amended by
12 changing Section 15-1213 as follows:

13 (735 ILCS 5/15-1213) (from Ch. 110, par. 15-1213)

14 Sec. 15-1213. Real Estate. "Real estate" means land or any
15 estate or interest in, over or under land (including minerals,
16 air rights, structures, fixtures and other things which by
17 custom, usage or law pass with a conveyance of land though not
18 described or mentioned in the contract of sale or instrument of
19 conveyance). "Mortgaged real estate" means the real estate
20 which is the subject of a mortgage. "Real Estate" includes a
21 manufactured home as defined in subdivision (53) of Section
22 9-102 of the Uniform Commercial Code that is real property as
23 defined in the Conveyance and Encumbrance of Manufactured Homes
24 as Real Property and Severance Act.

1 (Source: P.A. 84-1462.)

2 Section 10-80. The Conveyances Act is amended by changing
3 Section 38 as follows:

4 (765 ILCS 5/38) (from Ch. 30, par. 37)

5 Sec. 38. The term "real estate," as used in this act, shall
6 be construed as co-extensive in meaning with "lands, tenements
7 and hereditaments," and as embracing all chattels real. "Real
8 estate" and "real property" include a manufactured home as
9 defined in subdivision (53) of Section 9-102 of the Uniform
10 Commercial Code that is real property as defined in the
11 Conveyance and Encumbrance of Manufactured Homes as Real
12 Property and Severance Act. This act shall not be construed so
13 as to embrace last wills, except as herein expressly provided.

14 (Source: P.A. 84-551.)

15 Section 10-85. The Residential Real Property Disclosure
16 Act is amended by changing Section 5 as follows:

17 (765 ILCS 77/5)

18 Sec. 5. Definitions. As used in this Act, unless the
19 context otherwise requires the following terms have the meaning
20 given in this Section.

21 "Residential real property" means real property improved
22 with not less than one nor more than 4 residential dwelling

1 units; units in residential cooperatives; or, condominium
2 units, including the limited common elements allocated to the
3 exclusive use thereof that form an integral part of the
4 condominium unit. The term includes a manufactured home as
5 defined in subdivision (53) of Section 9-102 of the Uniform
6 Commercial Code that is real property as defined in the
7 Conveyance and Encumbrance of Manufactured Homes as Real
8 Property and Severance Act.

9 "Seller" means every person or entity who is an owner,
10 beneficiary of a trust, contract purchaser or lessee of a
11 ground lease, who has an interest (legal or equitable) in
12 residential real property. However, "seller" shall not include
13 any person who has both (i) never occupied the residential real
14 property and (ii) never had the management responsibility for
15 the residential real property nor delegated such
16 responsibility for the residential real property to another
17 person or entity.

18 "Prospective buyer" means any person or entity negotiating
19 or offering to become an owner or lessee of residential real
20 property by means of a transfer for value to which this Act
21 applies.

22 (Source: P.A. 90-383, eff. 1-1-98.)

23 Section 10-90. The Mobile Home Landlord and Tenant Rights
24 Act is amended by changing Section 3 as follows:

1 (765 ILCS 745/3) (from Ch. 80, par. 203)

2 Sec. 3. Definitions. Unless otherwise expressly defined,
3 all terms in this Act shall be construed to have their
4 ordinarily accepted meanings or such meaning as the context
5 therein requires.

6 (a) "Person" means any legal entity, including but not
7 limited to, an individual, firm, partnership, association,
8 trust, joint stock company, corporation or successor of any of
9 the foregoing.

10 (b) "Manufactured home" means a factory-assembled,
11 completely integrated structure designed for permanent
12 habitation, with a permanent chassis, and so constructed as to
13 permit its transport, on wheels temporarily or permanently
14 attached to its frame, and is a movable or portable unit that
15 is (i) 8 body feet or more in width, (ii) 40 body feet or more
16 in length, and (iii) 320 or more square feet, constructed to be
17 towed on its own chassis (comprised of frame and wheels) from
18 the place of its construction to the location, or subsequent
19 locations, at which it is ~~installed and set up according to the~~
20 ~~manufacturer's instructions and~~ connected to utilities for
21 year-round occupancy for use as a permanent habitation, and
22 designed and situated so as to permit its occupancy as a
23 dwelling place for one or more persons, and specifically
24 includes a "manufactured home" as defined in subdivision (53)
25 of Section 9-102 of the Uniform Commercial Code. The term shall
26 include units containing parts that may be folded, collapsed,

1 or telescoped when being towed and that may be expected to
2 provide additional cubic capacity, and that are designed to be
3 joined into one integral unit capable of being separated again
4 into the components for repeated towing. The term excludes
5 campers and recreational vehicles. The words "mobile home" and
6 "manufactured home" are synonymous for the purposes of this
7 Act.

8 (c) "Mobile Home Park" or "Park" means a tract of land or 2
9 contiguous tracts of land that contain sites with the necessary
10 utilities for 5 or more mobile homes or manufactured homes. A
11 mobile home park may be operated either free of charge or for
12 revenue purposes.

13 (d) "Park Owner" means the owner of a mobile home park and
14 any person authorized to exercise any aspect of the management
15 of the premises, including any person who directly or
16 indirectly receives rents and has no obligation to deliver the
17 whole of such receipts to another person.

18 (e) "Tenant" means any person who occupies a mobile home
19 rental unit for dwelling purposes or a lot on which he parks a
20 mobile home for an agreed upon consideration.

21 (f) "Rent" means any money or other consideration given for
22 the right of use, possession and occupancy of property, be it a
23 lot, a mobile home, or both.

24 (g) "Master antenna television service" means any and all
25 services provided by or through the facilities of any closed
26 circuit coaxial cable communication system, or any microwave or

1 similar transmission services other than a community antenna
2 television system as defined in Section 11-42-11 of the
3 Illinois Municipal Code.

4 (Source: P.A. 96-1477, eff. 1-1-11.)

5 Section 10-95. The Mortgage Act is amended by adding
6 Section 13.1 as follows:

7 (765 ILCS 905/13.1 new)

8 Sec. 13.1. Real estate; real property. As used in this Act,
9 "real estate" and "real property" include a manufactured home
10 as defined in subdivision (53) of Section 9-102 of the Uniform
11 Commercial Code that is real property as defined in the
12 Conveyance and Encumbrance of Manufactured Homes as Real
13 Property and Severance Act.

14 Section 10-100. The Joint Tenancy Act is amended by adding
15 Section 5 as follows:

16 (765 ILCS 1005/5 new)

17 Sec. 5. Real estate; real property. As used in this Act,
18 "real estate" and "real property" include a manufactured home
19 as defined in subdivision (53) of Section 9-102 of the Uniform
20 Commercial Code that is real property as defined in the
21 Conveyance and Encumbrance of Manufactured Homes as Real
22 Property and Severance Act.

1 Section 10-105. The Uniform Commercial Code is amended by
2 changing Section 9-102 as follows:

3 (810 ILCS 5/9-102) (from Ch. 26, par. 9-102)

4 Sec. 9-102. Definitions and index of definitions.

5 (a) Article 9 definitions. In this Article:

6 (1) "Accession" means goods that are physically united
7 with other goods in such a manner that the identity of the
8 original goods is not lost.

9 (2) "Account", except as used in "account for", means a
10 right to payment of a monetary obligation, whether or not
11 earned by performance, (i) for property that has been or is
12 to be sold, leased, licensed, assigned, or otherwise
13 disposed of, (ii) for services rendered or to be rendered,
14 (iii) for a policy of insurance issued or to be issued,
15 (iv) for a secondary obligation incurred or to be incurred,
16 (v) for energy provided or to be provided, (vi) for the use
17 or hire of a vessel under a charter or other contract,
18 (vii) arising out of the use of a credit or charge card or
19 information contained on or for use with the card, or
20 (viii) as winnings in a lottery or other game of chance
21 operated or sponsored by a State, governmental unit of a
22 State, or person licensed or authorized to operate the game
23 by a State or governmental unit of a State. The term
24 includes health-care-insurance receivables. The term does

1 not include (i) rights to payment evidenced by chattel
2 paper or an instrument, (ii) commercial tort claims, (iii)
3 deposit accounts, (iv) investment property, (v)
4 letter-of-credit rights or letters of credit, or (vi)
5 rights to payment for money or funds advanced or sold,
6 other than rights arising out of the use of a credit or
7 charge card or information contained on or for use with the
8 card.

9 (3) "Account debtor" means a person obligated on an
10 account, chattel paper, or general intangible. The term
11 does not include persons obligated to pay a negotiable
12 instrument, even if the instrument constitutes part of
13 chattel paper.

14 (4) "Accounting", except as used in "accounting for",
15 means a record:

16 (A) authenticated by a secured party;

17 (B) indicating the aggregate unpaid secured
18 obligations as of a date not more than 35 days earlier
19 or 35 days later than the date of the record; and

20 (C) identifying the components of the obligations
21 in reasonable detail.

22 (5) "Agricultural lien" means an interest, other than a
23 security interest, in farm products:

24 (A) which secures payment or performance of an
25 obligation for goods or services furnished in
26 connection with a debtor's farming operation;

1 (B) which is created by statute in favor of a
2 person that in the ordinary course of its business
3 furnished goods or services to a debtor in connection
4 with a debtor's farming operation; and

5 (C) whose effectiveness does not depend on the
6 person's possession of the personal property.

7 (6) "As-extracted collateral" means:

8 (A) oil, gas, or other minerals that are subject to
9 a security interest that:

10 (i) is created by a debtor having an interest
11 in the minerals before extraction; and

12 (ii) attaches to the minerals as extracted; or

13 (B) accounts arising out of the sale at the
14 wellhead or minehead of oil, gas, or other minerals in
15 which the debtor had an interest before extraction.

16 (7) "Authenticate" means:

17 (A) to sign; or

18 (B) with present intent to adopt or accept a
19 record, to attach to or logically associate with the
20 record an electronic sound, symbol, or process.

21 (8) "Bank" means an organization that is engaged in the
22 business of banking. The term includes savings banks,
23 savings and loan associations, credit unions, and trust
24 companies.

25 (9) "Cash proceeds" means proceeds that are money,
26 checks, deposit accounts, or the like.

1 (10) "Certificate of title" means a certificate of
2 title with respect to which a statute provides for the
3 security interest in question to be indicated on the
4 certificate as a condition or result of the security
5 interest's obtaining priority over the rights of a lien
6 creditor with respect to the collateral. The term includes
7 another record maintained as an alternative to a
8 certificate of title by the governmental unit that issues
9 certificates of title if a statute permits the security
10 interest in question to be indicated on the record as a
11 condition or result of the security interest's obtaining
12 priority over the rights of a lien creditor with respect to
13 the collateral.

14 (11) "Chattel paper" means a record or records that
15 evidence both a monetary obligation and a security interest
16 in specific goods, a security interest in specific goods
17 and software used in the goods, a security interest in
18 specific goods and license of software used in the goods, a
19 lease of specific goods, or a lease of specified goods and
20 a license of software used in the goods. In this paragraph,
21 "monetary obligation" means a monetary obligation secured
22 by the goods or owed under a lease of the goods and
23 includes a monetary obligation with respect to software
24 used in the goods. The term does not include (i) charters
25 or other contracts involving the use or hire of a vessel or
26 (ii) records that evidence a right to payment arising out

1 of the use of a credit or charge card or information
2 contained on or for use with the card. If a transaction is
3 evidenced by records that include an instrument or series
4 of instruments, the group of records taken together
5 constitutes chattel paper.

6 (12) "Collateral" means the property subject to a
7 security interest or agricultural lien. The term includes:

8 (A) proceeds to which a security interest
9 attaches;

10 (B) accounts, chattel paper, payment intangibles,
11 and promissory notes that have been sold; and

12 (C) goods that are the subject of a consignment.

13 (13) "Commercial tort claim" means a claim arising in
14 tort with respect to which:

15 (A) the claimant is an organization; or

16 (B) the claimant is an individual and the claim:

17 (i) arose in the course of the claimant's
18 business or profession; and

19 (ii) does not include damages arising out of
20 personal injury to or the death of an individual.

21 (14) "Commodity account" means an account maintained
22 by a commodity intermediary in which a commodity contract
23 is carried for a commodity customer.

24 (15) "Commodity contract" means a commodity futures
25 contract, an option on a commodity futures contract, a
26 commodity option, or another contract if the contract or

1 option is:

2 (A) traded on or subject to the rules of a board of
3 trade that has been designated as a contract market for
4 such a contract pursuant to federal commodities laws;
5 or

6 (B) traded on a foreign commodity board of trade,
7 exchange, or market, and is carried on the books of a
8 commodity intermediary for a commodity customer.

9 (16) "Commodity customer" means a person for which a
10 commodity intermediary carries a commodity contract on its
11 books.

12 (17) "Commodity intermediary" means a person that:

13 (A) is registered as a futures commission merchant
14 under federal commodities law; or

15 (B) in the ordinary course of its business provides
16 clearance or settlement services for a board of trade
17 that has been designated as a contract market pursuant
18 to federal commodities law.

19 (18) "Communicate" means:

20 (A) to send a written or other tangible record;

21 (B) to transmit a record by any means agreed upon
22 by the persons sending and receiving the record; or

23 (C) in the case of transmission of a record to or
24 by a filing office, to transmit a record by any means
25 prescribed by filing-office rule.

26 (19) "Consignee" means a merchant to which goods are

1 delivered in a consignment.

2 (20) "Consignment" means a transaction, regardless of
3 its form, in which a person delivers goods to a merchant
4 for the purpose of sale and:

5 (A) the merchant:

6 (i) deals in goods of that kind under a name
7 other than the name of the person making delivery;

8 (ii) is not an auctioneer; and

9 (iii) is not generally known by its creditors
10 to be substantially engaged in selling the goods of
11 others;

12 (B) with respect to each delivery, the aggregate
13 value of the goods is \$1,000 or more at the time of
14 delivery;

15 (C) the goods are not consumer goods immediately
16 before delivery; and

17 (D) the transaction does not create a security
18 interest that secures an obligation.

19 (21) "Consignor" means a person that delivers goods to
20 a consignee in a consignment.

21 (22) "Consumer debtor" means a debtor in a consumer
22 transaction.

23 (23) "Consumer goods" means goods that are used or
24 bought for use primarily for personal, family, or household
25 purposes.

26 (24) "Consumer-goods transaction" means a consumer

1 transaction in which:

2 (A) an individual incurs an obligation primarily
3 for personal, family, or household purposes; and

4 (B) a security interest in consumer goods secures
5 the obligation.

6 (25) "Consumer obligor" means an obligor who is an
7 individual and who incurred the obligation as part of a
8 transaction entered into primarily for personal, family,
9 or household purposes.

10 (26) "Consumer transaction" means a transaction in
11 which (i) an individual incurs an obligation primarily for
12 personal, family, or household purposes, (ii) a security
13 interest secures the obligation, and (iii) the collateral
14 is held or acquired primarily for personal, family, or
15 household purposes. The term includes consumer-goods
16 transactions.

17 (27) "Continuation statement" means an amendment of a
18 financing statement which:

19 (A) identifies, by its file number, the initial
20 financing statement to which it relates; and

21 (B) indicates that it is a continuation statement
22 for, or that it is filed to continue the effectiveness
23 of, the identified financing statement.

24 (28) "Debtor" means:

25 (A) a person having an interest, other than a
26 security interest or other lien, in the collateral,

1 bushes; and

2 (ii) aquatic goods produced in aquacultural
3 operations;

4 (B) livestock, born or unborn, including aquatic
5 goods produced in aquacultural operations;

6 (C) supplies used or produced in a farming
7 operation; or

8 (D) products of crops or livestock in their
9 unmanufactured states.

10 (35) "Farming operation" means raising, cultivating,
11 propagating, fattening, grazing, or any other farming,
12 livestock, or aquacultural operation.

13 (36) "File number" means the number assigned to an
14 initial financing statement pursuant to Section 9-519(a).

15 (37) "Filing office" means an office designated in
16 Section 9-501 as the place to file a financing statement.

17 (38) "Filing-office rule" means a rule adopted
18 pursuant to Section 9-526.

19 (39) "Financing statement" means a record or records
20 composed of an initial financing statement and any filed
21 record relating to the initial financing statement.

22 (40) "Fixture filing" means the filing of a financing
23 statement covering goods that are or are to become fixtures
24 and satisfying Section 9-502(a) and (b). The term includes
25 the filing of a financing statement covering goods of a
26 transmitting utility which are or are to become fixtures.

1 (41) "Fixtures" means goods that have become so related
2 to particular real property that an interest in them arises
3 under real property law.

4 (42) "General intangible" means any personal property,
5 including things in action, other than accounts, chattel
6 paper, commercial tort claims, deposit accounts,
7 documents, goods, instruments, investment property,
8 letter-of-credit rights, letters of credit, money, and
9 oil, gas, or other minerals before extraction. The term
10 includes payment intangibles and software.

11 (43) "Good faith" means honesty in fact and the
12 observance of reasonable commercial standards of fair
13 dealing.

14 (44) "Goods" means all things that are movable when a
15 security interest attaches. The term includes (i)
16 fixtures, (ii) standing timber that is to be cut and
17 removed under a conveyance or contract for sale, (iii) the
18 unborn young of animals, (iv) crops grown, growing, or to
19 be grown, even if the crops are produced on trees, vines,
20 or bushes, and (v) manufactured homes. The term also
21 includes a computer program embedded in goods and any
22 supporting information provided in connection with a
23 transaction relating to the program if (i) the program is
24 associated with the goods in such a manner that it
25 customarily is considered part of the goods, or (ii) by
26 becoming the owner of the goods, a person acquires a right

1 to use the program in connection with the goods. The term
2 does not include a computer program embedded in goods that
3 consist solely of the medium in which the program is
4 embedded. The term also does not include accounts, chattel
5 paper, commercial tort claims, deposit accounts,
6 documents, general intangibles, instruments, investment
7 property, letter-of-credit rights, letters of credit,
8 money, or oil, gas, or other minerals before extraction.

9 (45) "Governmental unit" means a subdivision, agency,
10 department, county, parish, municipality, or other unit of
11 the government of the United States, a State, or a foreign
12 country. The term includes an organization having a
13 separate corporate existence if the organization is
14 eligible to issue debt on which interest is exempt from
15 income taxation under the laws of the United States.

16 (46) "Health-care-insurance receivable" means an
17 interest in or claim under a policy of insurance which is a
18 right to payment of a monetary obligation for health-care
19 goods or services provided.

20 (47) "Instrument" means a negotiable instrument or any
21 other writing that evidences a right to the payment of a
22 monetary obligation, is not itself a security agreement or
23 lease, and is of a type that in ordinary course of business
24 is transferred by delivery with any necessary indorsement
25 or assignment. The term does not include (i) investment
26 property, (ii) letters of credit, (iii) nonnegotiable

1 certificates of deposit, (iv) uncertificated certificates
2 of deposit, (v) nontransferrable certificates of deposit,
3 or (vi) writings that evidence a right to payment arising
4 out of the use of a credit or charge card or information
5 contained on or for use with the card.

6 (48) "Inventory" means goods, other than farm
7 products, which:

8 (A) are leased by a person as lessor;

9 (B) are held by a person for sale or lease or to be
10 furnished under a contract of service;

11 (C) are furnished by a person under a contract of
12 service; or

13 (D) consist of raw materials, work in process, or
14 materials used or consumed in a business.

15 (49) "Investment property" means a security, whether
16 certificated or uncertificated, security entitlement,
17 securities account, commodity contract, or commodity
18 account.

19 (50) "Jurisdiction of organization", with respect to a
20 registered organization, means the jurisdiction under
21 whose law the organization is formed or organized.

22 (51) "Letter-of-credit right" means a right to payment
23 or performance under a letter of credit, whether or not the
24 beneficiary has demanded or is at the time entitled to
25 demand payment or performance. The term does not include
26 the right of a beneficiary to demand payment or performance

1 under a letter of credit.

2 (52) "Lien creditor" means:

3 (A) a creditor that has acquired a lien on the
4 property involved by attachment, levy, or the like;

5 (B) an assignee for benefit of creditors from the
6 time of assignment;

7 (C) a trustee in bankruptcy from the date of the
8 filing of the petition; or

9 (D) a receiver in equity from the time of
10 appointment.

11 (53) "Manufactured home" means a structure,
12 transportable in one or more sections, which, in the
13 traveling mode, is eight body feet or more in width or 40
14 body feet or more in length, or, when erected on site, is
15 320 or more square feet, and which is built on a permanent
16 chassis and designed to be used as a dwelling with or
17 without a permanent foundation when connected to the
18 required utilities, and includes the plumbing, heating,
19 air-conditioning, and electrical systems contained
20 therein. The term includes any structure that meets all of
21 the requirements of this paragraph except the size
22 requirements and with respect to which the manufacturer
23 voluntarily files a certification required by the United
24 States Secretary of Housing and Urban Development and
25 complies with the standards established under Title 42 of
26 the United States Code ~~factory assembled, completely~~

1 ~~integrated structure designed for permanent habitation,~~
2 ~~with a permanent chassis, and so constructed as to permit~~
3 ~~its transport, on wheels temporarily or permanently~~
4 ~~attached to its frame, and is a movable or portable unit~~
5 ~~that is (i) 8 body feet or more in width, (ii) 40 body feet~~
6 ~~or more in length, and (iii) 320 or more square feet,~~
7 ~~constructed to be towed on its own chassis (comprised of~~
8 ~~frame and wheels) from the place of its construction to the~~
9 ~~location, or subsequent locations, at which it is installed~~
10 ~~and set up according to the manufacturer's instructions and~~
11 ~~connected to utilities for year-round occupancy for use as~~
12 ~~a permanent habitation, and designed and situated so as to~~
13 ~~permit its occupancy as a dwelling place for one or more~~
14 ~~persons. The term shall include units containing parts that~~
15 ~~may be folded, collapsed, or telescoped when being towed~~
16 ~~and that may be expected to provide additional cubic~~
17 ~~capacity, and that are designed to be joined into one~~
18 ~~integral unit capable of being separated again into the~~
19 ~~components for repeated towing. The term shall exclude~~
20 ~~campers and recreational vehicles.~~

21 (54) "Manufactured-home transaction" means a secured
22 transaction:

23 (A) that creates a purchase-money security
24 interest in a manufactured home, other than a
25 manufactured home held as inventory; or

26 (B) in which a manufactured home, other than a

1 manufactured home held as inventory, is the primary
2 collateral.

3 (55) "Mortgage" means a consensual interest in real
4 property, including fixtures, which secures payment or
5 performance of an obligation.

6 (56) "New debtor" means a person that becomes bound as
7 debtor under Section 9-203(d) by a security agreement
8 previously entered into by another person.

9 (57) "New value" means (i) money, (ii) money's worth in
10 property, services, or new credit, or (iii) release by a
11 transferee of an interest in property previously
12 transferred to the transferee. The term does not include an
13 obligation substituted for another obligation.

14 (58) "Noncash proceeds" means proceeds other than cash
15 proceeds.

16 (59) "Obligor" means a person that, with respect to an
17 obligation secured by a security interest in or an
18 agricultural lien on the collateral, (i) owes payment or
19 other performance of the obligation, (ii) has provided
20 property other than the collateral to secure payment or
21 other performance of the obligation, or (iii) is otherwise
22 accountable in whole or in part for payment or other
23 performance of the obligation. The term does not include
24 issuers or nominated persons under a letter of credit.

25 (60) "Original debtor", except as used in Section
26 9-310(c), means a person that, as debtor, entered into a

1 security agreement to which a new debtor has become bound
2 under Section 9-203(d).

3 (61) "Payment intangible" means a general intangible
4 under which the account debtor's principal obligation is a
5 monetary obligation.

6 (62) "Person related to", with respect to an
7 individual, means:

8 (A) the spouse of the individual;

9 (B) a brother, brother-in-law, sister, or
10 sister-in-law of the individual;

11 (C) an ancestor or lineal descendant of the
12 individual or the individual's spouse; or

13 (D) any other relative, by blood or marriage, of
14 the individual or the individual's spouse who shares
15 the same home with the individual.

16 (63) "Person related to", with respect to an
17 organization, means:

18 (A) a person directly or indirectly controlling,
19 controlled by, or under common control with the
20 organization;

21 (B) an officer or director of, or a person
22 performing similar functions with respect to, the
23 organization;

24 (C) an officer or director of, or a person
25 performing similar functions with respect to, a person
26 described in subparagraph (A);

1 (D) the spouse of an individual described in
2 subparagraph (A), (B), or (C); or

3 (E) an individual who is related by blood or
4 marriage to an individual described in subparagraph
5 (A), (B), (C), or (D) and shares the same home with the
6 individual.

7 (64) "Proceeds", except as used in Section 9-609(b),
8 means the following property:

9 (A) whatever is acquired upon the sale, lease,
10 license, exchange, or other disposition of collateral;

11 (B) whatever is collected on, or distributed on
12 account of, collateral;

13 (C) rights arising out of collateral;

14 (D) to the extent of the value of collateral,
15 claims arising out of the loss, nonconformity, or
16 interference with the use of, defects or infringement
17 of rights in, or damage to, the collateral; or

18 (E) to the extent of the value of collateral and to
19 the extent payable to the debtor or the secured party,
20 insurance payable by reason of the loss or
21 nonconformity of, defects or infringement of rights
22 in, or damage to, the collateral.

23 (65) "Promissory note" means an instrument that
24 evidences a promise to pay a monetary obligation, does not
25 evidence an order to pay, and does not contain an
26 acknowledgment by a bank that the bank has received for

1 deposit a sum of money or funds.

2 (66) "Proposal" means a record authenticated by a
3 secured party which includes the terms on which the secured
4 party is willing to accept collateral in full or partial
5 satisfaction of the obligation it secures pursuant to
6 Sections 9-620, 9-621, and 9-622.

7 (67) "Public-finance transaction" means a secured
8 transaction in connection with which:

9 (A) debt securities are issued;

10 (B) all or a portion of the securities issued have
11 an initial stated maturity of at least 20 years; and

12 (C) the debtor, obligor, secured party, account
13 debtor or other person obligated on collateral,
14 assignor or assignee of a secured obligation, or
15 assignor or assignee of a security interest is a State
16 or a governmental unit of a State.

17 (68) "Public organic record" means a record that is
18 available to the public for inspection and is:

19 (A) a record consisting of the record initially
20 filed with or issued by a State or the United States to
21 form or organize an organization and any record filed
22 with or issued by the State or the United States which
23 amends or restates the initial record;

24 (B) an organic record of a business trust
25 consisting of the record initially filed with a State
26 and any record filed with the State which amends or

1 restates the initial record, if a statute of the State
2 governing business trusts requires that the record be
3 filed with the State; or

4 (C) a record consisting of legislation enacted by
5 the legislature of a State or the Congress of the
6 United States which forms or organizes an
7 organization, any record amending the legislation, and
8 any record filed with or issued by the State or the
9 United States which amends or restates the name of the
10 organization.

11 (69) "Pursuant to commitment", with respect to an
12 advance made or other value given by a secured party, means
13 pursuant to the secured party's obligation, whether or not
14 a subsequent event of default or other event not within the
15 secured party's control has relieved or may relieve the
16 secured party from its obligation.

17 (70) "Record", except as used in "for record", "of
18 record", "record or legal title", and "record owner", means
19 information that is inscribed on a tangible medium or which
20 is stored in an electronic or other medium and is
21 retrievable in perceivable form.

22 (71) "Registered organization" means an organization
23 formed or organized solely under the law of a single State
24 or the United States by the filing of a public organic
25 record with, the issuance of a public organic record by, or
26 the enactment of legislation by the State or the United

1 States. The term includes a business trust that is formed
2 or organized under the law of a single State if a statute
3 of the State governing business trusts requires that the
4 business trust's organic record be filed with the State.

5 (72) "Secondary obligor" means an obligor to the extent
6 that:

7 (A) the obligor's obligation is secondary; or

8 (B) the obligor has a right of recourse with
9 respect to an obligation secured by collateral against
10 the debtor, another obligor, or property of either.

11 (73) "Secured party" means:

12 (A) a person in whose favor a security interest is
13 created or provided for under a security agreement,
14 whether or not any obligation to be secured is
15 outstanding;

16 (B) a person that holds an agricultural lien;

17 (C) a consignor;

18 (D) a person to which accounts, chattel paper,
19 payment intangibles, or promissory notes have been
20 sold;

21 (E) a trustee, indenture trustee, agent,
22 collateral agent, or other representative in whose
23 favor a security interest or agricultural lien is
24 created or provided for; or

25 (F) a person that holds a security interest arising
26 under Section 2-401, 2-505, 2-711(3), 2A-508(5),

1 4-210, or 5-118.

2 (74) "Security agreement" means an agreement that
3 creates or provides for a security interest.

4 (75) "Send", in connection with a record or
5 notification, means:

6 (A) to deposit in the mail, deliver for
7 transmission, or transmit by any other usual means of
8 communication, with postage or cost of transmission
9 provided for, addressed to any address reasonable
10 under the circumstances; or

11 (B) to cause the record or notification to be
12 received within the time that it would have been
13 received if properly sent under subparagraph (A).

14 (76) "Software" means a computer program and any
15 supporting information provided in connection with a
16 transaction relating to the program. The term does not
17 include a computer program that is included in the
18 definition of goods.

19 (77) "State" means a State of the United States, the
20 District of Columbia, Puerto Rico, the United States Virgin
21 Islands, or any territory or insular possession subject to
22 the jurisdiction of the United States.

23 (78) "Supporting obligation" means a letter-of-credit
24 right or secondary obligation that supports the payment or
25 performance of an account, chattel paper, a document, a
26 general intangible, an instrument, or investment property.

1 (79) "Tangible chattel paper" means chattel paper
2 evidenced by a record or records consisting of information
3 that is inscribed on a tangible medium.

4 (80) "Termination statement" means an amendment of a
5 financing statement which:

6 (A) identifies, by its file number, the initial
7 financing statement to which it relates; and

8 (B) indicates either that it is a termination
9 statement or that the identified financing statement
10 is no longer effective.

11 (81) "Transmitting utility" means a person primarily
12 engaged in the business of:

13 (A) operating a railroad, subway, street railway,
14 or trolley bus;

15 (B) transmitting communications electrically,
16 electromagnetically, or by light;

17 (C) transmitting goods by pipeline or sewer; or

18 (D) transmitting or producing and transmitting
19 electricity, steam, gas, or water.

20 (b) Definitions in other Articles. "Control" as provided in
21 Section 7-106 and the following definitions in other Articles
22 apply to this Article:

23 "Applicant". Section 5-102.

24 "Beneficiary". Section 5-102.

25 "Broker". Section 8-102.

26 "Certificated security". Section 8-102.

1 "Check". Section 3-104.
2 "Clearing corporation". Section 8-102.
3 "Contract for sale". Section 2-106.
4 "Customer". Section 4-104.
5 "Entitlement holder". Section 8-102.
6 "Financial asset". Section 8-102.
7 "Holder in due course". Section 3-302.
8 "Issuer" (with respect to a letter of credit or
9 letter-of-credit right). Section 5-102.
10 "Issuer" (with respect to a security). Section 8-201.
11 "Issuer" (with respect to documents of title). Section
12 7-102.
13 "Lease". Section 2A-103.
14 "Lease agreement". Section 2A-103.
15 "Lease contract". Section 2A-103.
16 "Leasehold interest". Section 2A-103.
17 "Lessee". Section 2A-103.
18 "Lessee in ordinary course of business". Section 2A-103.
19 "Lessor". Section 2A-103.
20 "Lessor's residual interest". Section 2A-103.
21 "Letter of credit". Section 5-102.
22 "Merchant". Section 2-104.
23 "Negotiable instrument". Section 3-104.
24 "Nominated person". Section 5-102.
25 "Note". Section 3-104.
26 "Proceeds of a letter of credit". Section 5-114.

1 "Prove". Section 3-103.

2 "Sale". Section 2-106.

3 "Securities account". Section 8-501.

4 "Securities intermediary". Section 8-102.

5 "Security". Section 8-102.

6 "Security certificate". Section 8-102.

7 "Security entitlement". Section 8-102.

8 "Uncertificated security". Section 8-102.

9 (c) Article 1 definitions and principles. Article 1
10 contains general definitions and principles of construction
11 and interpretation applicable throughout this Article.

12 (Source: P.A. 96-1477, eff. 1-1-11; 97-1034, eff. 7-1-13.)

13 Section 10-110. The Interest Act is amended by changing
14 Sections 4, 4.2, and 4a as follows:

15 (815 ILCS 205/4) (from Ch. 17, par. 6404)

16 Sec. 4. General interest rate.

17 (1) Except as otherwise provided in Section 4.05, in all
18 written contracts it shall be lawful for the parties to
19 stipulate or agree that 9% per annum, or any less sum of
20 interest, shall be taken and paid upon every \$100 of money
21 loaned or in any manner due and owing from any person to any
22 other person or corporation in this state, and after that rate
23 for a greater or less sum, or for a longer or shorter time,
24 except as herein provided.

1 The maximum rate of interest that may lawfully be
2 contracted for is determined by the law applicable thereto at
3 the time the contract is made. Any provision in any contract,
4 whether made before or after July 1, 1969, which provides for
5 or purports to authorize, contingent upon a change in the
6 Illinois law after the contract is made, any rate of interest
7 greater than the maximum lawful rate at the time the contract
8 is made, is void.

9 It is lawful for a state bank or a branch of an
10 out-of-state bank, as those terms are defined in Section 2 of
11 the Illinois Banking Act, to receive or to contract to receive
12 and collect interest and charges at any rate or rates agreed
13 upon by the bank or branch and the borrower. It is lawful for a
14 savings bank chartered under the Savings Bank Act or a savings
15 association chartered under the Illinois Savings and Loan Act
16 of 1985 to receive or contract to receive and collect interest
17 and charges at any rate agreed upon by the savings bank or
18 savings association and the borrower.

19 It is lawful to receive or to contract to receive and
20 collect interest and charges as authorized by this Act and as
21 authorized by the Consumer Installment Loan Act and by the
22 "Consumer Finance Act", approved July 10, 1935, as now or
23 hereafter amended, or by the Payday Loan Reform Act. It is
24 lawful to charge, contract for, and receive any rate or amount
25 of interest or compensation with respect to the following
26 transactions:

1 (a) Any loan made to a corporation;

2 (b) Advances of money, repayable on demand, to an
3 amount not less than \$5,000, which are made upon warehouse
4 receipts, bills of lading, certificates of stock,
5 certificates of deposit, bills of exchange, bonds or other
6 negotiable instruments pledged as collateral security for
7 such repayment, if evidenced by a writing;

8 (c) Any credit transaction between a merchandise
9 wholesaler and retailer; any business loan to a business
10 association or copartnership or to a person owning and
11 operating a business as sole proprietor or to any persons
12 owning and operating a business as joint venturers, joint
13 tenants or tenants in common, or to any limited
14 partnership, or to any trustee owning and operating a
15 business or whose beneficiaries own and operate a business,
16 except that any loan which is secured (1) by an assignment
17 of an individual obligor's salary, wages, commissions or
18 other compensation for services, or (2) by his household
19 furniture or other goods used for his personal, family or
20 household purposes shall be deemed not to be a loan within
21 the meaning of this subsection; and provided further that a
22 loan which otherwise qualifies as a business loan within
23 the meaning of this subsection shall not be deemed as not
24 so qualifying because of the inclusion, with other security
25 consisting of business assets of any such obligor, of real
26 estate occupied by an individual obligor solely as his

1 residence. The term "business" shall be deemed to mean a
2 commercial, agricultural or industrial enterprise which is
3 carried on for the purpose of investment or profit, but
4 shall not be deemed to mean the ownership or maintenance of
5 real estate occupied by an individual obligor solely as his
6 residence;

7 (d) Any loan made in accordance with the provisions of
8 Subchapter I of Chapter 13 of Title 12 of the United States
9 Code, which is designated as "Housing Renovation and
10 Modernization";

11 (e) Any mortgage loan insured or upon which a
12 commitment to insure has been issued under the provisions
13 of the National Housing Act, Chapter 13 of Title 12 of the
14 United States Code;

15 (f) Any mortgage loan guaranteed or upon which a
16 commitment to guaranty has been issued under the provisions
17 of the Veterans' Benefits Act, Subchapter II of Chapter 37
18 of Title 38 of the United States Code;

19 (g) Interest charged by a broker or dealer registered
20 under the Securities Exchange Act of 1934, as amended, or
21 registered under the Illinois Securities Law of 1953,
22 approved July 13, 1953, as now or hereafter amended, on a
23 debit balance in an account for a customer if such debit
24 balance is payable at will without penalty and is secured
25 by securities as defined in Uniform Commercial
26 Code-Investment Securities;

1 (h) Any loan made by a participating bank as part of
2 any loan guarantee program which provides for loans and for
3 the refinancing of such loans to medical students, interns
4 and residents and which are guaranteed by the American
5 Medical Association Education and Research Foundation;

6 (i) Any loan made, guaranteed, or insured in accordance
7 with the provisions of the Housing Act of 1949, Subchapter
8 III of Chapter 8A of Title 42 of the United States Code and
9 the Consolidated Farm and Rural Development Act,
10 Subchapters I, II, and III of Chapter 50 of Title 7 of the
11 United States Code;

12 (j) Any loan by an employee pension benefit plan, as
13 defined in Section 3 (2) of the Employee Retirement Income
14 Security Act of 1974 (29 U.S.C.A. Sec. 1002), to an
15 individual participating in such plan, provided that such
16 loan satisfies the prohibited transaction exemption
17 requirements of Section 408 (b) (1) (29 U.S.C.A. Sec. 1108
18 (b) (1)) or Section 2003 (a) (26 U.S.C.A. Sec. 4975 (d)
19 (1)) of the Employee Retirement Income Security Act of
20 1974;

21 (k) Written contracts, agreements or bonds for deed
22 providing for installment purchase of real estate,
23 including a manufactured home as defined in subdivision
24 (53) of Section 9-102 of the Uniform Commercial Code that
25 is real property as defined in the Conveyance and
26 Encumbrance of Manufactured Homes as Real Property and

1 Severance Act;

2 (1) Loans secured by a mortgage on real estate,
3 including a manufactured home as defined in subdivision
4 (53) of Section 9-102 of the Uniform Commercial Code that
5 is real property as defined in the Conveyance and
6 Encumbrance of Manufactured Homes as Real Property and
7 Severance Act;

8 (m) Loans made by a sole proprietorship, partnership,
9 or corporation to an employee or to a person who has been
10 offered employment by such sole proprietorship,
11 partnership, or corporation made for the sole purpose of
12 transferring an employee or person who has been offered
13 employment to another office maintained and operated by the
14 same sole proprietorship, partnership, or corporation;

15 (n) Loans to or for the benefit of students made by an
16 institution of higher education.

17 (2) Except for loans described in subparagraph (a), (c),
18 (d), (e), (f) or (i) of subsection (1) of this Section, and
19 except to the extent permitted by the applicable statute for
20 loans made pursuant to Section 4a or pursuant to the Consumer
21 Installment Loan Act:

22 (a) Whenever the rate of interest exceeds 8% per annum
23 on any written contract, agreement or bond for deed
24 providing for the installment purchase of residential real
25 estate, or on any loan secured by a mortgage on residential
26 real estate, it shall be unlawful to provide for a

1 prepayment penalty or other charge for prepayment.

2 (b) No agreement, note or other instrument evidencing a
3 loan secured by a mortgage on residential real estate, or
4 written contract, agreement or bond for deed providing for
5 the installment purchase of residential real estate, may
6 provide for any change in the contract rate of interest
7 during the term thereof. However, if the Congress of the
8 United States or any federal agency authorizes any class of
9 lender to enter, within limitations, into mortgage
10 contracts or written contracts, agreements or bonds for
11 deed in which the rate of interest may be changed during
12 the term of the contract, any person, firm, corporation or
13 other entity not otherwise prohibited from entering into
14 mortgage contracts or written contracts, agreements or
15 bonds for deed in Illinois may enter into mortgage
16 contracts or written contracts, agreements or bonds for
17 deed in which the rate of interest may be changed during
18 the term of the contract, within the same limitations.

19 (3) In any contract or loan which is secured by a mortgage,
20 deed of trust, or conveyance in the nature of a mortgage, on
21 residential real estate, the interest which is computed,
22 calculated, charged, or collected pursuant to such contract or
23 loan, or pursuant to any regulation or rule promulgated
24 pursuant to this Act, may not be computed, calculated, charged
25 or collected for any period of time occurring after the date on
26 which the total indebtedness, with the exception of late

1 payment penalties, is paid in full.

2 (4) For purposes of this Section, a prepayment shall mean
3 the payment of the total indebtedness, with the exception of
4 late payment penalties if incurred or charged, on any date
5 before the date specified in the contract or loan agreement on
6 which the total indebtedness shall be paid in full, or before
7 the date on which all payments, if timely made, shall have been
8 made. In the event of a prepayment of the indebtedness which is
9 made on a date after the date on which interest on the
10 indebtedness was last computed, calculated, charged, or
11 collected but before the next date on which interest on the
12 indebtedness was to be calculated, computed, charged, or
13 collected, the lender may calculate, charge and collect
14 interest on the indebtedness for the period which elapsed
15 between the date on which the prepayment is made and the date
16 on which interest on the indebtedness was last computed,
17 calculated, charged or collected at a rate equal to $1/360$ of
18 the annual rate for each day which so elapsed, which rate shall
19 be applied to the indebtedness outstanding as of the date of
20 prepayment. The lender shall refund to the borrower any
21 interest charged or collected which exceeds that which the
22 lender may charge or collect pursuant to the preceding
23 sentence. The provisions of this amendatory Act of 1985 shall
24 apply only to contracts or loans entered into on or after the
25 effective date of this amendatory Act, but shall not apply to
26 contracts or loans entered into on or after that date that are

1 subject to Section 4a of this Act, the Consumer Installment
2 Loan Act, the Payday Loan Reform Act, or the Retail Installment
3 Sales Act, or that provide for the refund of precomputed
4 interest on prepayment in the manner provided by such Act.

5 (5) For purposes of items (a) and (c) of subsection (1) of
6 this Section, a rate or amount of interest may be lawfully
7 computed when applying the ratio of the annual interest rate
8 over a year based on 360 days. The provisions of this
9 amendatory Act of the 96th General Assembly are declarative of
10 existing law.

11 (6) For purposes of this Section, "real estate" and "real
12 property" include a manufactured home, as defined in
13 subdivision (53) of Section 9-102 of the Uniform Commercial
14 Code that is real property as defined in the Conveyance and
15 Encumbrance of Manufactured Homes as Real Property and
16 Severance Act.

17 (Source: P.A. 95-331, eff. 8-21-07; 96-1421, eff. 8-3-10.)

18 (815 ILCS 205/4.2) (from Ch. 17, par. 6407)

19 Sec. 4.2. Revolving credit; billing statements;
20 disclosures. On a revolving credit which complies with
21 subparagraphs (a), (b), (c), (d) and (e) of this Section 4.2,
22 it is lawful for any bank that has its main office or, after
23 May 31, 1997, a branch in this State, a state or federal
24 savings and loan association with its main office in this
25 State, a state or federal credit union with its main office in

1 this State, or a lender licensed under the Consumer Finance
2 Act, the Consumer Installment Loan Act or the Sales Finance
3 Agency Act, as such Acts are now and hereafter amended, to
4 receive or contract to receive and collect interest in any
5 amount or at any rate agreed upon by the parties to the
6 revolving credit arrangement. It is lawful for any other lender
7 to receive or contract to receive and collect interest in an
8 amount not in excess of 1 1/2% per month of either the average
9 daily unpaid balance of the principal of the debt during the
10 billing cycle, or of the unpaid balance of the debt on
11 approximately the same day of the billing cycle. If a lender
12 under a revolving credit arrangement notifies the debtor at
13 least 30 days in advance of any lawful increase in the amount
14 or rate of interest to be charged under the revolving credit
15 arrangement, and the debtor, after the effective date of such
16 notice, incurs new debt pursuant to the revolving credit
17 arrangement, the increased interest amount or rate may be
18 applied only to any such new debt incurred under the revolving
19 credit arrangement. For purposes of determining the balances to
20 which the increased interest rate applies, all payments and
21 other credits may be deemed to be applied to the balance
22 existing prior to the change in rate until that balance is paid
23 in full. The face amount of the drafts, items, orders for the
24 payment of money, evidences of debt, or similar written
25 instruments received by the lender in connection with the
26 revolving credit, less the amounts applicable to principal from

1 time to time paid thereon by the debtor, are the unpaid balance
2 of the debt upon which the interest is computed. If the billing
3 cycle is not monthly, the maximum interest rate for the billing
4 cycle is the percentage which bears the same relation to the
5 monthly percentage provided for in the preceding sentence as
6 the number of days in the billing cycle bears to 30. For the
7 purposes of the foregoing computation, a "month" is deemed to
8 be any time of 30 consecutive days. In addition to the interest
9 charge provided for, it is lawful to receive, contract for or
10 collect a charge not exceeding 25 cents for each transaction in
11 which a loan or advance is made under the revolving credit or
12 in lieu of this additional charge an annual fee for the
13 privilege of receiving and using the revolving credit in an
14 amount not exceeding \$20. In addition, with respect to
15 revolving credit secured by an interest in real estate,
16 including a manufactured home as defined in subdivision (53) of
17 Section 9-102 of the Uniform Commercial Code that is real
18 property as defined in the Conveyance and Encumbrance of
19 Manufactured Homes as Real Property and Severance Act, it is
20 also lawful to receive, contract for or collect fees lawfully
21 paid to any public officer or agency to record, file or release
22 the security, and costs and disbursements actually incurred for
23 any title insurance, title examination, abstract of title,
24 survey, appraisal, escrow fees, and fees paid to a trustee in
25 connection with a trust deed.

26 (a) At or before the date a bill or statement is first

1 rendered to the debtor under a revolving credit arrangement,
2 the lender must mail or deliver to the debtor a written
3 description of the conditions under which a charge for interest
4 may be made and the method, including the rate, of computing
5 these interest charges. The rate of interest must be expressed
6 as an annual percentage rate.

7 (b) If during any billing cycle any debit or credit entry
8 is made to a debtor's revolving credit account, and if at the
9 end of that billing cycle there is an unpaid balance owing to
10 the lender from the debtor, the lender must give to the debtor
11 the following information within a reasonable time after the
12 end of the billing cycle:

13 (i) the unpaid balance at the beginning of the billing
14 cycle;

15 (ii) the date and amount of all loans or advances made
16 during the billing cycle, which information may be supplied
17 by enclosing a copy of the drafts, items, orders for the
18 payment of money, evidences of debt or similar written
19 instruments presented to the lender during the billing
20 cycle;

21 (iii) the payments by the debtor to the lender and any
22 other credits to the debtor during the billing cycle;

23 (iv) the amount of interest and other charges, if any,
24 charged to the debtor's account during the billing cycle;

25 (v) the amount which must be currently paid by the
26 debtor and the date on which that amount must be paid in

1 order to avoid delinquency;

2 (vi) the total amount remaining unpaid at the end of
3 the billing cycle and the right of the debtor to prepay
4 that amount in full without penalty; and

5 (vii) information required by (iv), (v) and (vi) must
6 be set forth in type of equal size and equal
7 conspicuousness.

8 (c) The revolving credit arrangement may provide for the
9 payment by the debtor and receipt by the lender of all costs
10 and disbursements, including reasonable attorney's fees,
11 incurred by the lender in legal proceedings to collect or
12 enforce the debt in the event of delinquency by the debtor or
13 in the event of a breach of any obligation of the debtor under
14 the arrangement.

15 (d) The lender under a revolving credit arrangement may
16 provide credit life insurance or credit accident and health
17 insurance, or both, with respect to the debtor and may charge
18 the debtor therefor. Credit life insurance and credit accident
19 and health insurance, and any charge therefor made to the
20 debtor, shall comply with Article IX 1/2 of the Illinois
21 Insurance Code, as now or hereafter amended, and all lawful
22 requirements of the Director of Insurance related thereto. This
23 insurance is in force with respect to each loan or advance made
24 under a revolving credit arrangement as soon as the loan or
25 advance is made. The purchase of this insurance from an agent,
26 broker or insurer specified by the lender may not be a

1 condition precedent to the revolving credit arrangement or to
2 the making of any loan or advance thereunder.

3 (e) Whenever interest is contracted for or received under
4 this Section, no amount in addition to the charges authorized
5 by this Act may be directly or indirectly charged, contracted
6 for or received whether as interest, service charges, costs of
7 investigations or enforcements or otherwise.

8 (f) The lender under a revolving credit arrangement must
9 compute at year end the total amount charged to the debtor's
10 account during the year, including service charges, finance
11 charges, late charges and any other charges authorized by this
12 Act, and upon request must furnish such information to the
13 debtor within 30 days after the end of the year, or if the
14 account has been terminated during such year, may give such
15 requested information within 30 days after such termination.
16 The lender shall annually inform the debtor of his right to
17 obtain such information.

18 (g) A lender who complies with the federal Truth in Lending
19 Act, amendments thereto, and any regulations issued or which
20 may be issued thereunder, shall be deemed to be in compliance
21 with the provisions of subparagraphs (a) and (b) of this
22 Section.

23 (h) Anything in this Section 4.2 to the contrary
24 notwithstanding, if the Congress of the United States or any
25 federal agency authorizes any class of lenders to enter, within
26 limitations, into a revolving credit arrangement secured by a

1 mortgage or deed of trust on residential real property, any
2 person, firm, corporation or other entity, not otherwise
3 prohibited by the Congress of the United States or any federal
4 agency from entering into revolving credit arrangements
5 secured by a mortgage or deed of trust on residential real
6 property, may enter into such arrangements within the same
7 limitations.

8 (Source: P.A. 89-208, eff. 9-29-95.)

9 (815 ILCS 205/4a) (from Ch. 17, par. 6410)

10 Sec. 4a. Installment loan rate.

11 (a) On money loaned to or in any manner owing from any
12 person, whether secured or unsecured, except where the money
13 loaned or in any manner owing is directly or indirectly for the
14 purchase price of real estate or an interest therein and is
15 secured by a lien on or retention of title to that real estate
16 or interest therein, to an amount not more than \$25,000
17 (excluding interest) which is evidenced by a written instrument
18 providing for the payment thereof in 2 or more periodic
19 installments over a period of not more than 181 months from the
20 date of the execution of the written instrument, it is lawful
21 to receive or to contract to receive and collect either:

22 (i) interest in an amount equivalent to interest
23 computed at a rate not exceeding 9% per year on the entire
24 principal amount of the money loaned or in any manner owing
25 for the period from the date of the making of the loan or

1 the incurring of the obligation for the amount owing
2 evidenced by the written instrument until the date of the
3 maturity of the last installment thereof, and to add that
4 amount to the principal, except that there shall be no
5 limit on the rate of interest which may be received or
6 contracted to be received and collected by (1) any bank
7 that has its main office or, after May 31, 1997, a branch
8 in this State; (2) a savings and loan association chartered
9 under the Illinois Savings and Loan Act of 1985, a savings
10 bank chartered under the Savings Bank Act, or a federal
11 savings and loan association established under the laws of
12 the United States and having its main office in this State;
13 or (3) any lender licensed under either the Consumer
14 Finance Act or the Consumer Installment Loan Act, but in
15 any case in which interest is received, contracted for or
16 collected on the basis of this clause (i), the debtor may
17 satisfy in full at any time before maturity the debt
18 evidenced by the written instrument, and in so satisfying
19 must receive a refund credit against the total amount of
20 interest added to the principal computed in the manner
21 provided under Section 15(f)(3) of the Consumer
22 Installment Loan Act for refunds or credits of applicable
23 interest on payment in full of precomputed loans before the
24 final installment due date; or

25 (ii) interest accrued on the principal balance from
26 time to time remaining unpaid, from the date of making of

1 the loan or the incurring of the obligation to the date of
2 the payment of the debt in full, at a rate not exceeding
3 the annual percentage rate equivalent of the rate permitted
4 to be charged under clause (i) above, but in any such case
5 the debtor may, provided that the debtor shall have paid in
6 full all interest and other charges accrued to the date of
7 such prepayment, prepay the principal balance in full or in
8 part at any time, and interest shall, upon any such
9 prepayment, cease to accrue on the principal amount which
10 has been prepaid.

11 (b) Whenever the principal amount of an installment loan is
12 \$300 or more and the repayment period is 6 months or more, a
13 minimum charge of \$15 may be collected instead of interest, but
14 only one minimum charge may be collected from the same person
15 during one year. When the principal amount of the loan
16 (excluding interest) is \$800 or less, the lender or creditor
17 may contract for and receive a service charge not to exceed \$5
18 in addition to interest; and that service charge may be
19 collected when the loan is made, but only one service charge
20 may be contracted for, received, or collected from the same
21 person during one year.

22 (c) Credit life insurance and credit accident and health
23 insurance, and any charge therefor which is deducted from the
24 loan or paid by the obligor, must comply with Article IX 1/2 of
25 the Illinois Insurance Code and all lawful requirements of the
26 Director of Insurance related thereto. When there are 2 or more

1 obligors on the loan contract, only one charge for credit life
2 insurance and credit accident and health insurance may be made
3 and only one of the obligors may be required to be insured.
4 Insurance obtained from, by or through the lender or creditor
5 must be in effect when the loan is transacted. The purchase of
6 that insurance from an agent, broker or insurer specified by
7 the lender or creditor may not be a condition precedent to the
8 granting of the loan.

9 (d) The lender or creditor may require the obligor to
10 provide property insurance on security other than household
11 goods, furniture and personal effects. The amount and term of
12 the insurance must be reasonable in relation to the amount and
13 term of the loan contract and the type and value of the
14 security, and the insurance must be procured in accordance with
15 the insurance laws of this State. The purchase of that
16 insurance from an agent, broker or insurer specified by the
17 lender or creditor may not be a condition precedent to the
18 granting of the loan.

19 (e) The lender or creditor may, if the contract provides,
20 collect a delinquency and collection charge on each installment
21 in default for a period of not less than 10 days in an amount
22 not exceeding 5% of the installment on installments in excess
23 of \$200 or \$10 on installments of \$200 or less, but only one
24 delinquency and collection charge may be collected on any
25 installment regardless of the period during which it remains in
26 default. In addition, the contract may provide for the payment

1 by the borrower or debtor of attorney's fees incurred by the
2 lender or creditor. The lender or creditor may enforce such a
3 provision to the extent of the reasonable attorney's fees
4 incurred by him in the collection or enforcement of the
5 contract or obligation. Whenever interest is contracted for or
6 received under this Section, no amount in addition to the
7 charges authorized by this Section may be directly or
8 indirectly charged, contracted for or received, except lawful
9 fees paid to a public officer or agency to record, file or
10 release security, and except costs and disbursements including
11 reasonable attorney's fees, incurred in legal proceedings to
12 collect a loan or to realize on a security after default. This
13 Section does not prohibit the receipt of any commission,
14 dividend or other benefit by the creditor or an employee,
15 affiliate or associate of the creditor from the insurance
16 authorized by this Section.

17 (f) When interest is contracted for or received under this
18 Section, the lender must disclose the following items to the
19 obligor in a written statement before the loan is consummated:

20 (1) the amount and date of the loan contract;

21 (2) the amount of loan credit using the term "amount
22 financed";

23 (3) every deduction from the amount financed or payment
24 made by the obligor for insurance and the type of insurance
25 for which each deduction or payment was made;

26 (4) every other deduction from the loan or payment made

1 by the obligor in connection with obtaining the loan;

2 (5) the date on which the finance charge begins to
3 accrue if different from the date of the transaction;

4 (6) the total amount of the loan charge for the
5 scheduled term of the loan contract with a description of
6 each amount included using the term "finance charge";

7 (7) the finance charge expressed as an annual
8 percentage rate using the term "annual percentage rate".
9 "Annual percentage rate" means the nominal annual
10 percentage rate of finance charge determined in accordance
11 with the actuarial method of computation with an accuracy
12 at least to the nearest 1/4 of 1%; or at the option of the
13 lender by application of the United States rule so that it
14 may be disclosed with an accuracy at least to the nearest
15 1/4 of 1%;

16 (8) the number, amount and due dates or periods of
17 payments scheduled to repay the loan and the sum of such
18 payments using the term "total of payments";

19 (9) the amount, or method of computing the amount of
20 any default, delinquency or similar charges payable in the
21 event of late payments;

22 (10) the right of the obligor to prepay the loan and
23 the fact that such prepayment will reduce the charge for
24 the loan;

25 (11) a description or identification of the type of any
26 security interest held or to be retained or acquired by the

1 lender in connection with the loan and a clear
2 identification of the property to which the security
3 interest relates. If after-acquired property will be
4 subject to the security interest, or if other or future
5 indebtedness is or may be secured by any such property,
6 this fact shall be clearly set forth in conjunction with
7 the description or identification of the type of security
8 interest held, retained or acquired;

9 (12) a description of any penalty charge that may be
10 imposed by the lender for prepayment of the principal of
11 the obligation with an explanation of the method of
12 computation of such penalty and the conditions under which
13 it may be imposed;

14 (13) unless the contract provides for the accrual and
15 payment of the finance charge on the balance of the amount
16 financed from time to time remaining unpaid, an
17 identification of the method of computing any unearned
18 portion of the finance charge in the event of prepayment of
19 the loan.

20 The terms "finance charge" and "annual percentage rate"
21 shall be printed more conspicuously than other terminology
22 required by this Section.

23 (g) At the time disclosures are made, the lender shall
24 deliver to the obligor a duplicate of the instrument or
25 statement by which the required disclosures are made and on
26 which the lender and obligor are identified and their addresses

1 stated. All of the disclosures shall be made clearly,
2 conspicuously and in meaningful sequence and made together on
3 either:

4 (i) the note or other instrument evidencing the
5 obligation on the same side of the page and above or
6 adjacent to the place for the obligor's signature; however,
7 where a creditor elects to combine disclosures with the
8 contract, security agreement, and evidence of a
9 transaction in a single document, the disclosures required
10 under this Section shall be made on the face of the
11 document, on the reverse side, or on both sides, provided
12 that the amount of the finance charge and the annual
13 percentage rate shall appear on the face of the document,
14 and, if the reverse side is used, the printing on both
15 sides of the document shall be equally clear and
16 conspicuous, both sides shall contain the statement,
17 "NOTICE: See other side for important information", and the
18 place for the customer's signature shall be provided
19 following the full content of the document; or

20 (ii) one side of a separate statement which identifies
21 the transaction.

22 The amount of the finance charge shall be determined as the
23 sum of all charges, payable directly or indirectly by the
24 obligor and imposed directly or indirectly by the lender as an
25 incident to or as a condition to the extension of credit,
26 whether paid or payable by the obligor, any other person on

1 behalf of the obligor, to the lender or to a third party,
2 including any of the following types of charges:

3 (1) Interest, time price differential, and any amount
4 payable under a discount or other system of additional
5 charges.

6 (2) Service, transaction, activity, or carrying
7 charge.

8 (3) Loan fee, points, finder's fee, or similar charge.

9 (4) Fee for an appraisal, investigation, or credit
10 report.

11 (5) Charges or premiums for credit life, accident,
12 health, or loss of income insurance, written in connection
13 with any credit transaction unless (a) the insurance
14 coverage is not required by the lender and this fact is
15 clearly and conspicuously disclosed in writing to the
16 obligor; and (b) any obligor desiring such insurance
17 coverage gives specific dated and separately signed
18 affirmative written indication of such desire after
19 receiving written disclosure to him of the cost of such
20 insurance.

21 (6) Charges or premiums for insurance, written in
22 connection with any credit transaction, against loss of or
23 damage to property or against liability arising out of the
24 ownership or use of property, unless a clear, conspicuous,
25 and specific statement in writing is furnished by the
26 lender to the obligor setting forth the cost of the

1 insurance if obtained from or through the lender and
2 stating that the obligor may choose the person through
3 which the insurance is to be obtained.

4 (7) Premium or other charges for any other guarantee or
5 insurance protecting the lender against the obligor's
6 default or other credit loss.

7 (8) Any charge imposed by a lender upon another lender
8 for purchasing or accepting an obligation of an obligor if
9 the obligor is required to pay any part of that charge in
10 cash, as an addition to the obligation, or as a deduction
11 from the proceeds of the obligation.

12 A late payment, delinquency, default, reinstatement or
13 other such charge is not a finance charge if imposed for actual
14 unanticipated late payment, delinquency, default or other
15 occurrence.

16 (h) Advertising for loans transacted under this Section may
17 not be false, misleading, or deceptive. That advertising, if it
18 states a rate or amount of interest, must state that rate as an
19 annual percentage rate of interest charged. In addition, if
20 charges other than for interest are made in connection with
21 those loans, those charges must be separately stated. No
22 advertising may indicate or imply that the rates or charges for
23 loans are in any way "recommended", "approved", "set" or
24 "established" by the State government or by this Act.

25 (i) A lender or creditor who complies with the federal
26 Truth in Lending Act, amendments thereto, and any regulations

1 issued or which may be issued thereunder, shall be deemed to be
2 in compliance with the provisions of subsections (f), (g) and
3 (h) of this Section.

4 (j) For purposes of this Section, "real estate" and "real
5 property" include a manufactured home as defined in subdivision
6 (53) of Section 9-102 of the Uniform Commercial Code that is
7 real property as defined in the Conveyance and Encumbrance of
8 Manufactured Homes as Real Property and Severance Act.

9 (Source: P.A. 92-483, eff. 8-23-01.)

10 Section 10-115. The Motor Vehicle Retail Installment Sales
11 Act is amended by changing Section 2.1 as follows:

12 (815 ILCS 375/2.1) (from Ch. 121 1/2, par. 562.1)

13 Sec. 2.1.

14 "Motor vehicle" means a motor vehicle as defined in The
15 Illinois Vehicle Code but does not include bicycles,
16 motorcycles, motor scooters, snowmobiles, trailers, ~~and~~ farm
17 equipment, and manufactured homes as defined in subdivision
18 (53) of Section 9-102 of the Uniform Commercial Code.

19 (Source: P.A. 77-1167.)

20 Section 10-120. The Retail Installment Sales Act is amended
21 by changing Section 2.1 as follows:

22 (815 ILCS 405/2.1) (from Ch. 121 1/2, par. 502.1)

1 Sec. 2.1. "Goods" means all goods used or purchased
2 primarily for personal, family, or household purposes. "Goods"
3 includes goods purchased primarily for agricultural purposes
4 only for the purposes of the credit disclosure requirements of
5 this Act. "Goods" includes merchandise certificates or coupons
6 issued by a retail seller to be used in their face amount in
7 the purchase of goods or services sold by such a seller but
8 does not include money or other things in action. It also
9 includes goods which are furnished or used, at the time of sale
10 or subsequently, in the modernization, rehabilitation, repair,
11 alteration, improvement, or construction of real estate so as
12 to become a part of that real estate whether or not severable
13 therefrom. "Goods" includes a manufactured home as defined in
14 subdivision (53) of Section 9-102 of the Uniform Commercial
15 Code that is not real property as defined in the Conveyance and
16 Encumbrance of Manufactured Homes as Real Property and
17 Severance Act. "Goods" does not include a motor vehicle as
18 defined in The Illinois Vehicle Code, but does include
19 bicycles, motorcycles, motor scooters, snowmobiles and
20 trailers when purchased primarily for personal, family or
21 household purposes. "Goods" does not include goods used or
22 purchased primarily for business or commercial purposes.

23 (Source: P.A. 77-1166.)

24 ARTICLE 99. EFFECTIVE DATE

25 Section 99-999. Effective date. This Act takes effect upon

1 becoming law.

1	INDEX	
2	Statutes amended in order of appearance	
3	New Act	
4	35 ILCS 200/1-130	
5	35 ILCS 515/1	from Ch. 120, par. 1201
6	35 ILCS 515/4	from Ch. 120, par. 1204
7	205 ILCS 5/3	from Ch. 17, par. 309
8	205 ILCS 5/5a	from Ch. 17, par. 312
9	205 ILCS 5/5d	from Ch. 17, par. 312.3
10	205 ILCS 5/6.1	from Ch. 17, par. 313.1
11	205 ILCS 105/1-10.30	from Ch. 17, par. 3301-10.30
12	205 ILCS 105/5-2	from Ch. 17, par. 3305-2
13	205 ILCS 205/6002	from Ch. 17, par. 7306-2
14	205 ILCS 205/6008	from Ch. 17, par. 7306-8
15	205 ILCS 305/46	from Ch. 17, par. 4447
16	205 ILCS 305/46.1	from Ch. 17, par. 4447.1
17	205 ILCS 635/1-4	
18	210 ILCS 115/2.1	from Ch. 111 1/2, par. 712.1
19	210 ILCS 117/10	
20	430 ILCS 115/2	from Ch. 67 1/2, par. 502
21	430 ILCS 117/10	
22	625 ILCS 5/1-144.03 new	
23	625 ILCS 5/3-100	from Ch. 95 1/2, par. 3-100
24	625 ILCS 5/3-102	from Ch. 95 1/2, par. 3-102
25	625 ILCS 5/3-103	from Ch. 95 1/2, par. 3-103

1	625 ILCS 5/3-104	from Ch. 95 1/2, par. 3-104
2	625 ILCS 5/3-106	from Ch. 95 1/2, par. 3-106
3	625 ILCS 5/3-107	from Ch. 95 1/2, par. 3-107
4	625 ILCS 5/3-109	from Ch. 95 1/2, par. 3-109
5	625 ILCS 5/3-110	from Ch. 95 1/2, par. 3-110
6	625 ILCS 5/3-116	from Ch. 95 1/2, par. 3-116
7	625 ILCS 5/3-116.1 new	
8	625 ILCS 5/3-116.2 new	
9	625 ILCS 5/3-116.3 new	
10	625 ILCS 5/3-202	from Ch. 95 1/2, par. 3-202
11	625 ILCS 5/3-205	from Ch. 95 1/2, par. 3-205
12	625 ILCS 5/3-207	from Ch. 95 1/2, par. 3-207
13	625 ILCS 5/3-208	from Ch. 95 1/2, par. 3-208
14	735 ILCS 5/15-1213	from Ch. 110, par. 15-1213
15	765 ILCS 5/38	from Ch. 30, par. 37
16	765 ILCS 77/5	
17	765 ILCS 745/3	from Ch. 80, par. 203
18	765 ILCS 905/13.1 new	
19	765 ILCS 1005/5 new	
20	810 ILCS 5/9-102	from Ch. 26, par. 9-102
21	815 ILCS 205/4	from Ch. 17, par. 6404
22	815 ILCS 205/4.2	from Ch. 17, par. 6407
23	815 ILCS 205/4a	from Ch. 17, par. 6410
24	815 ILCS 375/2.1	from Ch. 121 1/2, par. 562.1
25	815 ILCS 405/2.1	from Ch. 121 1/2, par. 502.1