

AN ACT concerning civil law.

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

Section 5. The Mobile Home Landlord and Tenant Rights Act is amended by adding Sections 6.25, 6.26, 6.27, 6.28, 6.29, 6.30, and 6.31 as follows:

(765 ILCS 745/6.25 new)

Sec. 6.25. Sale of mobile home parks; right of first refusal.

(a) If a mobile home park owner offers a mobile home park for sale, the owner shall provide written notice to the officers of the homeowners' association created pursuant to Section 6.27 of the offer stating the price and the terms and conditions of sale.

(b) The mobile home owners, by and through a homeowners' association as defined in Section 6.27, shall have the right to purchase the park provided the home owners and residents meet the price and terms and conditions of the mobile home park owner by executing a contract with the park owner within 60 days, unless agreed to otherwise, from the date of mailing of the notice and provided they have complied with Sections 6.27 through 6.31. If a contract between the park owner and the association is not executed within such 60-day period, then,

unless the park owner thereafter elects to offer the park at a price materially lower than the price specified in the notice provided to the officers of the homeowners' association and residents, as the case may be, the park owner has no further obligations under this subsection. For purposes of this Section, a materially lower price shall be a price that is 20% or more lower than the price specified in the notice to the officers of the homeowners' association.

(c) If the park owner thereafter elects to offer the park at a price materially lower than the price specified in the notice, the homeowners, by and through the association, will have an additional 10 days to meet the price and terms and conditions of the park owner by executing a contract.

(d) If, within 60 days, plus any additional 10-day period, from the mailing of the notice required in this Section, no contract for sale signed by the association and the park owner has been reached, the right provided in this Section to purchase the park shall be void and of no further force and effect.

(e) Notices required by this Section shall be in writing and shall be delivered by placing the notice in the United States mail addressed to the officers of the homeowners' association. Each notice shall be deemed given upon the deposit of the notice in the United States mail.

(f) As used in this Section, "offer" means any solicitation made by the park owner to the general public.

(g) This Section does not apply to:

(1) Any sale or transfer to a person who would be included within the table of descent and distribution if the park owner were to die intestate.

(2) Any transfer by gift, devise, or operation of law.

(3) Any transfer by a corporation or entity to an affiliate. As used herein, "affiliate" means any shareholder of the transferring corporation or entity; any corporation or entity owned or controlled, directly or indirectly, by any shareholder of the transferring corporation; or any other corporation or entity owned or controlled, directly or indirectly, by any shareholder of the transferring corporation or entity.

(4) Any transfer by a partnership to any of its partners or by an individual or group of individuals to a partnership.

(5) Any conveyance of an interest in all or a portion of a mobile home park incidental to the financing of such mobile home park.

(6) Any conveyance resulting from the foreclosure of a mortgage, deed of trust, or other instrument encumbering a mobile home park or any deed given in lieu of foreclosure.

(7) Any sale or transfer between or among joint tenants or tenants in common owning a mobile home park.

(8) Any exchange of a mobile home park for other real property, whether or not the exchange also involves the

payment of cash or other boot.

(9) The purchase of a mobile home park by a governmental entity under its powers of eminent domain.

(10) The sale of any mobile home park as part of a portfolio transaction. For purposes of this provision, "portfolio transaction" means a sale of 2 or more mobile home parks, other multifamily buildings, units or properties of any type, RV parks in one transaction to one buyer, or multiple related buyers.

(765 ILCS 745/6.26 new)

Sec. 6.26. Affidavit of compliance with statutory requirements.

(a) A park owner may at any time record, in the official real estate records of the county or jurisdiction where a mobile home park is located, an affidavit in which the park owner certifies that: (i) with reference to an offer by the park owner for the sale of the park, the park owner has complied with the provisions of Section 6.25; (ii) notwithstanding the park owner's compliance with the provisions of Section 6.25, no contract has been executed for the sale of the park between the park owner and the park homeowners' association; (iii) the provisions of Section 6.25 are inapplicable to a particular sale or transfer of the park by the park owner and compliance with Section 6.25 is not required; or (iv) a particular sale or transfer of the park is

exempted from the provisions of this Section. Any party acquiring an interest in a mobile home park and any and all title insurance companies and attorneys preparing, furnishing, or examining any evidence of title have the absolute right to rely on the truth and accuracy of all statements appearing in the affidavit and are under no obligation to inquire further as to any matter or fact relating to the park owner's compliance with the provisions of Section 6.25.

(b) It is the purpose and intention of this Section to preserve the marketability of title to mobile home parks, and, accordingly, the provisions of this Section shall be liberally construed in order that all persons may rely on the record title to mobile home parks.

(765 ILCS 745/6.27 new)

Sec. 6.27. Homeowners' associations. In order to exercise the rights of a homeowners' association as provided in this Act, the mobile home owners shall form an association in compliance with this Section and Sections 6.28, 6.29, and 6.30, shall be a corporation or not-for-profit corporation and of which not less than two-thirds of all of the mobile home owners within the park shall have consented, in writing, to become members or shareholders. Upon incorporation of the association, all consenting mobile home owners in the park may become members or shareholders. "Member" or "shareholder" means a mobile homeowner who consents to be bound by the

articles of incorporation, bylaws, and policies of the incorporated homeowners' association. The association may not have a member or shareholder who is not a bona fide owner of a mobile home located in the park. Upon incorporation and service of the notice described in Section 6.28, the association shall become the representative of all the mobile home owners in all matters relating to this Act, regardless of whether the homeowner is a member of the association.

(765 ILCS 745/6.28 new)

Sec. 6.28. Incorporation; notification of park owner.

(a) Upon receipt of its certificate of incorporation, the homeowners' association shall notify the park owner in writing of the incorporation and shall advise the park owner of the names and addresses of the officers of the homeowners' association by personal delivery upon the park owner's representative as designated in the lease or by certified mail, return receipt requested. Thereafter, the homeowners' association shall notify the park owner in writing by certified mail, return receipt requested, of any change of names and addresses of its president or registered agent. Upon election or appointment of new officers or board members, the homeowners' association shall notify the park owner in writing by certified mail, return receipt requested, of the names and addresses of the new officers or board members.

(b) Upon written request by the homeowners' association,

the park owner shall notify the homeowners' association by certified mail, return receipt requested, of the name and address of the park owner, the park owner's agent for service of process, and the legal description of the park. Thereafter, in the event of a change in the name or address of the park owner or the park owner's agent for service of process, the park owner shall notify in writing the president or registered agent of the homeowners' association of such change by certified mail, return receipt requested.

(c) The homeowners' association shall file a notice of its right to purchase the mobile home park as set forth in Section 6.25. The notice shall contain the name of the association, the name of the park owner, and the address or legal description of the park. The notice shall be recorded with the county clerk in the county where the mobile home park is located. Within 10 days of the recording, the homeowners' association shall provide a copy of the recorded notice to the park owner at the address provided by the park owner by certified mail, return receipt requested.

(765 ILCS 745/6.29 new)

Sec. 6.29. Articles of incorporation. The articles of incorporation of a homeowners' association shall provide:

(1) That the association has the power to negotiate for, acquire, and operate the mobile home park on behalf of the mobile home owners.

(2) For the conversion of the mobile home park once acquired to a condominium, a cooperative, a subdivision form of ownership, or another type of ownership.

Upon acquisition of the property, the association, by action of its board of directors, shall be the entity that: (A) creates a condominium, cooperative, or subdivision; (B) is responsible for offers of sale or lease; or (C) if the home owners choose a different form of ownership, the entity that owns the record interest in the property is responsible for the operation of property.

(765 ILCS 745/6.30 new)

Sec. 6.30. Bylaws of homeowners' associations.

(a) The directors of the association and the operation shall be governed by the bylaws.

(b) The bylaws shall provide and, if they do not, shall be deemed to include, the following provisions:

(1) The form of administration of the association shall be described, providing for the titles of the officers and for a board of directors and specifying the powers, duties, manner of selection and removal, and compensation, if any, of officers and board members. Unless otherwise provided in the bylaws, the board of directors shall be composed of 5 members. The board of directors shall elect a president, secretary, and treasurer who shall perform the duties of those offices

customarily performed by officers of corporations, and these officers shall serve without compensation and at the pleasure of the board of directors. The board of directors may elect and designate other officers and grant them those duties it deems appropriate.

(2) All other administrative and governance requirements to be included in the bylaws shall be as set forth in the Common Interest Community Association Act.

(765 ILCS 745/6.31 new)

Sec. 6.31. Powers and duties of homeowners' association.

(a) An association may contract, sue, or be sued with respect to the exercise or nonexercise of its powers. For these purposes, the powers of the association include, but are not limited to, the maintenance, management, and operation of the park property.

(b) The powers and duties of an association include those set forth in this Act and those set forth in the articles of incorporation and bylaws and any recorded declarations or restrictions encumbering the park property, if not inconsistent with this Act.

(c) An association has the power to make, levy, and collect assessments and to lease, maintain, repair, and replace the common areas upon purchase of the mobile home park.

(d) The association shall maintain the following items,

when applicable, which constitute the official records of the association:

(1) A copy of the association's articles of incorporation and each amendment to the articles of incorporation.

(2) A copy of the bylaws of the association and each amendment to the bylaws.

(3) A copy of the written rules or policies of the association and each amendment to the written rules or policies.

(4) The approved minutes of all meetings of the members of an association and meetings open for members of the board of directors, and committees of the board, which minutes must be retained within this State for at least 5 years.

(5) A current roster of all members and their mailing addresses and lot identifications. The association shall also maintain the e-mail addresses and the numbers designated by members for receiving notice sent by electronic transmission of those members consenting to receive notice by electronic transmission. The e-mail addresses and numbers provided by members to receive notice by electronic transmission shall be removed from association records when consent to receive notice by electronic transmission is revoked. The association is not liable for an erroneous disclosure of the e-mail address

or the number for receiving electronic transmission of notices.

(6) All of the association's insurance policies or copies thereof, which must be retained within this State for at least 5 years after the expiration date of the policy.

(7) A copy of all contracts or agreements to which the association is a party, including, without limitation, any written agreements with the park owner, lease, or other agreements or contracts under which the association or its members has any obligation or responsibility, which must be retained within this State for at least 5 years after the expiration date of the contract or agreement.

(8) The financial and accounting records of the association, kept according to good accounting practices. All financial and accounting records must be maintained within this State for at least 5 years. The financial and accounting records must include:

(A) Accurate, itemized, and detailed records of all receipts and expenditures.

(B) A current account and a periodic statement of the account for each member, designating the name and current address of each member who is obligated to pay dues or assessments, the due date and amount of each assessment or other charge against the member, the date and amount of each payment on the account, and the

balance due.

(C) All tax returns, financial statements, and financial reports of the association.

(D) Any other records that identify, measure, record, or communicate financial information.

(i) All other written records of the association not specifically included in this Section that are related to the operation of the association must be retained within this State for at least 5 years or at least 5 years after the expiration date, as applicable.

(e) The official records shall be made available to a member for inspection or photocopying within 20 business days after receipt by the board or its designee of a written request submitted by certified mail, return receipt requested. The requirements of this Section are satisfied by having a copy of the official records available for inspection or copying in the park or, at the option of the association, by making the records available to a member electronically via the Internet or by allowing the records to be viewed in electronic format on a computer screen and printed upon request. If the association has a photocopy machine available where the records are maintained, it must provide a member with copies on request during the inspection if the entire request is no more than 25 pages. An association shall allow a member or his or her authorized representative to use a portable device, including a smartphone, tablet, portable scanner, or any other

technology capable of scanning or taking photographs, to make an electronic copy of the official records in lieu of the association's providing the member or his or her authorized representative with a copy of such records. The association may not charge a fee to a member or his or her authorized representative for the use of a portable device.

(1) The failure of an association to provide access to the records within 20 business days after receipt of a written request submitted by certified mail, return receipt requested, creates a rebuttable presumption that the association willfully failed to comply with this subsection.

(2) The association may adopt reasonable written rules governing the frequency, time, location, notice, records to be inspected, and manner of inspections, but may not require a member to demonstrate a proper purpose for the inspection, state a reason for the inspection, or limit a member's right to inspect records to less than one business day per month. The association may impose fees to cover the costs of providing copies of the official records, including the costs of copying and for personnel to retrieve and copy the records if the time spent retrieving and copying the records exceeds 30 minutes and if the personnel costs do not exceed \$20 per hour. The association shall maintain an adequate number of copies of the recorded governing documents, to ensure their

availability to members and prospective members.
Notwithstanding this paragraph, the following records are
not accessible to members or homeowners:

(A) A record protected by the lawyer-client
privilege and a record protected by the work-product
privilege, including, but not limited to, a record
prepared by an association attorney or prepared at the
attorney's express direction that reflects a mental
impression, conclusion, litigation strategy, or legal
theory of the attorney or the association and that was
prepared exclusively for civil or criminal litigation,
for adversarial administrative proceedings, or in
anticipation of such litigation or proceedings until
the conclusion of the litigation or proceedings.

(B) E-mail addresses, telephone numbers, facsimile
numbers, emergency contact information, any addresses
for a homeowner other than as provided for association
notice requirements, and other personal identifying
information of any person, excluding the person's
name, lot designation, mailing address, and property
address. Notwithstanding the restrictions in this
subparagraph, an association may print and distribute
to homeowners a directory containing the name, park
address, and telephone number of each homeowner. A
homeowner may exclude his or her telephone number from
the directory by so requesting in writing to the

association. The association is not liable for the disclosure of information that is protected under this subparagraph if the information is included in an official record of the association and is voluntarily provided by a homeowner and not requested by the association.

(C) An electronic security measure that is used by the association to safeguard data, including passwords.

(D) The software and operating system used by the association that allows the manipulation of data, even if the homeowner owns a copy of the same software used by the association. The data is part of the official records of the association.

(f) An outgoing board or committee member must relinquish all official records and property of the association in his or her possession or under his or her control to the incoming board within 5 days after the election or removal.

(g) An association has the power to purchase lots in the park and to acquire, hold, lease, mortgage, and convey them.

(h) An association shall use its best efforts to obtain and maintain adequate insurance to protect the association and the park property upon purchase of the mobile home park. A copy of each policy of insurance in effect shall be made available for inspection by owners at reasonable times.

(i) An association has the authority, without the joinder

of any homeowner, to modify, move, or create any easement for ingress and egress or for the purpose of utilities if the easement constitutes part of or crosses the park property upon purchase of the mobile home park. This subsection does not authorize the association to modify or move any easement created in whole or in part for the use or benefit of anyone other than the members or crossing the property of anyone other than the members, without his or her consent or approval as required by law or the instrument creating the easement. Nothing in this subsection affects the rights of ingress or egress of any member of the association.