

AN ACT concerning mortgages.

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

Section 5. The Mortgage Insurance Limitation and Notification Act is amended by adding Section 17 as follows:

(765 ILCS 930/17 new)

Sec. 17. Insurance coverage.

(a) No lender shall require a borrower, as a condition of receiving or maintaining a loan secured by real property, to provide hazard insurance coverage against risks to the improvements on that real property in an amount exceeding the replacement value of the improvements on the property.

(b) Any person harmed by a violation of this Section shall be entitled to obtain injunctive relief and may recover damages and reasonable attorney's fees and costs.

(c) A violation of this Section does not affect the validity of the loan, note secured by a deed of trust, mortgage, or deed of trust.

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