

1 AN ACT concerning civil law.

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

4 Section 5. The Code of Civil Procedure is amended by adding
5 Section 15-1401.1 as follows:

6 (735 ILCS 5/15-1401.1 new)

7 Sec. 15-1401.1. Short sale in foreclosure.

8 (a) For purposes of this Section, "short sale" means the
9 sale of real estate that is subject to a mortgage for an amount
10 that is less than the amount owed to the mortgagee on the
11 outstanding mortgage note.

12 (b) In a foreclosure of residential real estate, if (i) the
13 mortgagor presents to the mortgagee a bona fide written offer
14 from a third party to purchase the property that is the subject
15 of the foreclosure proceeding, (ii) the written offer to
16 purchase is for an amount which constitutes a short sale of the
17 property, and (iii) the mortgagor makes a written request to
18 the mortgagee to approve the sale on the terms of the offer to
19 purchase, the mortgagee must respond to the mortgagor within 90
20 days after receipt of the written offer and written request.

21 (c) The mortgagee shall determine whether to accept the
22 mortgagor's short sale offer. Failure to accept the offer shall
23 not impair or abrogate in any way the rights of the mortgagee

1 or affect the status of the foreclosure proceedings. The 90-day
2 period shall not operate as a stay of the proceedings.

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