

97TH GENERAL ASSEMBLY State of Illinois 2011 and 2012 SB2848

Introduced 1/24/2012, by Sen. Heather A. Steans

SYNOPSIS AS INTRODUCED:

765 ILCS 605/27

from Ch. 30, par. 327

Amends the Condominium Property Act. Provides that once a condominium association has at least one member other than the developer, condominium instruments shall be amended only, unless the Act provides otherwise (rather than not allowing for an exception), by: (i) an affirmative vote of 2/3 of those voting or by a majority vote margin specified by the condominium instruments, provided that the specified majority vote margin may not exceed a three-quarters vote of all unit owners; and (ii) any required mortgagee's approval. Deletes provisions which state, unless the Act provides otherwise, that: (i) no condominium instrument shall require more than a three-quarters vote of unit owners to amend the bylaws, unless the property's declaration is recorded on or after July 1, 1984; and (ii) no condominium instrument amendment shall change: any unit boundaries; a unit's interest in the common elements; the number of votes in the unit owners' association; or a unit's liability for common expenses.

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1 AN ACT concerning civil law.

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

- Section 5. The Condominium Property Act is amended by changing Section 27 as follows:
- 6 (765 ILCS 605/27) (from Ch. 30, par. 327)
 - Sec. 27. (a) If there is any unit owner other than the developer, and unless otherwise provided in this Act, the condominium instruments shall be amended only as follows:
 - (i) upon the affirmative vote of 2/3 of those voting or upon the majority specified by the condominium instruments, provided that in no event shall the condominium instruments require more than a three-quarters vote of <u>all</u> unit owners; and
- 15 (ii) with the approval of any mortgagees required under 16 the provisions of the condominium instruments.

Except in cases where this Act provides different methods of amendment or with respect to property whose declaration is recorded on or after July 1, 1984, no condominium instrument shall require more than a three-quarters vote of unit owners to amend the bylaws. Except to the extent authorized by other provisions of this Act, no amendment to the condominium instrument shall change the boundaries of any unit or the

undivided interest in the common elements, the number of votes in the unit owners' association, or the liability for common expenses appertaining to a unit.

- (b) (1) If there is an omission or error in the declaration, bylaws or other condominium instrument, the association may correct the error or omission by an amendment to the declaration, bylaws, or other condominium instrument in such respects as may be required to conform to this Act, and any other applicable statute or to the declaration by vote of two-thirds of the members of the Board of Managers or by a majority vote of the unit owners at a meeting called for this purpose, unless the Act or the condominium instruments specifically provide for greater percentages or different procedures.
- designated as owning an appropriate undivided share of the common elements or does not bear an appropriate share of the common expenses or that all the common expenses or all of the common elements in the condominium have not been distributed in the declaration, so that the sum total of the shares of common elements which have been distributed or the sum total of the shares of the common expenses fail to equal 100%, or if it appears that more than 100% of the common elements or common expenses have been distributed, the error may be corrected by operation of law by filing an amendment to the declaration approved by vote of two-thirds of the members of the Board of

Managers or a majority vote of the unit owners at a meeting called for this purpose which proportionately adjusts all percentage interests so that the total is equal to 100% unless the condominium instruments specifically provide for a different procedure or different percentage vote by the owners of the units and the owners of mortgages thereon affected by modification being made in the undivided interest in the common elements, the number of votes in the unit owners association or the liability for common expenses appertaining to the unit.

- (3) If an omission or error or a scrivener's error in the declaration, bylaws or other condominium instrument is corrected by vote of two-thirds of the members of the Board of Managers pursuant to the authority established in subsections (b)(1) or (b)(2) of Section 27 of this Act, the Board upon written petition by unit owners with 20 percent of the votes of the association filed within 30 days of the Board action shall call a meeting of the unit owners within 30 days of the filing of the petition to consider the Board action. Unless a majority of the votes of the unit owners of the association are cast at the meeting to reject the action, it is ratified whether or not a quorum is present.
- (4) The procedures for amendments set forth in this subsection (b) cannot be used if such an amendment would materially or adversely affect property rights of the unit owners unless the affected unit owners consent in writing. This Section does not restrict the powers of the association to

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- otherwise amend the declaration, bylaws, or other condominium instruments, but authorizes a simple process of amendment requiring a lesser vote for the purpose of correcting defects, errors, or omissions when the property rights of the unit owners are not materially or adversely affected.
 - (5) If there is an omission or error in the declaration, bylaws, or other condominium instruments, which may not be corrected by an amendment procedure set forth in paragraphs (1) and (2) of subsection (b) of Section 27 in the declaration then the Circuit Court in the County in which the condominium is located shall have jurisdiction to hear a petition of one or more of the unit owners thereon or of the association, to correct the error or omission, and the action may be a class action. The court may require that one or more methods of correcting the error or omission be submitted to the unit owners to determine the most acceptable correction. All unit owners in the association must be joined as parties to the action. Service of process on owners may be by publication, but the plaintiff shall furnish all unit owners not personally served with process with copies of the petition and final judgment of the court by certified mail return receipt requested, at their last known address.
 - (6) Nothing contained in this Section shall be construed to invalidate any provision of a condominium instrument authorizing the developer to amend a condominium instrument prior to the latest date on which the initial membership

- 1 meeting of the unit owners must be held, whether or nor it has
- 2 actually been held, to bring the instrument into compliance
- 3 with the legal requirements of the Federal National Mortgage
- 4 Association, the Federal Home Loan Mortgage Corporation, the
- 5 Federal Housing Administration, the United States Veterans
- 6 Administration or their respective successors and assigns.
- 7 (Source: P.A. 94-886, eff. 6-20-06.)