

AN ACT concerning civil law.

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

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

(735 ILCS 5/15-1401.1 new)

Sec. 15-1401.1. Short sale in foreclosure.

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

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

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

Public Act 097-0666

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LRB097 00223 AJO 40238 b

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

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