



## 104TH GENERAL ASSEMBLY

### State of Illinois

2025 and 2026

SB3401

Introduced 2/4/2026, by Sen. Robert F. Martwick

#### SYNOPSIS AS INTRODUCED:

765 ILCS 160/1-32 new	
765 ILCS 160/1-35	
765 ILCS 605/18.5	from Ch. 30, par. 318.5
765 ILCS 605/18.13 new	
765 ILCS 605/22.1	from Ch. 30, par. 322.1

Amends the Common Interest Community Association Act. Requires a common interest association to conduct and update a reserve study every 5 years. "Reserve study" means an analysis of the reserves required for future major maintenance, repairs, and replacements of the common elements. Grants a 5-year window for an association to conduct a reserve study or update a current study. Requires a reserve study to be made available to any prospective purchaser of a unit upon request for a resale of any unit in the community. Exempts an association with 15 or fewer units but still requires the board to comply with the budgeting and reserve requirements elsewhere in the Act. Amends the Condominium Property Act to make similar changes.

LRB104 18964 JRC 32409 b

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 Common Interest Community Association Act  
5 is amended by adding Section 1-32 and by changing Section 1-35  
6 as follows:

7 (765 ILCS 160/1-32 new)

8 Sec. 1-32. Reserve study.

9 (a) As used in this Section:

10 "Major shared components or significant infrastructure"  
11 means structural, mechanical, electrical, and plumbing  
12 components of the common areas and any other components that  
13 are the responsibility of the association to maintain,  
14 restore, repair, and replace, or infrastructure, including,  
15 but not limited to, roads, street lighting, hardscape,  
16 landscape, ponds and lakes, water features, pools, and  
17 accessory buildings, if applicable, with a restoration or  
18 replacement cost exceeding \$10,000, which are capital expenses  
19 as identified in the federal tax code and generally accepted  
20 accounting principles.

21 "Reserve study" means an analysis of the reserves required  
22 for future major maintenance, repairs and replacements of the  
23 common areas that:

1           (1) identifies each structural, mechanical,  
2           electrical, and plumbing component of the common areas and  
3           any other components that are the responsibility of the  
4           association to maintain, repair, and replace;

5           (2) states the normal useful life and the estimated  
6           remaining useful life of each identified component;

7           (3) states the estimated cost of maintenance, repair,  
8           or replacement of each identified component; and

9           (4) states the estimated annual reserve amount  
10           necessary to accomplish any identified future maintenance,  
11           repair, or replacement.

12           (b) Any association with major shared components or  
13           significant infrastructure shall cause a reserve study to be  
14           conducted and updated in accordance with this Section.

15           (c) Any association with major shared components or  
16           significant infrastructure that has had a reserve study  
17           conducted on or after January 1, 2024, shall have an updated  
18           reserve study conducted within 5 years after the date the  
19           reserve study was conducted, and at least every 5 years  
20           thereafter, for purposes of assessing the condition of and  
21           planning for maintenance, repair, and replacement of the  
22           common areas.

23           (d) Any association with major shared components or  
24           significant infrastructure that has not had a reserve study  
25           conducted on or after January 1, 2024, shall require that a  
26           reserve study be conducted on or before January 1, 2028, and

1 shall update the study every 5 years for purposes of assessing  
2 the condition of and planning for maintenance, repair and  
3 replacement of the common areas.

4 (e) The reserve study and any update to the reserve study  
5 shall be conducted by a qualified person, association,  
6 organization, or business entity that is knowledgeable about  
7 the major shared components or significant infrastructure that  
8 will be the subject of the reserve study. A qualified person,  
9 association, organization, or business entity is one that has  
10 experience and knowledge about the normal useful life,  
11 function, performance, condition, maintenance, repair, and  
12 replacement of any one or more of the major shared components  
13 or significant infrastructure that will be the subject of the  
14 reserve study, as well as the related expenses. The reserve  
15 study is not required to be conducted by a single person,  
16 association, organization, or business entity. An association  
17 may internally prepare a reserve study if the reserve study  
18 compiles information from a qualified person, association,  
19 organization, or business entity.

20 (f) In the event of resale of any unit in the common  
21 interest community, a copy of the most recent reserve study,  
22 if any, shall be made available to any prospective purchaser  
23 upon request.

24 (g) Any association with 15 or fewer units is exempt from  
25 the requirements of this Section; however, the board still  
26 must comply with budgeting and reserve requirements set forth

1 in this Act or in the community instruments.

2 (765 ILCS 160/1-35)

3 Sec. 1-35. Member powers, duties, and obligations.

4 (a) The provisions of this Act, the declaration, bylaws,  
5 other community instruments, and rules and regulations that  
6 relate to the use of an individual unit or the common areas  
7 shall be applicable to any person leasing a unit and shall be  
8 deemed to be incorporated in any lease executed or renewed on  
9 or after the effective date of this Act. Unless otherwise  
10 provided in the community instruments, with regard to any  
11 lease entered into subsequent to the effective date of this  
12 Act, the unit owner leasing the unit shall deliver a copy of  
13 the signed lease to the association or if the lease is oral, a  
14 memorandum of the lease, not later than the date of occupancy  
15 or 10 days after the lease is signed, whichever occurs first.

16 (b) If there are multiple owners of a single unit, only one  
17 of the multiple owners shall be eligible to serve as a member  
18 of the board at any one time, unless the unit owner owns  
19 another unit independently.

20 (c) Two-thirds of the membership may remove a board member  
21 as a director at a duly called special meeting.

22 (d) In the event of any resale of a unit in a common  
23 interest community association by a member or unit owner other  
24 than the developer, the board shall make available for  
25 inspection to the prospective purchaser, upon demand, the

1 following:

2 (1) A copy of the declaration, other instruments, and  
3 any rules and regulations.

4 (2) A statement of any liens, including a statement of  
5 the account of the unit setting forth the amounts of  
6 unpaid assessments and other charges due and owing.

7 (3) A statement of any capital expenditures  
8 anticipated by the association within the current or  
9 succeeding 2 fiscal years.

10 (4) A statement of the status and amount of any  
11 reserve or replacement fund and any other fund  
12 specifically designated for association projects.

13 (5) A copy of the statement of financial condition of  
14 the association for the last fiscal year for which such a  
15 statement is available.

16 (6) A statement of the status of any pending suits or  
17 judgments in which the association is a party.

18 (7) A statement setting forth what insurance coverage  
19 is provided for all members or unit owners by the  
20 association for common properties.

21 (8) A copy of the most recent reserve study, if any.

22 The principal officer of the board or such other officer  
23 as is specifically designated shall furnish the above  
24 information within 30 days after receiving a written request  
25 for such information.

26 A reasonable fee covering the direct out-of-pocket cost of

1 copying and providing such information may be charged by the  
2 association or the board to the unit seller for providing the  
3 information.

4 (Source: P.A. 97-605, eff. 8-26-11; 97-1090, eff. 8-24-12;  
5 98-842, eff. 1-1-15.)

6 Section 10. The Condominium Property Act is amended by  
7 changing Sections 18.5 and 22.1 and by adding Section 18.13 as  
8 follows:

9 (765 ILCS 605/18.5) (from Ch. 30, par. 318.5)

10 Sec. 18.5. Master Associations.

11 (a) If the declaration, other condominium instrument, or  
12 other duly recorded covenants provide that any of the powers  
13 of the unit owners associations are to be exercised by or may  
14 be delegated to a nonprofit corporation or unincorporated  
15 association that exercises those or other powers on behalf of  
16 one or more condominiums, or for the benefit of the unit owners  
17 of one or more condominiums, such corporation or association  
18 shall be a master association.

19 (b) There shall be included in the declaration, other  
20 condominium instruments, or other duly recorded covenants  
21 establishing the powers and duties of the master association  
22 the provisions set forth in subsections (c) through (h).

23 In interpreting subsections (c) through (h), the courts  
24 should interpret these provisions so that they are interpreted

1 consistently with the similar parallel provisions found in  
2 other parts of this Act.

3 (c) Meetings and finances.

4 (1) Each unit owner of a condominium subject to the  
5 authority of the board of the master association shall  
6 receive, at least 30 days prior to the adoption thereof by  
7 the board of the master association, a copy of the  
8 proposed annual budget.

9 (2) The board of the master association shall annually  
10 supply to all unit owners of condominiums subject to the  
11 authority of the board of the master association an  
12 itemized accounting of the common expenses for the  
13 preceding year actually incurred or paid, together with a  
14 tabulation of the amounts collected pursuant to the budget  
15 or assessment, and showing the net excess or deficit of  
16 income over expenditures plus reserves.

17 (3) Each unit owner of a condominium subject to the  
18 authority of the board of the master association shall  
19 receive written notice mailed or delivered no less than 10  
20 and no more than 30 days prior to any meeting of the board  
21 of the master association concerning the adoption of the  
22 proposed annual budget or any increase in the budget, or  
23 establishment of an assessment.

24 (4) Meetings of the board of the master association  
25 shall be open to any unit owner in a condominium subject to  
26 the authority of the board of the master association,

1           except for the portion of any meeting held:

2                   (A) to discuss litigation when an action against  
3                   or on behalf of the particular master association has  
4                   been filed and is pending in a court or administrative  
5                   tribunal, or when the board of the master association  
6                   finds that such an action is probable or imminent,

7                   (B) to consider information regarding appointment,  
8                   employment or dismissal of an employee, or

9                   (C) to discuss violations of rules and regulations  
10                  of the master association or unpaid common expenses  
11                  owed to the master association.

12           Any vote on these matters shall be taken at a meeting or  
13           portion thereof open to any unit owner of a condominium  
14           subject to the authority of the master association.

15           Any unit owner may record the proceedings at meetings  
16           required to be open by this Act by tape, film or other  
17           means; the board may prescribe reasonable rules and  
18           regulations to govern the right to make such recordings.  
19           Notice of meetings shall be mailed or delivered at least  
20           48 hours prior thereto, unless a written waiver of such  
21           notice is signed by the persons entitled to notice before  
22           the meeting is convened. Copies of notices of meetings of  
23           the board of the master association shall be posted in  
24           entranceways, elevators, or other conspicuous places in  
25           the condominium at least 48 hours prior to the meeting of  
26           the board of the master association. Where there is no

1 common entranceway for 7 or more units, the board of the  
2 master association may designate one or more locations in  
3 the proximity of these units where the notices of meetings  
4 shall be posted.

5 (5) If the declaration provides for election by unit  
6 owners of members of the board of directors in the event of  
7 a resale of a unit in the master association, the  
8 purchaser of a unit from a seller other than the developer  
9 pursuant to an installment sales contract for purchase  
10 shall, during such times as he or she resides in the unit,  
11 be counted toward a quorum for purposes of election of  
12 members of the board of directors at any meeting of the  
13 unit owners called for purposes of electing members of the  
14 board, and shall have the right to vote for the election of  
15 members of the board of directors and to be elected to and  
16 serve on the board of directors unless the seller  
17 expressly retains in writing any or all of those rights.  
18 In no event may the seller and purchaser both be counted  
19 toward a quorum, be permitted to vote for a particular  
20 office, or be elected and serve on the board. Satisfactory  
21 evidence of the installment sales contract shall be made  
22 available to the association or its agents. For purposes  
23 of this subsection, "installment sales contract" shall  
24 have the same meaning as set forth in Section 5 of the  
25 Installment Sales Contract Act and subsection (e) of  
26 Section 1 of the Dwelling Unit Installment Contract Act.

1           (6) The board of the master association shall have the  
2 authority to establish and maintain a system of master  
3 metering of public utility services and to collect  
4 payments in connection therewith, subject to the  
5 requirements of the Tenant Utility Payment Disclosure Act.

6           (7) The board of the master association or a common  
7 interest community association shall have the power, after  
8 notice and an opportunity to be heard, to levy and collect  
9 reasonable fines from members for violations of the  
10 declaration, bylaws, and rules and regulations of the  
11 master association or the common interest community  
12 association. Nothing contained in this subdivision (7)  
13 shall give rise to a statutory lien for unpaid fines.

14           (8) Other than attorney's fees, no fees pertaining to  
15 the collection of a unit owner's financial obligation to  
16 the Association, including fees charged by a manager or  
17 managing agent, shall be added to and deemed a part of an  
18 owner's respective share of the common expenses unless:  
19 (i) the managing agent fees relate to the costs to collect  
20 common expenses for the Association; (ii) the fees are set  
21 forth in a contract between the managing agent and the  
22 Association; and (iii) the authority to add the management  
23 fees to an owner's respective share of the common expenses  
24 is specifically stated in the declaration or bylaws of the  
25 Association.

26           (d) Records.

1           (1) The board of the master association shall maintain  
2           the following records of the association and make them  
3           available for examination and copying at convenient hours  
4           of weekdays by any unit owners in a condominium subject to  
5           the authority of the board or their mortgagees and their  
6           duly authorized agents or attorneys:

7                   (i) Copies of the recorded declaration, other  
8                   condominium instruments, other duly recorded covenants  
9                   and bylaws and any amendments, articles of  
10                  incorporation of the master association, annual  
11                  reports and any rules and regulations adopted by the  
12                  master association or its board shall be available.  
13                  Prior to the organization of the master association,  
14                  the developer shall maintain and make available the  
15                  records set forth in this subdivision (d)(1) for  
16                  examination and copying.

17                  (ii) Detailed and accurate records in  
18                  chronological order of the receipts and expenditures  
19                  affecting the common areas, specifying and itemizing  
20                  the maintenance and repair expenses of the common  
21                  areas and any other expenses incurred, and copies of  
22                  all contracts, leases, or other agreements entered  
23                  into by the master association, shall be maintained.

24                  (iii) The minutes of all meetings of the master  
25                  association and the board of the master association  
26                  shall be maintained for not less than 7 years.

1           (iv) Ballots and proxies related thereto, if any,  
2           for any election held for the board of the master  
3           association and for any other matters voted on by the  
4           unit owners shall be maintained for not less than one  
5           year.

6           (v) Such other records of the master association  
7           as are available for inspection by members of a  
8           not-for-profit corporation pursuant to Section 107.75  
9           of the General Not For Profit Corporation Act of 1986  
10          shall be maintained.

11          (vi) With respect to units owned by a land trust,  
12          if a trustee designates in writing a person to cast  
13          votes on behalf of the unit owner, the designation  
14          shall remain in effect until a subsequent document is  
15          filed with the association.

16          (2) Where a request for records under this subsection  
17          is made in writing to the board of managers or its agent,  
18          failure to provide the requested record or to respond  
19          within 30 days shall be deemed a denial by the board of  
20          directors.

21          (3) A reasonable fee may be charged by the master  
22          association or its board for the cost of copying.

23          (4) If the board of directors fails to provide records  
24          properly requested under subdivision (d)(1) within the  
25          time period provided in subdivision (d)(2), the unit owner  
26          may seek appropriate relief, including an award of

1 attorney's fees and costs.

2 (e) The board of directors shall have standing and  
3 capacity to act in a representative capacity in relation to  
4 matters involving the common areas of the master association  
5 or more than one unit, on behalf of the unit owners as their  
6 interests may appear.

7 (f) Administration of property prior to election of the  
8 initial board of directors.

9 (1) Until the election, by the unit owners or the  
10 boards of managers of the underlying condominium  
11 associations, of the initial board of directors of a  
12 master association whose declaration is recorded on or  
13 after August 10, 1990, the same rights, titles, powers,  
14 privileges, trusts, duties and obligations that are vested  
15 in or imposed upon the board of directors by this Act or in  
16 the declaration or other duly recorded covenant shall be  
17 held and performed by the developer.

18 (2) The election of the initial board of directors of  
19 a master association whose declaration is recorded on or  
20 after August 10, 1990, by the unit owners or the boards of  
21 managers of the underlying condominium associations, shall  
22 be held not later than 60 days after the conveyance by the  
23 developer of 75% of the units, or 3 years after the  
24 recording of the declaration, whichever is earlier. The  
25 developer shall give at least 21 days notice of the  
26 meeting to elect the initial board of directors and shall

1       upon request provide to any unit owner, within 3 working  
2       days of the request, the names, addresses, and weighted  
3       vote of each unit owner entitled to vote at the meeting.  
4       Any unit owner shall upon receipt of the request be  
5       provided with the same information, within 10 days of the  
6       request, with respect to each subsequent meeting to elect  
7       members of the board of directors.

8               (3) If the initial board of directors of a master  
9       association whose declaration is recorded on or after  
10       August 10, 1990 is not elected by the unit owners or the  
11       members of the underlying condominium association board of  
12       managers at the time established in subdivision (f)(2),  
13       the developer shall continue in office for a period of 30  
14       days, whereupon written notice of his resignation shall be  
15       sent to all of the unit owners or members of the underlying  
16       condominium board of managers entitled to vote at an  
17       election for members of the board of directors.

18               (4) Within 60 days following the election of a  
19       majority of the board of directors, other than the  
20       developer, by unit owners, the developer shall deliver to  
21       the board of directors:

22                       (i) All original documents as recorded or filed  
23                       pertaining to the property, its administration, and  
24                       the association, such as the declaration, articles of  
25                       incorporation, other instruments, annual reports,  
26                       minutes, rules and regulations, and contracts, leases,

1 or other agreements entered into by the association.  
2 If any original documents are unavailable, a copy may  
3 be provided if certified by affidavit of the  
4 developer, or an officer or agent of the developer, as  
5 being a complete copy of the actual document recorded  
6 or filed.

7 (ii) A detailed accounting by the developer,  
8 setting forth the source and nature of receipts and  
9 expenditures in connection with the management,  
10 maintenance and operation of the property, copies of  
11 all insurance policies, and a list of any loans or  
12 advances to the association which are outstanding.

13 (iii) Association funds, which shall have been at  
14 all times segregated from any other moneys of the  
15 developer.

16 (iv) A schedule of all real or personal property,  
17 equipment and fixtures belonging to the association,  
18 including documents transferring the property,  
19 warranties, if any, for all real and personal property  
20 and equipment, deeds, title insurance policies, and  
21 all tax bills.

22 (v) A list of all litigation, administrative  
23 action and arbitrations involving the association, any  
24 notices of governmental bodies involving actions taken  
25 or which may be taken concerning the association,  
26 engineering and architectural drawings and

1 specifications as approved by any governmental  
2 authority, all other documents filed with any other  
3 governmental authority, all governmental certificates,  
4 correspondence involving enforcement of any  
5 association requirements, copies of any documents  
6 relating to disputes involving unit owners, and  
7 originals of all documents relating to everything  
8 listed in this subparagraph.

9 (vi) If the developer fails to fully comply with  
10 this paragraph (4) within the 60 days provided and  
11 fails to fully comply within 10 days of written demand  
12 mailed by registered or certified mail to his or her  
13 last known address, the board may bring an action to  
14 compel compliance with this paragraph (4). If the  
15 court finds that any of the required deliveries were  
16 not made within the required period, the board shall  
17 be entitled to recover its reasonable attorneys' fees  
18 and costs incurred from and after the date of  
19 expiration of the 10 day demand.

20 (5) With respect to any master association whose  
21 declaration is recorded on or after August 10, 1990, any  
22 contract, lease, or other agreement made prior to the  
23 election of a majority of the board of directors other  
24 than the developer by or on behalf of unit owners or  
25 underlying condominium associations, the association or  
26 the board of directors, which extends for a period of more

1 than 2 years from the recording of the declaration, shall  
2 be subject to cancellation by more than 1/2 of the votes of  
3 the unit owners, other than the developer, cast at a  
4 special meeting of members called for that purpose during  
5 a period of 90 days prior to the expiration of the 2 year  
6 period if the board of managers is elected by the unit  
7 owners, otherwise by more than 1/2 of the underlying  
8 condominium board of managers. At least 60 days prior to  
9 the expiration of the 2 year period, the board of  
10 directors, or, if the board is still under developer  
11 control, then the board of managers or the developer shall  
12 send notice to every unit owner or underlying condominium  
13 board of managers, notifying them of this provision, of  
14 what contracts, leases and other agreements are affected,  
15 and of the procedure for calling a meeting of the unit  
16 owners or for action by the underlying condominium board  
17 of managers for the purpose of acting to terminate such  
18 contracts, leases or other agreements. During the 90 day  
19 period the other party to the contract, lease, or other  
20 agreement shall also have the right of cancellation.

21 (6) The statute of limitations for any actions in law  
22 or equity which the master association may bring shall not  
23 begin to run until the unit owners or underlying  
24 condominium board of managers have elected a majority of  
25 the members of the board of directors.

26 (g) In the event of any resale of a unit in a master

1 association by a unit owner other than the developer, the  
2 owner shall obtain from the board of directors and shall make  
3 available for inspection to the prospective purchaser, upon  
4 demand, the following:

5 (1) A copy of the declaration, other instruments and  
6 any rules and regulations.

7 (2) A statement of any liens, including a statement of  
8 the account of the unit setting forth the amounts of  
9 unpaid assessments and other charges due and owing.

10 (3) A statement of any capital expenditures  
11 anticipated by the association within the current or  
12 succeeding 2 fiscal years.

13 (4) A statement of the status and amount of any  
14 reserve for replacement fund and any portion of such fund  
15 earmarked for any specified project by the board of  
16 directors.

17 (5) A copy of the statement of financial condition of  
18 the association for the last fiscal year for which such a  
19 statement is available.

20 (6) A statement of the status of any pending suits or  
21 judgments in which the association is a party.

22 (7) A statement setting forth what insurance coverage  
23 is provided for all unit owners by the association.

24 (8) A statement that any improvements or alterations  
25 made to the unit, or any part of the common areas assigned  
26 thereto, by the prior unit owner are in good faith

1           believed to be in compliance with the declaration of the  
2           master association.

3           (9) A copy of the most recent reserve study, if any.

4           The principal officer of the unit owner's association or  
5           such other officer as is specifically designated shall furnish  
6           the above information when requested to do so in writing,  
7           within 30 days of receiving the request.

8           A reasonable fee covering the direct out-of-pocket cost of  
9           copying and providing such information may be charged by the  
10          association or its board of directors to the unit seller for  
11          providing the information.

12          (g-1) The purchaser of a unit of a common interest  
13          community at a judicial foreclosure sale, other than a  
14          mortgagee, who takes possession of a unit of a common interest  
15          community pursuant to a court order or a purchaser who  
16          acquires title from a mortgagee shall have the duty to pay the  
17          proportionate share, if any, of the common expenses for the  
18          unit that would have become due in the absence of any  
19          assessment acceleration during the 6 months immediately  
20          preceding institution of an action to enforce the collection  
21          of assessments and the court costs incurred by the association  
22          in an action to enforce the collection that remain unpaid by  
23          the owner during whose possession the assessments accrued. If  
24          the outstanding assessments and the court costs incurred by  
25          the association in an action to enforce the collection are  
26          paid at any time during any action to enforce the collection of

1 assessments, the purchaser shall have no obligation to pay any  
2 assessments that accrued before he or she acquired title. The  
3 notice of sale of a unit of a common interest community under  
4 subsection (c) of Section 15-1507 of the Code of Civil  
5 Procedure shall state that the purchaser of the unit other  
6 than a mortgagee shall pay the assessments and court costs  
7 required by this subsection (g-1).

8 (h) Errors and omissions.

9 (1) If there is an omission or error in the  
10 declaration or other instrument of the master association,  
11 the master association may correct the error or omission  
12 by an amendment to the declaration or other instrument, as  
13 may be required to conform it to this Act, to any other  
14 applicable statute, or to the declaration. The amendment  
15 shall be adopted by vote of two-thirds of the members of  
16 the board of directors or by a majority vote of the unit  
17 owners at a meeting called for that purpose, unless the  
18 Act or the declaration of the master association  
19 specifically provides for greater percentages or different  
20 procedures.

21 (2) If, through a scrivener's error, a unit has not  
22 been designated as owning an appropriate undivided share  
23 of the common areas or does not bear an appropriate share  
24 of the common expenses, or if all of the common expenses or  
25 all of the common elements in the condominium have not  
26 been distributed in the declaration, so that the sum total

1 of the shares of common areas which have been distributed  
2 or the sum total of the shares of the common expenses fail  
3 to equal 100%, or if it appears that more than 100% of the  
4 common elements or common expenses have been distributed,  
5 the error may be corrected by operation of law by filing an  
6 amendment to the declaration, approved by vote of  
7 two-thirds of the members of the board of directors or a  
8 majority vote of the unit owners at a meeting called for  
9 that purpose, which proportionately adjusts all percentage  
10 interests so that the total is equal to 100%, unless the  
11 declaration specifically provides for a different  
12 procedure or different percentage vote by the owners of  
13 the units and the owners of mortgages thereon affected by  
14 modification being made in the undivided interest in the  
15 common areas, the number of votes in the unit owners  
16 association or the liability for common expenses  
17 appertaining to the unit.

18 (3) If an omission or error or a scrivener's error in  
19 the declaration or other instrument is corrected by vote  
20 of two-thirds of the members of the board of directors  
21 pursuant to the authority established in subdivisions  
22 (h) (1) or (h) (2) of this Section, the board, upon written  
23 petition by unit owners with 20% of the votes of the  
24 association or resolutions adopted by the board of  
25 managers or board of directors of the condominium and  
26 common interest community associations which select 20% of

1 the members of the board of directors of the master  
2 association, whichever is applicable, received within 30  
3 days of the board action, shall call a meeting of the unit  
4 owners or the boards of the condominium and common  
5 interest community associations which select members of  
6 the board of directors of the master association within 30  
7 days of the filing of the petition or receipt of the  
8 condominium and common interest community association  
9 resolution to consider the board action. Unless a majority  
10 of the votes of the unit owners of the association are cast  
11 at the meeting to reject the action, or board of managers  
12 or board of directors of condominium and common interest  
13 community associations which select over 50% of the  
14 members of the board of the master association adopt  
15 resolutions prior to the meeting rejecting the action of  
16 the board of directors of the master association, it is  
17 ratified whether or not a quorum is present.

18 (4) The procedures for amendments set forth in this  
19 subsection (h) cannot be used if such an amendment would  
20 materially or adversely affect property rights of the unit  
21 owners unless the affected unit owners consent in writing.  
22 This Section does not restrict the powers of the  
23 association to otherwise amend the declaration, bylaws, or  
24 other condominium instruments, but authorizes a simple  
25 process of amendment requiring a lesser vote for the  
26 purpose of correcting defects, errors, or omissions when

1 the property rights of the unit owners are not materially  
2 or adversely affected.

3 (5) If there is an omission or error in the  
4 declaration or other instruments that may not be corrected  
5 by an amendment procedure set forth in subdivision (h)(1)  
6 or (h)(2) of this Section, then the circuit court in the  
7 county in which the master association is located shall  
8 have jurisdiction to hear a petition of one or more of the  
9 unit owners thereon or of the association, to correct the  
10 error or omission, and the action may be a class action.  
11 The court may require that one or more methods of  
12 correcting the error or omission be submitted to the unit  
13 owners to determine the most acceptable correction. All  
14 unit owners in the association must be joined as parties  
15 to the action. Service of process on owners may be by  
16 publication, but the plaintiff shall furnish all unit  
17 owners not personally served with process with copies of  
18 the petition and final judgment of the court by certified  
19 mail, return receipt requested, at their last known  
20 address.

21 (6) Nothing contained in this Section shall be  
22 construed to invalidate any provision of a declaration  
23 authorizing the developer to amend an instrument prior to  
24 the latest date on which the initial membership meeting of  
25 the unit owners must be held, whether or not it has  
26 actually been held, to bring the instrument into

1 compliance with the legal requirements of the Federal  
2 National Mortgage Association, the Federal Home Loan  
3 Mortgage Corporation, the Federal Housing Administration,  
4 the United States Veterans Administration or their  
5 respective successors and assigns.

6 (i) The provisions of subsections (c) through (h) are  
7 applicable to all declarations, other condominium instruments,  
8 and other duly recorded covenants establishing the powers and  
9 duties of the master association recorded under this Act. Any  
10 portion of a declaration, other condominium instrument, or  
11 other duly recorded covenant establishing the powers and  
12 duties of a master association which contains provisions  
13 contrary to the provisions of subsection (c) through (h) shall  
14 be void as against public policy and ineffective. Any  
15 declaration, other condominium instrument, or other duly  
16 recorded covenant establishing the powers and duties of the  
17 master association which fails to contain the provisions  
18 required by subsections (c) through (h) shall be deemed to  
19 incorporate such provisions by operation of law.

20 (j) (Blank).

21 (k) Reserve study.

22 (1) As used in this Section:

23 "Major shared components or significant  
24 infrastructure" means structural, mechanical, electrical,  
25 and plumbing components of the common areas and any other  
26 components that are the responsibility of the association

1 to maintain, restore, repair, and replace, or  
2 infrastructure including, but not limited to, roads,  
3 street lighting, hardscape, landscape, ponds and lakes,  
4 water features, pools, and accessory buildings, if  
5 applicable, with a restoration or replacement cost  
6 exceeding \$10,000, which are capital expenses as  
7 identified in the federal tax code and generally accepted  
8 accounting principles.

9 "Reserve study" means an analysis of the reserves  
10 required for future major maintenance, repairs and  
11 replacements of the common elements that:

12 (2) Any association with major shared components or  
13 significant infrastructure shall cause a reserve study to  
14 be conducted and updated in accordance with this Section.

15 (3) Any association with major shared components or  
16 significant infrastructure that has had a reserve study  
17 conducted on or after January 1, 2024, shall have an  
18 updated reserve study conducted within 5 years after the  
19 date the reserve study was conducted, and at least every 5  
20 years thereafter, for purposes of assessing the condition  
21 of and planning for maintenance, repair, and replacement  
22 of the common areas.

23 (4) Any association with major shared components or  
24 significant infrastructure that has not had a reserve  
25 study conducted on or after January 1, 2024, shall require  
26 that a reserve study be conducted on or before January 1,

1       2028, and shall update the study every 5 years for  
2       purposes of assessing the condition of and planning for  
3       maintenance, repair and replacement of the common areas.

4       (5) The reserve study and any update thereof shall be  
5       conducted by a qualified person, association,  
6       organization, or business entity who is knowledgeable  
7       about the major shared components or significant  
8       infrastructure that will be the subject of the reserve  
9       study. A qualified person, association, organization, or  
10       business entity is one who has experience and knowledge  
11       about the normal useful life, function, performance,  
12       condition, maintenance, repair, and replacement, and  
13       related expenses, of any one or more of the major shared  
14       components or significant infrastructure that will be the  
15       subject of the reserve study. The reserve study is not  
16       required to be conducted by a single person, association,  
17       organization, or business entity. An association may  
18       internally prepare a reserve study provided that such a  
19       reserve study compiles information from a qualified  
20       person, association, organization, or business entity.

21       (6) In the event of resale of any unit in the common  
22       interest community, a copy of the most recent reserve  
23       study, if any, shall be made available to any prospective  
24       purchaser, upon request.

25       (7) Any association with 15 or fewer units is exempt  
26       from the requirements of this subsection (j); however, the

1 board still must comply with budgeting and reserve  
2 requirements as provided elsewhere in the Act or in the  
3 community instruments.

4 (Source: P.A. 100-416, eff. 1-1-18.)

5 (765 ILCS 605/18.13 new)

6 Sec. 18.13. Reserve study.

7 (a) As used in this Section:

8 "Major shared components or significant infrastructure"  
9 means structural, mechanical, electrical, and plumbing  
10 components of the common elements and any other components  
11 that are the responsibility of the association to maintain,  
12 restore, repair, and replace, or infrastructure, including,  
13 but not limited to, roads, street lighting, hardscape,  
14 landscape, ponds and lakes, water features, pools, and  
15 accessory buildings, if applicable, with a restoration or  
16 replacement cost exceeding \$10,000, which are capital expenses  
17 as identified in the federal tax code and generally accepted  
18 accounting principles.

19 "Reserve study" means an analysis of the reserves required  
20 for future major maintenance, repairs, and replacements of the  
21 common elements that:

22 (1) identifies each structural, mechanical,  
23 electrical, and plumbing component of the common elements  
24 and any other components that are the responsibility of  
25 the association to maintain, repair, and replace;

1           (2) states the normal useful life and the estimated  
2           remaining useful life of each identified component;

3           (3) states the estimated cost of maintenance, repair,  
4           or replacement of each identified component; and

5           (4) states the estimated annual reserve amount  
6           necessary to accomplish any identified future maintenance,  
7           repair, or replacement.

8           (b) Any association with major shared components or  
9           significant infrastructure shall cause a reserve study to be  
10           conducted and updated in accordance with this Section.

11           (c) Any association with major shared components or  
12           significant infrastructure that has had a reserve study  
13           conducted on or after January 1, 2024, shall have an updated  
14           reserve study conducted within 5 years after the date the  
15           reserve study was conducted, and at least every 5 years  
16           thereafter, for purposes of assessing the condition of and  
17           planning for maintenance, repair, and replacement of the  
18           common elements.

19           (d) Any association with major shared components or  
20           significant infrastructure that has not had a reserve study  
21           conducted on or after January 1, 2024, shall require that a  
22           reserve study be conducted on or before January 1, 2028, and  
23           shall update the study every 5 years for purposes of assessing  
24           the condition of and planning for maintenance, repair, and  
25           replacement of the common elements.

26           (e) The reserve study and any update to the reserve study

1 shall be conducted by a qualified person, association,  
2 organization, or business entity that is knowledgeable about  
3 the major shared components or significant infrastructure that  
4 will be the subject of the reserve study. A qualified person,  
5 association, organization, or business entity is one that has  
6 experience and knowledge about the normal useful life,  
7 function, performance, condition, maintenance, repair, and  
8 replacement of any one or more of the major shared components  
9 or significant infrastructure that will be the subject of the  
10 reserve study, as well as the related expenses. The reserve  
11 study is not required to be conducted by a single person,  
12 association, organization, or business entity. An association  
13 may internally prepare a reserve study provided that such a  
14 reserve study compiles information from a qualified person,  
15 association, organization, or business entity.

16 (f) In the event of resale of any unit in the association,  
17 a copy of the most recent reserve study, if any, shall be made  
18 available to any prospective purchaser, upon request.

19 (g) Any association with 15 or fewer units is exempt from  
20 the requirements of this Section; however, the board must  
21 still comply with budgeting and reserve requirements as  
22 provided elsewhere in the Act or in the community instruments.

23 (765 ILCS 605/22.1) (from Ch. 30, par. 322.1)

24 Sec. 22.1. (a) In the event of any resale of a condominium  
25 unit by a unit owner other than the developer such owner shall

1 obtain from the Board of Managers and shall make available for  
2 inspection to the prospective purchaser, upon demand, the  
3 following:

4 (1) A copy of the Declaration, by-laws, other  
5 condominium instruments, and any rules and regulations.

6 (2) A statement of any liens, including a statement of  
7 the account of the unit setting forth the amounts of  
8 unpaid assessments and other charges due and owing as  
9 authorized and limited by the provisions of Section 9 of  
10 this Act or the condominium instruments.

11 (3) A statement of any capital expenditures  
12 anticipated by the unit owner's association within the  
13 current or succeeding 2 fiscal years.

14 (4) A statement of the status and amount of any  
15 reserve for replacement fund and any portion of such fund  
16 earmarked for any specified project by the Board of  
17 Managers.

18 (5) A copy of the statement of financial condition of  
19 the unit owner's association for the last fiscal year for  
20 which such statement is available.

21 (6) A statement of the status of any pending suits or  
22 judgments in which the unit owner's association is a  
23 party.

24 (7) A statement setting forth what insurance coverage  
25 is provided for all unit owners by the unit owner's  
26 association.

1           (8) A statement that any improvements or alterations  
2           made to the unit, or the limited common elements assigned  
3           thereto, by the prior unit owner are in good faith  
4           believed to be in compliance with the condominium  
5           instruments.

6           (9) The identity and mailing address of the principal  
7           officer of the unit owner's association or of the other  
8           officer or agent as is specifically designated to receive  
9           notices.

10           (10) A copy of the most recent reserve study, if any.

11           (b) The principal officer of the unit owner's association  
12           or such other officer as is specifically designated shall  
13           furnish the above information when requested to do so in  
14           writing and within 10 business days of the request.

15           (c) Within 15 days of the recording of a mortgage or trust  
16           deed against a unit ownership given by the owner of that unit  
17           to secure a debt, the owner shall inform the Board of Managers  
18           of the unit owner's association of the identity of the lender  
19           together with a mailing address at which the lender can  
20           receive notices from the association. If a unit owner fails or  
21           refuses to inform the Board as required under subsection (c)  
22           then that unit owner shall be liable to the association for all  
23           costs, expenses, and reasonable attorney's fees and such other  
24           damages, if any, incurred by the association as a result of  
25           such failure or refusal.

26           A reasonable fee, not to exceed \$375, covering the direct

1 out-of-pocket cost of providing such information and copying  
2 may be charged by the association or its Board of Managers to  
3 the unit seller for providing such information. Beginning one  
4 year after the effective date of this amendatory Act of the  
5 102nd General Assembly, the \$375 fee shall be increased or  
6 decreased, as applicable, by a percentage equal to the  
7 percentage change in the consumer price index-u during the  
8 preceding 12-month calendar year. "Consumer price index-u"  
9 means the index published by the Bureau of Labor Statistics of  
10 the United States Department of Labor that measures the  
11 average change in prices of goods and services purchased by  
12 all urban consumers, United States city average, all items,  
13 1982-84 = 100. An association may charge an additional \$100  
14 for rush service completed within 72 hours.  
15 (Source: P.A. 102-976, eff. 1-1-23.)