

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 Mobile Home Landlord and Tenant Rights Act
5 is amended by adding Sections 6.25, 6.26, 6.27, 6.28, 6.29,
6 6.30, and 6.31 as follows:

7 (765 ILCS 745/6.25 new)

8 Sec. 6.25. Sale of mobile home parks; right of first
9 refusal.

10 (a) If a mobile home park owner offers a mobile home park
11 for sale, the owner shall provide written notice to the
12 officers of the homeowners' association created pursuant to
13 Section 6.27 of the offer stating the price and the terms and
14 conditions of sale.

15 (b) The mobile home owners, by and through a homeowners'
16 association as defined in Section 6.27, shall have the right
17 to purchase the park provided the home owners and residents
18 meet the price and terms and conditions of the mobile home park
19 owner by executing a contract with the park owner within 60
20 days, unless agreed to otherwise, from the date of mailing of
21 the notice and provided they have complied with Sections 6.27
22 through 6.31. If a contract between the park owner and the
23 association is not executed within such 60-day period, then,

1 unless the park owner thereafter elects to offer the park at a
2 price materially lower than the price specified in the notice
3 provided to the officers of the homeowners' association and
4 residents, as the case may be, the park owner has no further
5 obligations under this subsection. For purposes of this
6 Section, a materially lower price shall be a price that is 20%
7 or more lower than the price specified in the notice to the
8 officers of the homeowners' association.

9 (c) If the park owner thereafter elects to offer the park
10 at a price materially lower than the price specified in the
11 notice, the homeowners, by and through the association, will
12 have an additional 10 days to meet the price and terms and
13 conditions of the park owner by executing a contract.

14 (d) If, within 60 days, plus any additional 10-day period,
15 from the mailing of the notice required in this Section, no
16 contract for sale signed by the association and the park owner
17 has been reached, the right provided in this Section to
18 purchase the park shall be void and of no further force and
19 effect.

20 (e) Notices required by this Section shall be in writing
21 and shall be delivered by placing the notice in the United
22 States mail addressed to the officers of the homeowners'
23 association. Each notice shall be deemed given upon the
24 deposit of the notice in the United States mail.

25 (f) As used in this Section, "offer" means any
26 solicitation made by the park owner to the general public.

1 (g) This Section does not apply to:

2 (1) Any sale or transfer to a person who would be
3 included within the table of descent and distribution if
4 the park owner were to die intestate.

5 (2) Any transfer by gift, devise, or operation of law.

6 (3) Any transfer by a corporation or entity to an
7 affiliate. As used herein, "affiliate" means any
8 shareholder of the transferring corporation or entity; any
9 corporation or entity owned or controlled, directly or
10 indirectly, by any shareholder of the transferring
11 corporation; or any other corporation or entity owned or
12 controlled, directly or indirectly, by any shareholder of
13 the transferring corporation or entity.

14 (4) Any transfer by a partnership to any of its
15 partners or by an individual or group of individuals to a
16 partnership.

17 (5) Any conveyance of an interest in all or a portion
18 of a mobile home park incidental to the financing of such
19 mobile home park.

20 (6) Any conveyance resulting from the foreclosure of a
21 mortgage, deed of trust, or other instrument encumbering a
22 mobile home park or any deed given in lieu of foreclosure.

23 (7) Any sale or transfer between or among joint
24 tenants or tenants in common owning a mobile home park.

25 (8) Any exchange of a mobile home park for other real
26 property, whether or not the exchange also involves the

1 payment of cash or other boot.

2 (9) The purchase of a mobile home park by a
3 governmental entity under its powers of eminent domain.

4 (10) The sale of any mobile home park as part of a
5 portfolio transaction. For purposes of this provision,
6 "portfolio transaction" means a sale of 2 or more mobile
7 home parks, other multifamily buildings, units or
8 properties of any type, RV parks in one transaction to one
9 buyer, or multiple related buyers.

10 (765 ILCS 745/6.26 new)

11 Sec. 6.26. Affidavit of compliance with statutory
12 requirements.

13 (a) A park owner may at any time record, in the official
14 real estate records of the county or jurisdiction where a
15 mobile home park is located, an affidavit in which the park
16 owner certifies that: (i) with reference to an offer by the
17 park owner for the sale of the park, the park owner has
18 complied with the provisions of Section 6.25; (ii)
19 notwithstanding the park owner's compliance with the
20 provisions of Section 6.25, no contract has been executed for
21 the sale of the park between the park owner and the park
22 homeowners' association; (iii) the provisions of Section 6.25
23 are inapplicable to a particular sale or transfer of the park
24 by the park owner and compliance with Section 6.25 is not
25 required; or (iv) a particular sale or transfer of the park is

1 exempted from the provisions of this Section. Any party
2 acquiring an interest in a mobile home park and any and all
3 title insurance companies and attorneys preparing, furnishing,
4 or examining any evidence of title have the absolute right to
5 rely on the truth and accuracy of all statements appearing in
6 the affidavit and are under no obligation to inquire further
7 as to any matter or fact relating to the park owner's
8 compliance with the provisions of Section 6.25.

9 (b) It is the purpose and intention of this Section to
10 preserve the marketability of title to mobile home parks, and,
11 accordingly, the provisions of this Section shall be liberally
12 construed in order that all persons may rely on the record
13 title to mobile home parks.

14 (765 ILCS 745/6.27 new)

15 Sec. 6.27. Homeowners' associations. In order to exercise
16 the rights of a homeowners' association as provided in this
17 Act, the mobile home owners shall form an association in
18 compliance with this Section and Sections 6.28, 6.29, and
19 6.30, shall be a corporation or not-for-profit corporation and
20 of which not less than two-thirds of all of the mobile home
21 owners within the park shall have consented, in writing, to
22 become members or shareholders. Upon incorporation of the
23 association, all consenting mobile home owners in the park may
24 become members or shareholders. "Member" or "shareholder"
25 means a mobile homeowner who consents to be bound by the

1 articles of incorporation, bylaws, and policies of the
2 incorporated homeowners' association. The association may not
3 have a member or shareholder who is not a bona fide owner of a
4 mobile home located in the park. Upon incorporation and
5 service of the notice described in Section 6.28, the
6 association shall become the representative of all the mobile
7 home owners in all matters relating to this Act, regardless of
8 whether the homeowner is a member of the association.

9 (765 ILCS 745/6.28 new)

10 Sec. 6.28. Incorporation; notification of park owner.

11 (a) Upon receipt of its certificate of incorporation, the
12 homeowners' association shall notify the park owner in writing
13 of the incorporation and shall advise the park owner of the
14 names and addresses of the officers of the homeowners'
15 association by personal delivery upon the park owner's
16 representative as designated in the lease or by certified
17 mail, return receipt requested. Thereafter, the homeowners'
18 association shall notify the park owner in writing by
19 certified mail, return receipt requested, of any change of
20 names and addresses of its president or registered agent. Upon
21 election or appointment of new officers or board members, the
22 homeowners' association shall notify the park owner in writing
23 by certified mail, return receipt requested, of the names and
24 addresses of the new officers or board members.

25 (b) Upon written request by the homeowners' association,

1 the park owner shall notify the homeowners' association by
2 certified mail, return receipt requested, of the name and
3 address of the park owner, the park owner's agent for service
4 of process, and the legal description of the park. Thereafter,
5 in the event of a change in the name or address of the park
6 owner or the park owner's agent for service of process, the
7 park owner shall notify in writing the president or registered
8 agent of the homeowners' association of such change by
9 certified mail, return receipt requested.

10 (c) The homeowners' association shall file a notice of its
11 right to purchase the mobile home park as set forth in Section
12 6.25. The notice shall contain the name of the association,
13 the name of the park owner, and the address or legal
14 description of the park. The notice shall be recorded with the
15 county clerk in the county where the mobile home park is
16 located. Within 10 days of the recording, the homeowners'
17 association shall provide a copy of the recorded notice to the
18 park owner at the address provided by the park owner by
19 certified mail, return receipt requested.

20 (765 ILCS 745/6.29 new)

21 Sec. 6.29. Articles of incorporation. The articles of
22 incorporation of a homeowners' association shall provide:

23 (1) That the association has the power to negotiate
24 for, acquire, and operate the mobile home park on behalf
25 of the mobile home owners.

1 (2) For the conversion of the mobile home park once
2 acquired to a condominium, a cooperative, a subdivision
3 form of ownership, or another type of ownership.

4 Upon acquisition of the property, the association, by
5 action of its board of directors, shall be the entity that: (A)
6 creates a condominium, cooperative, or subdivision; (B) is
7 responsible for offers of sale or lease; or (C) if the home
8 owners choose a different form of ownership, the entity that
9 owns the record interest in the property is responsible for
10 the operation of property.

11 (765 ILCS 745/6.30 new)

12 Sec. 6.30. Bylaws of homeowners' associations.

13 (a) The directors of the association and the operation
14 shall be governed by the bylaws.

15 (b) The bylaws shall provide and, if they do not, shall be
16 deemed to include, the following provisions:

17 (1) The form of administration of the association
18 shall be described, providing for the titles of the
19 officers and for a board of directors and specifying the
20 powers, duties, manner of selection and removal, and
21 compensation, if any, of officers and board members.
22 Unless otherwise provided in the bylaws, the board of
23 directors shall be composed of 5 members. The board of
24 directors shall elect a president, secretary, and
25 treasurer who shall perform the duties of those offices

1 customarily performed by officers of corporations, and
2 these officers shall serve without compensation and at the
3 pleasure of the board of directors. The board of directors
4 may elect and designate other officers and grant them
5 those duties it deems appropriate.

6 (2) All other administrative and governance
7 requirements to be included in the bylaws shall be as set
8 forth in the Common Interest Community Association Act.

9 (765 ILCS 745/6.31 new)

10 Sec. 6.31. Powers and duties of homeowners' association.

11 (a) An association may contract, sue, or be sued with
12 respect to the exercise or nonexercise of its powers. For
13 these purposes, the powers of the association include, but are
14 not limited to, the maintenance, management, and operation of
15 the park property.

16 (b) The powers and duties of an association include those
17 set forth in this Act and those set forth in the articles of
18 incorporation and bylaws and any recorded declarations or
19 restrictions encumbering the park property, if not
20 inconsistent with this Act.

21 (c) An association has the power to make, levy, and
22 collect assessments and to lease, maintain, repair, and
23 replace the common areas upon purchase of the mobile home
24 park.

25 (d) The association shall maintain the following items,

1 when applicable, which constitute the official records of the
2 association:

3 (1) A copy of the association's articles of
4 incorporation and each amendment to the articles of
5 incorporation.

6 (2) A copy of the bylaws of the association and each
7 amendment to the bylaws.

8 (3) A copy of the written rules or policies of the
9 association and each amendment to the written rules or
10 policies.

11 (4) The approved minutes of all meetings of the
12 members of an association and meetings open for members of
13 the board of directors, and committees of the board, which
14 minutes must be retained within this State for at least 5
15 years.

16 (5) A current roster of all members and their mailing
17 addresses and lot identifications. The association shall
18 also maintain the e-mail addresses and the numbers
19 designated by members for receiving notice sent by
20 electronic transmission of those members consenting to
21 receive notice by electronic transmission. The e-mail
22 addresses and numbers provided by members to receive
23 notice by electronic transmission shall be removed from
24 association records when consent to receive notice by
25 electronic transmission is revoked. The association is not
26 liable for an erroneous disclosure of the e-mail address

1 or the number for receiving electronic transmission of
2 notices.

3 (6) All of the association's insurance policies or
4 copies thereof, which must be retained within this State
5 for at least 5 years after the expiration date of the
6 policy.

7 (7) A copy of all contracts or agreements to which the
8 association is a party, including, without limitation, any
9 written agreements with the park owner, lease, or other
10 agreements or contracts under which the association or its
11 members has any obligation or responsibility, which must
12 be retained within this State for at least 5 years after
13 the expiration date of the contract or agreement.

14 (8) The financial and accounting records of the
15 association, kept according to good accounting practices.
16 All financial and accounting records must be maintained
17 within this State for at least 5 years. The financial and
18 accounting records must include:

19 (A) Accurate, itemized, and detailed records of
20 all receipts and expenditures.

21 (B) A current account and a periodic statement of
22 the account for each member, designating the name and
23 current address of each member who is obligated to pay
24 dues or assessments, the due date and amount of each
25 assessment or other charge against the member, the
26 date and amount of each payment on the account, and the

1 balance due.

2 (C) All tax returns, financial statements, and
3 financial reports of the association.

4 (D) Any other records that identify, measure,
5 record, or communicate financial information.

6 (i) All other written records of the association not
7 specifically included in this Section that are related to
8 the operation of the association must be retained within
9 this State for at least 5 years or at least 5 years after
10 the expiration date, as applicable.

11 (e) The official records shall be made available to a
12 member for inspection or photocopying within 20 business days
13 after receipt by the board or its designee of a written request
14 submitted by certified mail, return receipt requested. The
15 requirements of this Section are satisfied by having a copy of
16 the official records available for inspection or copying in
17 the park or, at the option of the association, by making the
18 records available to a member electronically via the Internet
19 or by allowing the records to be viewed in electronic format on
20 a computer screen and printed upon request. If the association
21 has a photocopy machine available where the records are
22 maintained, it must provide a member with copies on request
23 during the inspection if the entire request is no more than 25
24 pages. An association shall allow a member or his or her
25 authorized representative to use a portable device, including
26 a smartphone, tablet, portable scanner, or any other

1 technology capable of scanning or taking photographs, to make
2 an electronic copy of the official records in lieu of the
3 association's providing the member or his or her authorized
4 representative with a copy of such records. The association
5 may not charge a fee to a member or his or her authorized
6 representative for the use of a portable device.

7 (1) The failure of an association to provide access to
8 the records within 20 business days after receipt of a
9 written request submitted by certified mail, return
10 receipt requested, creates a rebuttable presumption that
11 the association willfully failed to comply with this
12 subsection.

13 (2) The association may adopt reasonable written rules
14 governing the frequency, time, location, notice, records
15 to be inspected, and manner of inspections, but may not
16 require a member to demonstrate a proper purpose for the
17 inspection, state a reason for the inspection, or limit a
18 member's right to inspect records to less than one
19 business day per month. The association may impose fees to
20 cover the costs of providing copies of the official
21 records, including the costs of copying and for personnel
22 to retrieve and copy the records if the time spent
23 retrieving and copying the records exceeds 30 minutes and
24 if the personnel costs do not exceed \$20 per hour. The
25 association shall maintain an adequate number of copies of
26 the recorded governing documents, to ensure their

1 availability to members and prospective members.
2 Notwithstanding this paragraph, the following records are
3 not accessible to members or homeowners:

4 (A) A record protected by the lawyer-client
5 privilege and a record protected by the work-product
6 privilege, including, but not limited to, a record
7 prepared by an association attorney or prepared at the
8 attorney's express direction that reflects a mental
9 impression, conclusion, litigation strategy, or legal
10 theory of the attorney or the association and that was
11 prepared exclusively for civil or criminal litigation,
12 for adversarial administrative proceedings, or in
13 anticipation of such litigation or proceedings until
14 the conclusion of the litigation or proceedings.

15 (B) E-mail addresses, telephone numbers, facsimile
16 numbers, emergency contact information, any addresses
17 for a homeowner other than as provided for association
18 notice requirements, and other personal identifying
19 information of any person, excluding the person's
20 name, lot designation, mailing address, and property
21 address. Notwithstanding the restrictions in this
22 subparagraph, an association may print and distribute
23 to homeowners a directory containing the name, park
24 address, and telephone number of each homeowner. A
25 homeowner may exclude his or her telephone number from
26 the directory by so requesting in writing to the

1 association. The association is not liable for the
2 disclosure of information that is protected under this
3 subparagraph if the information is included in an
4 official record of the association and is voluntarily
5 provided by a homeowner and not requested by the
6 association.

7 (C) An electronic security measure that is used by
8 the association to safeguard data, including
9 passwords.

10 (D) The software and operating system used by the
11 association that allows the manipulation of data, even
12 if the homeowner owns a copy of the same software used
13 by the association. The data is part of the official
14 records of the association.

15 (f) An outgoing board or committee member must relinquish
16 all official records and property of the association in his or
17 her possession or under his or her control to the incoming
18 board within 5 days after the election or removal.

19 (g) An association has the power to purchase lots in the
20 park and to acquire, hold, lease, mortgage, and convey them.

21 (h) An association shall use its best efforts to obtain
22 and maintain adequate insurance to protect the association and
23 the park property upon purchase of the mobile home park. A copy
24 of each policy of insurance in effect shall be made available
25 for inspection by owners at reasonable times.

26 (i) An association has the authority, without the joinder

1 of any homeowner, to modify, move, or create any easement for
2 ingress and egress or for the purpose of utilities if the
3 easement constitutes part of or crosses the park property upon
4 purchase of the mobile home park. This subsection does not
5 authorize the association to modify or move any easement
6 created in whole or in part for the use or benefit of anyone
7 other than the members or crossing the property of anyone
8 other than the members, without his or her consent or approval
9 as required by law or the instrument creating the easement.
10 Nothing in this subsection affects the rights of ingress or
11 egress of any member of the association.