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09400HB5377ham001

LRB094 18951 AJ0 56632 a

1 AMENDMENT TO HOUSE BILL 5377

2 AMENDMENT NO. _____. Amend House Bill 5377 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Mobile Home Landlord and Tenant Rights Act
5 is amended by adding Section 6.3 as follows:

6 (765 ILCS 745/6.3 new)

7 Sec. 6.3. Minimum lease terms of required written lease. If
8 a mobile home park is held or owned by a publicly traded
9 entity; an entity that is listed for trading on the New York
10 Stock Exchange or on the American Stock Exchange; or an entity
11 that is a national market system security traded under an
12 automated inter-dealer quotation system operated by the
13 National Association of Securities Dealers; then the following
14 lease requirements shall apply:

15 (a) No person shall offer a mobile home or lot for rent
16 or sale in a mobile home park without having first
17 exhibited to the prospective tenant or purchaser a copy of
18 the lease or sales agreement applicable to the respective
19 mobile home park.

20 (b) The park owner shall be required to offer to each
21 present and future tenant a written lease for a term of not
22 less than 2 years, unless the parties agree to a different
23 term subject to existing leases which shall be continued
24 pursuant to their terms.

1 (c) A prospective tenant who executes a lease pursuant
2 to this Section may cancel the lease by notifying the park
3 owner in writing within 5 business days after the
4 prospective tenant's execution of the lease. The park owner
5 shall return any down payment, security deposit, or rent
6 paid by the prospective tenant within 10 days after
7 receiving the written cancellation. If the park owner
8 enters into an agreement to sell a mobile home to a
9 prospective tenant or lease it to a prospective tenant with
10 an option to purchase, the prospective tenant may cancel
11 the sale or lease-purchase agreement along with the lease
12 by notifying the park owner in writing within 5 business
13 days after the prospective tenant's execution of the lease.
14 The park owner shall, within 10 days after receiving the
15 written cancellation, refund all consideration paid by the
16 prospective tenant and cancel any debt relating to the
17 purchase or lease of the mobile home.

18 (d) The maximum amount that a park owner may recover as
19 damages for a tenant's early termination of a lease is 2
20 months rent. However, if the lot is leased to another
21 tenant within 20 days of vacating, the damages shall be a
22 maximum of rent for one month.

23 (e) In the lease, the park owner shall fully and
24 clearly set forth the amounts or methods of determining any
25 rental increases for any and all renewals of the lease.

26 (f) The park owner shall not charge or impose upon a
27 tenant any fee or increase in rent which reflects the cost
28 to the park owner of any fine, forfeiture, penalty, money
29 damages, or fee assessed or awarded by a court of law
30 against the park owner, including any attorney's fees and
31 costs incurred by the park owner in connection therewith.

32 (g) Tenants in possession on the effective date of this
33 amendatory Act of the 94th General Assembly shall have 30
34 days after receipt of the offer for a written lease within

1 which to accept or reject such offer; during which period,
2 the rent may not be increased or any other terms and
3 conditions changed, except as permitted under this Act;
4 providing that if the tenant has not so elected he shall
5 vacate within the 30 day period.

6 (h) The park owner shall notify its tenants in writing
7 not later than 30 days after the effective date of this
8 amendatory Act of the 94th General Assembly, that a written
9 lease shall be available to the tenant and that such lease
10 is being offered in compliance with and will conform to the
11 requirements of this amendatory Act of the 94th General
12 Assembly.

13 (i) If a tenant leaves a mobile home park temporarily
14 because of illness or disability, the park owner shall
15 allow a relative or relatives, designated by the tenant or
16 the tenant's guardian or representative, to live in the
17 home until such time as the tenant is able to return, so
18 long as the terms of the lease continue to be met.

19 (j) Renewal of lease. At the expiration of a lease,
20 including one that is a renewal of a previous lease, the
21 lease shall be renewed automatically for a term of 2 years
22 with the same terms as the previous lease, unless:

23 (1) the tenant notifies the park owner 30 days
24 prior to the expiration of the lease that he or she
25 does not intend to renew the lease;

26 (2) the park owner notifies the tenant 30 days
27 prior to the expiration of the lease that the lease
28 will not be renewed and specifies in writing one or
29 more of the following reasons: violation of park rules;
30 violation of health and safety codes; or irregular or
31 non-payment of rent;

32 (3) the park owner seeks to change the terms of the
33 agreement pursuant to subsections (k), (l), and (m), in
34 which case the procedures set forth in those

1 subsections shall apply; or

2 (4) the park owner elects to cease the operation of
3 either all or a portion of the mobile home park. The
4 tenants shall be entitled to at least 12 months notice
5 of the cessation of operations. If 12 months or more
6 remain on the existing lease at the time of notice, the
7 tenant is entitled to the balance of the term of his or
8 her lease. If there are less than 12 months remaining
9 in the term of his or her lease, the tenant is entitled
10 to the balance of his or her lease plus a written
11 month-to-month tenancy, at the expiring lease rate to
12 provide him or her with a full 12 months notice.

13 (k) Six months prior to the expiration of the lease,
14 the park owner shall offer the tenant a renewal lease with
15 a term of at least 2 years with the proposed rental amount
16 and any fee or other lease changes for that term.

17 (l) If the tenant does not accept the new terms, the
18 tenant may initiate a binding appraisal process whereby a
19 State certified general real estate appraiser, licensed
20 pursuant to the Real Estate Licensing Act of 2002, agreed
21 to by the tenant and park owner shall determine the fair
22 market value of the rent and other fees over the next 2
23 years, based on the existing leases of other tenants in the
24 same mobile home park and any discount that is necessary to
25 reflect any future change in land use that the park owner
26 has announced. The amount determined by the appraiser,
27 including any built-in increases, shall be binding for the
28 next 2 year period.

29 (m) A tenant whose existing lease does not comply with
30 this Section shall, as soon as practical, be offered a 2
31 year lease that complies with this Act, effective on the
32 termination of the existing lease. If the tenant does not
33 accept the terms of the lease, the tenant may initiate a
34 binding appraisal process, whereby a State certified

1 general real estate appraiser, licensed pursuant to the
2 Real Estate Licensing Act of 2002, agreed to by the tenant
3 and park owner shall determine the fair market value of the
4 rent and other fees over the next 2 years, based on new
5 leases of other tenants in the same mobile home park and,
6 if necessary, leases in comparable mobile home parks.

7 (n) All notices required under this Section shall be by
8 certified mail or personal service. Certified mail shall be
9 deemed to be effective upon the date of mailing.

10 (o) A tenant has 60 days from receipt of the renewal
11 notice to initiate the binding appraisal process. If the
12 appraisal process extends beyond the term of the original
13 lease term, the tenant shall be a hold-over on a
14 month-to-month lease under the terms of the original lease
15 and the park owner shall be prohibited from taking any
16 action inconsistent with that original lease.

17 (p) If the tenant or tenant association and the park
18 owner fail to select an appraiser, pursuant to subsections
19 (q) or (r), the circuit court in the county where the park
20 is located, upon application of the park owner or tenant,
21 shall appoint the appraiser.

22 (q) The appraiser's decision shall be a signed written
23 document, with copies provided to both the park owner and
24 tenant. The appraiser's decision shall equitably apportion
25 expenses and fees incurred in the preparation of the
26 appraisal between the park owner and tenant.

27 (r) The park owner and tenant have the right in the
28 appraisal procedure to be represented by attorneys, or in
29 the case of the tenant, by the tenant association.

30 (s) The park owner or tenant may seek court review of
31 an appraisal that was conducted pursuant to this Section.
32 The court may vacate or modify the appraiser's decision,
33 establish the fair market value of the land, or grant any
34 such other relief as the court deems just or appropriate.

1 (t) The provisions of this Section added by this
2 amendatory Act of the 94th General Assembly are mutually
3 dependent and inseverable. If any provision of this Section
4 is held invalid, then this entire Section is invalid."