97TH GENERAL ASSEMBLY
State of Illinois
2011 and 2012
HB4560


SYNOPSIS AS INTRODUCED:
765 ILCS 160/1-45
765 ILCS 605/9 from Ch. 30, par. 309
765 ILCS 605/18.5 from Ch. 30, par. 318.5

Amends the Common Interest Association Act. Provides that the purchaser of a unit of a common interest community, other than a mortgagee, must pay the common expenses for the unit, including attorneys' fees, that would have been due during the 12 months before a foreclosure judicial sale or the execution of a deed in lieu of foreclosure and if common expenses are paid at any time, the purchaser, other than the mortgagee, has no obligation to pay any common expenses that accrued before the purchaser acquired title. Amends the Condominium Property Act. Provides that the purchaser of a condominium unit at a judicial foreclosure sale, other than a mortgagee, or a purchaser who acquires title from a mortgagee following a judicial foreclosure sale or the execution of deed in lieu of foreclosure must pay the proportionate share of the unit's common expenses, including attorneys' fees, that would have been due during the 12 months before a judicial sale or execution of a deed in lieu of foreclosure (instead of must pay common expenses, without attorney's fees included, for the 6 months incurred immediately before the filing of an action to collect common expenses) and if the common expenses are paid, the purchaser, other than the mortgagee, has no obligation to pay any common expenses that accrued before the purchaser acquired title. Makes other changes. Effective July 1, 2012.

LRB097 15076 AJO 60167 b
AN ACT concerning civil law.

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

Section 5. The Common Interest Community Association Act is amended by changing Section 1-45 as follows:

(765 ILCS 160/1-45)

Sec. 1-45. Finances.

(a) Each unit owner shall receive through a prescribed delivery method, at least 30 days but not more than 60 days prior to the adoption thereof by the board, a copy of the proposed annual budget together with an indication of which portions are intended for reserves, capital expenditures or repairs or payment of real estate taxes.

(b) The board shall provide all unit owners with a reasonably detailed summary of the receipts, common expenses, and reserves for the preceding budget year. The board shall (i) make available for review to all unit owners an itemized accounting of the common expenses for the preceding year actually incurred or paid, together with an indication of which portions were for reserves, capital expenditures or repairs or payment of real estate taxes and with a tabulation of the amounts collected pursuant to the budget or assessment, and showing the net excess or deficit of income over expenditures
plus reserves or (ii) provide a consolidated annual independent audit report of the financial status of all fund accounts within the association.

(c) If an adopted budget or any separate assessment adopted by the board would result in the sum of all regular and separate assessments payable in the current fiscal year exceeding 115% of the sum of all regular and separate assessments payable during the preceding fiscal year, the common interest community association, upon written petition by unit owners with 20% of the votes of the association delivered to the board within 14 days of the board action, shall call a meeting of the unit owners within 30 days of the date of delivery of the petition to consider the budget or separate assessment; unless a majority of the total votes of the unit owners are cast at the meeting to reject the budget or separate assessment, it shall be deemed ratified.

(d) Any common expense not set forth in the budget or any increase in assessments over the amount adopted in the budget shall be separately assessed against all unit owners.

(e) Separate assessments for expenditures relating to emergencies or mandated by law may be adopted by the board without being subject to unit owner approval or the provisions of subsection (c) or (f) of this Section. As used herein, "emergency" means an immediate danger to the structural integrity of the common areas or to the life, health, safety, or property of the unit owners.
(f) Assessments for additions and alterations to the common areas or to association-owned property not included in the adopted annual budget, shall be separately assessed and are subject to approval of two-thirds of the total members at a meeting called for that purpose.

(g) The board may adopt separate assessments payable over more than one fiscal year. With respect to multi-year assessments not governed by subsections (e) and (f) of this Section, the entire amount of the multi-year assessment shall be deemed considered and authorized in the first fiscal year in which the assessment is approved.

(h) The board of a common interest community association shall have the authority to establish and maintain a system of master metering of public utility services to collect payments in conjunction therewith, subject to the requirements of the Tenant Utility Payment Disclosure Act.

(i) Notwithstanding any other provision of this Act, the purchaser of a unit of a common interest community at a judicial foreclosure sale, other than a mortgagee, who takes title to a unit of a common interest community pursuant to a court order or a purchaser who acquires title from a mortgagee following a judicial foreclosure sale or conveyance of a unit pursuant to a deed in lieu of foreclosure shall have the duty to pay the proportionate share, if any, of the common expenses for the unit, including but not limited to attorneys' fees levied pursuant to subsection (k), that would have become due
in the absence of any acceleration during the 12 months immediately preceding a judicial foreclosure sale or execution of a deed in lieu of foreclosure. If the 12 months of common expenses are paid at any time, the purchaser, other than the mortgagee, shall have no obligation to pay any common expenses that accrued before he or she acquired title.

The notice of sale of a unit of a common interest community under subsection (c) of Section 15-1507 of the Code of Civil Procedure shall state that the purchaser of the unit other than a mortgagee shall pay the common expenses, including but not limited to attorneys' fees levied pursuant to subsection (k), required by this Section.

The statement of assessment account issued by the association to a unit owner and the disclosure statement issued to a prospective purchaser under paragraph (2) of subsection (d) of Section 1-35 shall state the amount of common expenses, if any, including but not limited to attorneys' fees levied pursuant to subsection (k), required by this Section and paragraph (2) of subsection (d) of Section 1-35.

(j) In the event of any default by any unit owner, his or her tenant, invitee, or guest in the performance of the unit owner's obligations under this Act or under the Declaration, bylaws, or the rules and regulations of the board of managers, the board of managers or its agents shall have such rights and remedies as provided in the Act or the common interest community's instruments including the right to maintain an
action for possession against the defaulting unit owner or his
or her tenant for the benefit of all the other unit owners in
the manner prescribed by Article IX of the Code of Civil
Procedure.

(k) Any attorneys' fees incurred by the common interest
community arising out of a default by any unit owner, his or
her tenant, invitee, or guest in the performance of any of the
provisions of the common interest community's instruments,
rules and regulations, or any applicable statute or ordinance
shall be added to, and deemed a part of, his or her respective
share of the common expense.

(Source: P.A. 96-1400, eff. 7-29-10; 97-605, eff. 8-26-11.)

Section 10. The Condominium Property Act is amended by
changing Sections 9 and 18.5 as follows:

(765 ILCS 605/9) (from Ch. 30, par. 309)

Sec. 9. Sharing of expenses - Lien for nonpayment.

(a) All common expenses incurred or accrued prior to the
first conveyance of a unit shall be paid by the developer, and
during this period no common expense assessment shall be
payable to the association. It shall be the duty of each unit
owner including the developer to pay his proportionate share of
the common expenses commencing with the first conveyance. The
proportionate share shall be in the same ratio as his
percentage of ownership in the common elements set forth in the
(b) The condominium instruments may provide that common expenses for insurance premiums be assessed on a basis reflecting increased charges for coverage on certain units.

(c) Budget and reserves.

(1) The board of managers shall prepare and distribute to all unit owners a detailed proposed annual budget, setting forth with particularity all anticipated common expenses by category as well as all anticipated assessments and other income. The initial budget and common expense assessment based thereon shall be adopted prior to the conveyance of any unit. The budget shall also set forth each unit owner's proposed common expense assessment.

(2) All budgets adopted by a board of managers on or after July 1, 1990 shall provide for reasonable reserves for capital expenditures and deferred maintenance for repair or replacement of the common elements. To determine the amount of reserves appropriate for an association, the board of managers shall take into consideration the following: (i) the repair and replacement cost, and the estimated useful life, of the property which the association is obligated to maintain, including but not limited to structural and mechanical components, surfaces of the buildings and common elements, and energy systems and equipment; (ii) the current and anticipated return on investment of association funds; (iii) any independent
professional reserve study which the association may
obtain; (iv) the financial impact on unit owners, and the
market value of the condominium units, of any assessment
increase needed to fund reserves; and (v) the ability of
the association to obtain financing or refinancing.

(3) Notwithstanding the provisions of this subsection
(c), an association without a reserve requirement in its
condominium instruments may elect to waive in whole or in
part the reserve requirements of this Section by a vote of
2/3 of the total votes of the association. Any association
having elected under this paragraph (3) to waive the
provisions of subsection (c) may by a vote of 2/3 of the
total votes of the association elect to again be governed
by the requirements of subsection (c).

(4) In the event that an association elects to waive
all or part of the reserve requirements of this Section,
that fact must be disclosed after the meeting at which the
waiver occurs by the association in the financial
statements of the association and, highlighted in bold
print, in the response to any request of a prospective
purchaser for the information prescribed under Section
22.1; and no member of the board of managers or the
managing agent of the association shall be liable, and no
cause of action may be brought for damages against these
parties, for the lack or inadequacy of reserve funds in the
association budget.
(d) (Blank).

(e) The condominium instruments may provide for the assessment, in connection with expenditures for the limited common elements, of only those units to which the limited common elements are assigned.

(f) Payment of any assessment shall be in amounts and at times determined by the board of managers.

(g) Lien.

(1) If any unit owner shall fail or refuse to make any payment of the common expenses or the amount of any unpaid fine when due, the amount thereof together with any interest, late charges, reasonable attorney fees incurred enforcing the covenants of the condominium instruments, rules and regulations of the board of managers, or any applicable statute or ordinance, and costs of collections shall constitute a lien on the interest of the unit owner in the property prior to all other liens and encumbrances, recorded or unrecorded, except only (a) taxes, special assessments and special taxes theretofore or thereafter levied by any political subdivision or municipal corporation of this State and other State or federal taxes which by law are a lien on the interest of the unit owner prior to preexisting recorded encumbrances thereon and (b) encumbrances on the interest of the unit owner recorded prior to the date of such failure or refusal which by law would be a lien thereon prior to subsequently recorded
encumbrances. Any action brought to extinguish the lien of
the association shall include the association as a party.

(2) With respect to encumbrances executed prior to
August 30, 1984 or encumbrances executed subsequent to
August 30, 1984 which are neither bonafide first mortgages
nor trust deeds and which encumbrances contain a statement
of a mailing address in the State of Illinois where notice
may be mailed to the encumbrancer thereunder, if and
whenever and as often as the manager or board of managers
shall send, by United States certified or registered mail,
return receipt requested, to any such encumbrancer at the
mailing address set forth in the recorded encumbrance a
statement of the amounts and due dates of the unpaid common
expenses with respect to the encumbered unit, then, unless
otherwise provided in the declaration or bylaws, the prior
recorded encumbrance shall be subject to the lien of all
unpaid common expenses with respect to the unit which
become due and payable within a period of 90 days after the
date of mailing of each such notice.

(3) The purchaser of a condominium unit at a judicial
foreclosure sale, or a mortgagee who receives title to a
unit by deed in lieu of foreclosure or judgment by common
law strict foreclosure or otherwise takes possession
pursuant to court order under the Illinois Mortgage
Foreclosure Law, shall have the duty to pay the unit's
proportionate share of the common expenses for the unit
assessed from and after the first day of the month after
the date of the judicial foreclosure sale, delivery of the
deed in lieu of foreclosure, entry of a judgment in common
law strict foreclosure, or taking of possession pursuant to
such court order. Such payment confirms the extinguishment
of any lien created pursuant to paragraph (1) or (2) of
this subsection (g) by virtue of the failure or refusal of
a prior unit owner to make payment of common expenses,
where the judicial foreclosure sale has been confirmed by
order of the court, a deed in lieu thereof has been
accepted by the lender, or a consent judgment has been
entered by the court.

(4) Notwithstanding any other provision of this Act,
the purchaser of a condominium unit at a judicial
foreclosure sale, other than a mortgagee, who takes title
to possession of a condominium unit pursuant to a court
order or a purchaser who acquires title from a mortgagee
following a judicial foreclosure sale or execution of a
deed in lieu of foreclosure shall have the duty to pay the
proportionate share, if any, of the common expenses for the
unit, including but not limited to attorneys' fees levied
pursuant to subsection (b) of Section 9.2, that which
would have become due in the absence of any assessment
acceleration during the 12 months immediately preceding a
judicial foreclosure sale or execution of a deed in lieu of
foreclosure institution of an action to enforce the
collection of assessments, and which remain unpaid by the owner during whose possession the assessments accrued. If the 12 months of common expenses outstanding assessments are paid at any time during any action to enforce the collection of assessments, the purchaser, other than the mortgagee, shall have no obligation to pay any common expenses that assessments which accrued before he or she acquired title.

(5) The notice of sale of a condominium unit under subsection (c) of Section 15-1507 of the Code of Civil Procedure shall state that the purchaser of the unit other than a mortgagee shall pay the common expenses, including but not limited to attorneys' fees levied pursuant to subsection (b) of Section 9.2, required by subdivision (g)(4) assessments and the legal fees required by subdivisions (g)(1) and (g)(4) of Section 9 of this Act.

The statement of assessment account issued by the association to a unit owner under subsection (i) of Section 18 of this Act, and the disclosure statement issued to a prospective purchaser under Section 22.1 of this Act, shall state the amount of common expenses the assessments and the legal fees, if any, including but not limited to attorneys' fees levied pursuant to subsection (b) of Section 9.2 of this Act, required by subdivisions (g)(1) and (g)(4) of Section 9 of this Act.

(h) A lien for common expenses shall be in favor of the
members of the board of managers and their successors in office
and shall be for the benefit of all other unit owners. Notice
of the lien may be recorded by the board of managers, or if the
developer is the manager or has a majority of seats on the
board of managers and the manager or board of managers fails to
do so, any unit owner may record notice of the lien. Upon the
recording of such notice the lien may be foreclosed by an
action brought in the name of the board of managers in the same
manner as a mortgage of real property.

(i) Unless otherwise provided in the declaration, the
members of the board of managers and their successors in
office, acting on behalf of the other unit owners, shall have
the power to bid on the interest so foreclosed at the
foreclosure sale, and to acquire and hold, lease, mortgage and
convey it.

(j) Any encumbrancer may from time to time request in
writing a written statement from the manager or board of
managers setting forth the unpaid common expenses with respect
to the unit covered by his encumbrance. Unless the request is
complied with within 20 days, all unpaid common expenses which
become due prior to the date of the making of such request
shall be subordinate to the lien of the encumbrance. Any
encumbrancer holding a lien on a unit may pay any unpaid common
expenses payable with respect to the unit, and upon payment the
encumbrancer shall have a lien on the unit for the amounts paid
at the same rank as the lien of his encumbrance.
(k) Nothing in Public Act 83-1271 is intended to change the lien priorities of any encumbrance created prior to August 30, 1984.

(Source: P.A. 94-1049, eff. 1-1-07.)

(765 ILCS 605/18.5) (from Ch. 30, par. 318.5)
Sec. 18.5. Master Associations.
(a) If the declaration, other condominium instrument, or other duly recorded covenants provide that any of the powers of the unit owners associations are to be exercised by or may be delegated to a nonprofit corporation or unincorporated association that exercises those or other powers on behalf of one or more condominiums, or for the benefit of the unit owners of one or more condominiums, such corporation or association shall be a master association.
(b) There shall be included in the declaration, other condominium instruments, or other duly recorded covenants establishing the powers and duties of the master association the provisions set forth in subsections (c) through (h).

In interpreting subsections (c) through (h), the courts should interpret these provisions so that they are interpreted consistently with the similar parallel provisions found in other parts of this Act.
(c) Meetings and finances.
(1) Each unit owner of a condominium subject to the authority of the board of the master association shall
receive, at least 30 days prior to the adoption thereof by
the board of the master association, a copy of the proposed
annual budget.

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

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

(4) Meetings of the board of the master association
shall be open to any unit owner in a condominium subject to
the authority of the board of the master association, except for the portion of any meeting held:

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

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

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

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

Any unit owner may record the proceedings at meetings
required to be open by this Act by tape, film or other
means; the board may prescribe reasonable rules and
regulations to govern the right to make such recordings.

Notice of meetings shall be mailed or delivered at least 48
hours prior thereto, unless a written waiver of such notice
is signed by the persons entitled to notice before the
meeting is convened. Copies of notices of meetings of the
board of the master association shall be posted in
entranceways, elevators, or other conspicuous places in
the condominium at least 48 hours prior to the meeting of
the board of the master association. Where there is no
common entranceway for 7 or more units, the board of the
master association may designate one or more locations in
the proximity of these units where the notices of meetings
shall be posted.

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

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

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

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

(d) Records.

(1) The board of the master association shall maintain
the following records of the association and make them
available for examination and copying at convenient hours
of weekdays by any unit owners in a condominium subject to
the authority of the board or their mortgagees and their
duly authorized agents or attorneys:
(i) Copies of the recorded declaration, other
condominium instruments, other duly recorded covenants
and bylaws and any amendments, articles of
incorporation of the master association, annual
reports and any rules and regulations adopted by the
master association or its board shall be available.
Prior to the organization of the master association,
the developer shall maintain and make available the
records set forth in this subdivision (d)(1) for
examination and copying.

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

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

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

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

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

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

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

(4) If the board of directors fails to provide records properly requested under subdivision (d)(1) within the time period provided in subdivision (d)(2), the unit owner may seek appropriate relief, including an award of attorney's fees and costs.

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

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

(2) The election of the initial board of directors of a master association whose declaration is recorded on or after August 10, 1990, by the unit owners or the boards of managers of the underlying condominium associations, shall be held not later than 60 days after the conveyance by the developer of 75% of the units, or 3 years after the recording of the declaration, whichever is earlier. The developer shall give at least 21 days notice of the meeting to elect the initial board of directors and shall upon request provide to any unit owner, within 3 working days of the request, the names, addresses, and weighted vote of each unit owner entitled to vote at the meeting. Any unit owner shall upon receipt of the request be provided with the same information, within 10 days of the request, with respect to each subsequent meeting to elect members of the
board of directors.

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

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

(i) All original documents as recorded or filed pertaining to the property, its administration, and the association, such as the declaration, articles of incorporation, other instruments, annual reports, minutes, rules and regulations, and contracts, leases, or other agreements entered into by the association. If any original documents are unavailable, a copy may be provided if certified by affidavit of the developer, or an officer or agent of the developer, as being a complete copy of the actual document recorded or filed.

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

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

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

(v) A list of all litigation, administrative
action and arbitrations involving the association, any
notices of governmental bodies involving actions taken
or which may be taken concerning the association,
ing engineering and architectural drawings and
specifications as approved by any governmental
authority, all other documents filed with any other
governmental authority, all governmental certificates,
correspondence involving enforcement of any
association requirements, copies of any documents
relating to disputes involving unit owners, and
originals of all documents relating to everything
listed in this subparagraph.

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

(5) With respect to any master association whose declaration is recorded on or after August 10, 1990, any contract, lease, or other agreement made prior to the election of a majority of the board of directors other than the developer by or on behalf of unit owners or underlying condominium associations, the association or the board of directors, which extends for a period of more than 2 years from the recording of the declaration, shall be subject to cancellation by more than 1/2 of the votes of the unit owners, other than the developer, cast at a special meeting of members called for that purpose during a period of 90 days prior to the expiration of the 2 year period if the board of managers is elected by the unit owners, otherwise by more than 1/2 of the underlying condominium board of
managers. At least 60 days prior to the expiration of the 2
year period, the board of directors, or, if the board is
still under developer control, then the board of managers
or the developer shall send notice to every unit owner or
underlying condominium board of managers, notifying them
of this provision, of what contracts, leases and other
agreements are affected, and of the procedure for calling a
meeting of the unit owners or for action by the underlying
condominium board of managers for the purpose of acting to
terminate such contracts, leases or other agreements.
During the 90 day period the other party to the contract,
lease, or other agreement shall also have the right of
cancellation.

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

(g) In the event of any resale of a unit in a master
association by a unit owner other than the developer, the owner
shall obtain from the board of directors and shall make
available for inspection to the prospective purchaser, upon
demand, the following:

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

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

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

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

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

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

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

(8) A statement that any improvements or alterations
made to the unit, or any part of the common areas assigned
thereto, by the prior unit owner are in good faith believed
to be in compliance with the declaration of the master
association.

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

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

(g-1) Notwithstanding any other provision of this Act, the purchaser of a unit of a master association common interest community at a judicial foreclosure sale, other than a mortgagee, who takes title to possession of a unit of a master association common interest community pursuant to a court order or a purchaser who acquires title from a mortgagee following a judicial foreclosure sale or conveyance of a unit pursuant to a deed in lieu of foreclosure shall have the duty to pay the proportionate share, if any, of the common expenses for the unit, including but not limited to attorneys levied pursuant to subsection (b) of Section 9.2 of this Act, that would have become due in the absence of any assessment acceleration during the 12 months immediately preceding a judicial foreclosure sale or execution of deed in lieu of foreclosure institution of an action to enforce the collection of assessments and the court costs incurred by the association in an action to enforce the collection that remain unpaid by the owner during whose possession the assessments accrued. If the 12 months of common expenses outstanding assessments and the court costs incurred by the association in an action to enforce the collection are paid at any time during any action to enforce the collection of assessments, the purchaser, other than the mortgagee, shall have no obligation to pay any common expense assessments that accrued before he or she acquired title. The notice of sale of
a unit of a master association common interest community under subsection (c) of Section 15-1507 of the Code of Civil Procedure shall state that the purchaser of the unit other than a mortgagee shall pay the common expenses, including but not limited to attorneys' fees levied pursuant to subsection (b) of Section 9.2 of this Act assessments and court costs required by this subsection (g-1).

(h) Errors and omissions.

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

(2) If, through a scrivener's error, a unit has not been designated as owning an appropriate undivided share of the common areas or does not bear an appropriate share of the common expenses, or if all of 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 areas 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 directors or a majority vote of the unit owners at a meeting called for that purpose, which proportionately adjusts all percentage interests so that the total is equal to 100%, unless the declaration specifically provides 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 areas, 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 or other instrument is corrected by vote of two-thirds of the members of the board of directors pursuant to the authority established in subdivisions (h)(1) or (h)(2) of this Section, the board, upon written petition by unit owners with 20% of the votes of the association or resolutions adopted by the board of managers or board of directors of the condominium and common interest community associations which select 20% of the members of the board of directors of the master
association, whichever is applicable, received within 30
days of the board action, shall call a meeting of the unit
owners or the boards of the condominium and common interest
community associations which select members of the board of
directors of the master association within 30 days of the
filing of the petition or receipt of the condominium and
common interest community association resolution 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, or board of managers or board
of directors of condominium and common interest community
associations which select over 50% of the members of the
board of the master association adopt resolutions prior to
the meeting rejecting the action of the board of directors
of the master association, it is ratified whether or not a
quorum is present.

(4) The procedures for amendments set forth in this
subsection (h) 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 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 or other instruments that may not be corrected by an amendment procedure set forth in subdivision (h)(1) or (h)(2) of this Section, then the circuit court in the county in which the master association 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 declaration authorizing the developer to amend an instrument prior to the latest date on which the initial membership meeting of the unit owners must be held, whether or not it has actually been held, to bring the instrument into compliance with the legal requirements of the Federal National
Mortgage Association, the Federal Home Loan Mortgage Corporation, the Federal Housing Administration, the United States Veterans Administration or their respective successors and assigns.

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

(j) (Blank).

(Source: P.A. 96-1045, eff. 7-14-10; 97-535, eff. 1-1-12; 97-605, eff. 8-26-11; revised 10-4-11.)

Section 99. Effective date. This Act takes effect July 1, 2012.