



Sen. William R. Haine

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1 AMENDMENT TO SENATE BILL 3572

2 AMENDMENT NO. _____. Amend Senate Bill 3572 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Common Interest Community Association Act
5 is amended by changing Sections 1-5, 1-15, 1-20, 1-25, 1-30,
6 1-35, 1-40, 1-45, 1-50, 1-60, 1-70, and 1-75 as follows:

7 (765 ILCS 160/1-5)

8 Sec. 1-5. Definitions. As used in this Act, unless the
9 context otherwise requires:

10 "Association" or "common interest community association"
11 means the association of all the members ~~unit-owners~~ of a
12 common interest community, acting pursuant to bylaws through
13 its duly elected board of managers or board of directors.

14 "Board" means a common interest community association's
15 board of managers or board of directors, whichever is
16 applicable.

1 "Board member" or "member of the board" means a member of
2 the board of managers or the board of directors, whichever is
3 applicable.

4 "Board of directors" means, for a common interest community
5 that has been incorporated as an Illinois not-for-profit
6 corporation, the group of people elected by the members ~~unit~~
7 ~~owners~~ of a common interest community as the governing body to
8 exercise for the members ~~unit-owners~~ of the common interest
9 community association all powers, duties, and authority vested
10 in the board of directors under this Act and the common
11 interest community association's declaration and bylaws.

12 "Board of managers" means, for a common interest community
13 that is an unincorporated association, the group of people
14 elected by the members ~~unit-owners~~ of a common interest
15 community as the governing body to exercise for the members
16 ~~unit-owners~~ of the common interest community association all
17 powers, duties, and authority vested in the board of managers
18 under this Act and the common interest community association's
19 declaration and bylaws.

20 "Building" means all structures, attached or unattached,
21 containing one or more units.

22 "Common areas" means the portion of the property other than
23 a unit.

24 "Common expenses" means the proposed or actual expenses
25 affecting the property, including reserves, if any, lawfully
26 assessed by the common interest community association.

1 "Common interest community" means real estate other than a
2 condominium or cooperative with respect to which any person by
3 virtue of his or her ownership of a partial interest or a unit
4 therein is obligated to pay for the maintenance, improvement,
5 insurance premiums or real estate taxes of common areas
6 described in a declaration which is administered by an
7 association. "Common interest community" may include, but not
8 be limited to, an attached or detached townhome, villa, or
9 single-family home. A "common interest community" does not
10 include a master association.

11 "Community instruments" means all documents and authorized
12 amendments thereto recorded by a developer or common interest
13 community association, including, but not limited to, the
14 declaration, bylaws, plat of survey, and rules and regulations.

15 "Declaration" means any duly recorded instruments, however
16 designated, that have created a common interest community and
17 any duly recorded amendments to those instruments.

18 "Developer" means any person who submits property legally
19 or equitably owned in fee simple by the person to the
20 provisions of this Act, or any person who offers units legally
21 or equitably owned in fee simple by the person for sale in the
22 ordinary course of such person's business, including any
23 successor to such person's entire interest in the property
24 other than the purchaser of an individual unit.

25 "Developer control" means such control at a time prior to
26 the election of the board of the common interest community

1 association by a majority of the members ~~unit owners~~ other than
2 the developer.

3 "Majority" or "majority of the members ~~unit owners~~" means
4 the owners of more than 50% in the aggregate in interest of the
5 undivided ownership of the common elements. Any specified
6 percentage of the members ~~unit owners~~ means such percentage in
7 the aggregate in interest of such undivided ownership.

8 "Majority" or "majority of the members of the board of the
9 common interest community association" means more than 50% of
10 the total number of persons constituting such board pursuant to
11 the bylaws. Any specified percentage of the members of the
12 common interest community association means that percentage of
13 the total number of persons constituting such board pursuant to
14 the bylaws.

15 "Management company" or "community association manager"
16 means a person, partnership, corporation, or other legal entity
17 entitled to transact business on behalf of others, acting on
18 behalf of or as an agent for an association for the purpose of
19 carrying out the duties, responsibilities, and other
20 obligations necessary for the day to day operation and
21 management of any property subject to this Act.

22 "Meeting of the board" or "board meeting" means any
23 gathering of a quorum of the members of the board of the common
24 interest community association held for the purpose of
25 conducting board business.

26 "Member" means the person or entity designated as an owner

1 and entitled to one vote as defined by the community
2 instruments.

3 "Membership" means the collective group of members
4 entitled to vote as defined by the community instruments.

5 "Parcel" means the lot or lots or tract or tracts of land
6 described in the declaration as part of a common interest
7 community.

8 "Person" means a natural individual, corporation,
9 partnership, trustee, or other legal entity capable of holding
10 title to real property.

11 "Plat" means a plat or plats of survey of the parcel and of
12 all units in the common interest community, which may consist
13 of a three-dimensional horizontal and vertical delineation of
14 all such units, structures, easements, and common areas on the
15 property.

16 "Prescribed delivery method" means mailing, delivering,
17 posting in an association publication that is routinely mailed
18 to all members ~~unit owners~~, or any other delivery method that
19 is approved in writing by the member ~~unit owner~~ and authorized
20 by the community instruments.

21 "Property" means all the land, property, and space
22 comprising the parcel, all improvements and structures
23 erected, constructed or contained therein or thereon,
24 including any building and all easements, rights, and
25 appurtenances belonging thereto, and all fixtures and
26 equipment intended for the mutual use, benefit, or enjoyment of

1 the members ~~unit owners~~, under the authority or control of a
2 common interest community association.

3 "Purchaser" means any person or persons, other than the
4 developer, who purchase a unit in a bona fide transaction for
5 value.

6 "Record" means to record in the office of the recorder of
7 the county wherein the property is located.

8 "Reserves" means those sums paid by members ~~unit owners~~
9 which are separately maintained by the common interest
10 community association for purposes specified by the
11 declaration and bylaws of the common interest community
12 association.

13 "Unit" means a part of the property designed and intended
14 for any type of independent use.

15 "Unit owner" means the person or persons whose estates or
16 interests, individually or collectively, aggregate fee simple
17 absolute ownership of a unit.

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

19 (765 ILCS 160/1-15)

20 Sec. 1-15. Construction, interpretation, and validity of
21 community instruments.

22 (a) Except to the extent otherwise provided by the
23 declaration or other community instruments, the terms defined
24 in Section 1-5 of this Act shall be deemed to have the meaning
25 specified therein unless the context otherwise requires.

1 (b) All provisions of the declaration, bylaws, and other
2 community instruments severed by this Act shall be revised by
3 the board of directors independent of the membership to comply
4 with this Act ~~are severable.~~

5 (c) A provision in the declaration limiting ownership,
6 rental, or occupancy of a unit to a person 55 years of age or
7 older shall be valid and deemed not to be in violation of
8 Article 3 of the Illinois Human Rights Act provided that the
9 person or the immediate family of a person owning, renting, or
10 lawfully occupying such unit prior to the recording of the
11 initial declaration shall not be deemed to be in violation of
12 such age restriction so long as they continue to own or reside
13 in such unit.

14 (d) Every common interest community association shall
15 define a member and its relationship to the units or unit
16 owners in its community instruments.

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

18 (765 ILCS 160/1-20)

19 Sec. 1-20. Amendments to the declaration or bylaws.

20 (a) The administration of every property shall be governed
21 by the declaration and bylaws, which may either be embodied in
22 the declaration or in a separate instrument, a true copy of
23 which shall be appended to and recorded with the declaration.
24 No modification or amendment of the declaration or bylaws shall
25 be valid unless the same is set forth in an amendment thereof

1 and such amendment is duly recorded. An amendment of the
2 declaration or bylaws shall be deemed effective upon
3 recordation, unless the amendment sets forth a different
4 effective date.

5 (b) Unless otherwise provided by this Act, amendments to
6 community instruments authorized to be recorded shall be
7 executed and recorded by the president of the board or such
8 other officer authorized by the common interest community
9 association or the community instruments.

10 (c) If an association that currently permits leasing amends
11 its declaration, bylaws, or rules and regulations to prohibit
12 leasing, nothing in this Act or the declarations, bylaws, rules
13 and regulations of an association shall prohibit a unit owner
14 incorporated under 26 USC 501(c) (3) which is leasing a unit at
15 the time of the prohibition from continuing to do so until such
16 time that the unit owner voluntarily sells the unit; and no
17 special fine, fee, dues, or penalty shall be assessed against
18 the unit owner for leasing its unit.

19 (d) No action to incorporate a common interest community as
20 a municipality shall commence until an instrument agreeing to
21 incorporation has been signed by two-thirds of the members.

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

23 (765 ILCS 160/1-25)

24 Sec. 1-25. Board of managers, board of directors, duties,
25 elections, and voting.

1 (a) Routine scheduled elections shall be held in accordance
2 with the community instruments for ~~There shall be an annual~~
3 ~~election of~~ the board of managers or board of directors from
4 among the membership of a common interest community
5 association.

6 (b) (Blank).

7 (c) The members of the board shall serve without
8 compensation, unless the community instruments indicate
9 otherwise.

10 (d) No member of the board or officer shall be elected for
11 a term of more than 4 ~~3~~ years, but officers and board members
12 may succeed themselves.

13 (e) If there is a vacancy on the board, the remaining
14 members of the board may fill the vacancy by a two-thirds vote
15 of the remaining board members until the next annual meeting of
16 the membership or until members holding 20% of the votes of the
17 association request a meeting of the members to fill the
18 vacancy for the balance of the term. A meeting of the members
19 shall be called for purposes of filling a vacancy on the board
20 no later than 30 days following the filing of a petition signed
21 by membership holding 20% of the votes of the association
22 requesting such a meeting.

23 (f) There shall be an election of a:

24 (1) president from among the members of the board, who
25 shall preside over the meetings of the board and of the
26 membership;

1 (2) secretary from among the members of the board, who
2 shall keep the minutes of all meetings of the board and of
3 the membership and who shall, in general, perform all the
4 duties incident to the office of secretary; and

5 (3) treasurer from among the members of the board, who
6 shall keep the financial records and books of account.

7 (g) If no election is held to elect board members within
8 the time period specified in the bylaws, or within a reasonable
9 amount of time thereafter not to exceed 90 days, then 20% of
10 the members may bring an action to compel compliance with the
11 election requirements specified in the bylaws. If the court
12 finds that an election was not held to elect members of the
13 board within the required period due to the bad faith acts or
14 omissions of the board of managers or the board of directors,
15 the members ~~unit owners~~ shall be entitled to recover their
16 reasonable attorney's fees and costs from the association. If
17 the relevant notice requirements have been met and an election
18 is not held solely due to a lack of a quorum, then this
19 subsection (g) does not apply.

20 (h) Where there is more than one owner of a unit and there
21 is only one member vote associated with that unit, if only one
22 of the multiple owners is present at a meeting of the
23 membership, he or she is entitled to cast the member vote
24 associated with that unit.

25 (h-5) A member may vote:

26 (1) by proxy executed in writing by the member or by

1 his or her duly authorized attorney in fact, provided,
2 however, that the proxy bears the date of execution. Unless
3 the community instruments or the written proxy itself
4 provide otherwise, proxies will not be valid for more than
5 11 months after the date of its execution; or

6 (2) by submitting an association-issued ballot in
7 person at the election meeting; or

8 (3) by submitting an association-issued ballot to the
9 association or its designated agent by mail or other means
10 of delivery specified in the declaration or bylaws.

11 (i) The association may, upon adoption of the appropriate
12 rules by the board, conduct elections by secret ballot,
13 distributed by the association, whereby the voting ballot is
14 marked only with the voting interest for the member and the
15 vote itself, provided that the association shall further adopt
16 rules to verify the status of the member ~~issuing a proxy or~~
17 casting a ballot. A candidate for election to the board or such
18 candidate's representative shall have the right to be present
19 at the counting of ballots at such election.

20 (j) Upon proof of purchase, the purchaser of a unit from a
21 seller other than the developer pursuant to an installment
22 contract for purchase shall, during such times as he or she
23 resides in the unit, be counted toward a quorum for purposes of
24 election of members of the board at any meeting of the
25 membership called for purposes of electing members of the
26 board, shall have the right to vote for the members of the

1 board of the common interest community association and to be
2 elected to and serve on the board unless the seller expressly
3 retains in writing any or all of such rights.

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

5 (765 ILCS 160/1-30)

6 Sec. 1-30. Board duties and obligations; records.

7 (a) The board shall meet at least 4 times annually.

8 (b) A member of the board of the common interest community
9 association may not enter into a contract with a current board
10 member, or with a corporation or partnership in which a board
11 member or a member of his or her immediate family has 25% or
12 more interest, unless notice of intent to enter into the
13 contract is given to members ~~unit owners~~ within 20 days after a
14 decision is made to enter into the contract and the members
15 ~~unit owners~~ are afforded an opportunity by filing a petition,
16 signed by 20% of the membership, for an election to approve or
17 disapprove the contract; such petition shall be filed within 20
18 days after such notice and such election shall be held within
19 30 days after filing the petition. For purposes of this
20 subsection, a board member's immediate family means the board
21 member's spouse, parents, and children.

22 (c) The bylaws shall provide for the maintenance, repair,
23 and replacement of the common areas and payments therefor,
24 including the method of approving payment vouchers.

25 (d) (Blank).

1 (e) The association may engage the services of a manager or
2 management company.

3 (f) The association shall have one class of membership
4 unless the declaration or bylaws provide otherwise; however,
5 this subsection (f) shall not be construed to limit the
6 operation of subsection (c) of Section 1-20 of this Act.

7 (g) The board shall have the power, after notice and an
8 opportunity to be heard, to levy and collect reasonable fines
9 from members ~~unit-owners~~ for violations of the declaration,
10 bylaws, and rules and regulations of the common interest
11 community association.

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

24 (i) Board records.

25 (1) The board shall maintain the following records of
26 the association and make them available for examination and

1 copying at convenient hours of weekdays by any member ~~unit~~
2 ~~owner~~ in a common interest community subject to the
3 authority of the board, their mortgagees, and their duly
4 authorized agents or attorneys:

5 (i) Copies of the recorded declaration, other
6 community instruments, other duly recorded covenants
7 and bylaws and any amendments, articles of
8 incorporation, annual reports, and any rules and
9 regulations adopted by the board shall be available.
10 Prior to the organization of the board, the developer
11 shall maintain and make available the records set forth
12 in this paragraph (i) for examination and copying.

13 (ii) Detailed and accurate records in
14 chronological order of the receipts and expenditures
15 affecting the common areas, specifying and itemizing
16 the maintenance and repair expenses of the common areas
17 and any other expenses incurred, and copies of all
18 contracts, leases, or other agreements entered into by
19 the board shall be maintained.

20 (iii) The minutes of all meetings of the board
21 which shall be maintained for not less than 7 years.

22 (iv) With a written statement of a proper purpose,
23 ballots and proxies related thereto, if any, for any
24 election held for the board and for any other matters
25 voted on by the members ~~unit-owners~~, which shall be
26 maintained for not less than one year.

1 (v) With a written statement of a proper purpose,
2 such other records of the board as are available for
3 inspection by members of a not-for-profit corporation
4 pursuant to Section 107.75 of the General Not For
5 Profit Corporation Act of 1986 shall be maintained.

6 (vi) With respect to units owned by a land trust, a
7 living trust, or other legal entity, the trustee,
8 officer, or manager of the entity may designate, in
9 writing, a person to cast votes on behalf of the member
10 ~~unit owner~~ and a designation shall remain in effect
11 until a subsequent document is filed with the
12 association.

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

17 (3) A reasonable fee may be charged by the board for
18 the cost of retrieving and copying records properly
19 requested.

20 (4) If the board fails to provide records properly
21 requested under paragraph (1) of this subsection (i) within
22 the time period provided in that paragraph (1), the member
23 ~~unit owner~~ may seek appropriate relief and shall be
24 entitled to an award of reasonable attorney's fees and
25 costs if the member ~~unit owner~~ prevails and the court finds
26 that such failure is due to the acts or omissions of the

1 board of managers or the board of directors.

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

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

7 (765 ILCS 160/1-35)

8 Sec. 1-35. Member ~~Unit—owner~~ powers, duties, and
9 obligations.

10 (a) The provisions of this Act, the declaration, bylaws,
11 other community instruments, and rules and regulations that
12 relate to the use of an individual unit or the common areas
13 shall be applicable to any person leasing a unit and shall be
14 deemed to be incorporated in any lease executed or renewed on
15 or after the effective date of this Act. With regard to any
16 lease entered into subsequent to the effective date of this
17 Act, the member ~~unit—owner~~ leasing the unit shall deliver a
18 copy of the signed lease to the association or if the lease is
19 oral, a memorandum of the lease, not later than the date of
20 occupancy or 10 days after the lease is signed, whichever
21 occurs first.

22 (b) If there are multiple owners of a single unit, only one
23 of the multiple owners shall be eligible to serve as a member
24 of the board at any one time, unless the member owns another
25 unit independently.

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

3 (d) In the event of any resale of a unit in a common
4 interest community association by a member ~~unit-owner~~ other
5 than the developer, the board shall make available for
6 inspection to the prospective purchaser, upon demand, the
7 following:

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

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

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

16 (4) A statement of the status and amount of any reserve
17 or replacement fund and any other fund specifically
18 designated for association projects.

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

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

24 (7) A statement setting forth what insurance coverage
25 is provided for all members ~~unit-owners~~ by the association
26 for common properties.

1 The principal officer of the board or such other officer as
2 is specifically designated shall furnish the above information
3 within 30 days after receiving a written request for such
4 information.

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

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

10 (765 ILCS 160/1-40)

11 Sec. 1-40. Meetings.

12 (a) Notice of any membership meeting shall be given
13 detailing the time, place, and purpose of such meeting no less
14 than 10 and no more than 30 days prior to the meeting through a
15 prescribed delivery method.

16 (b) Meetings.

17 (1) Twenty percent of the membership shall constitute a
18 quorum, unless the community instruments indicate a lesser
19 amount.

20 (2) The membership shall hold an annual meeting. The
21 board of directors may be elected at the annual meeting.

22 (3) Special meetings of the board may be called by the
23 president, by 25% of the members of the board, or by any
24 other method that is prescribed in the community
25 instruments. Special meetings of the membership may be

1 called by the president, the board, 20% of the membership,
2 or any other method that is prescribed in the community
3 instruments.

4 (4) Except to the extent otherwise provided by this
5 Act, the board shall give the members ~~unit owners~~ notice of
6 all board meetings at least 48 hours prior to the meeting
7 by sending notice by using a prescribed delivery method or
8 by posting copies of notices of meetings in entranceways,
9 elevators, or other conspicuous places in the common areas
10 of the common interest community at least 48 hours prior to
11 the meeting except where there is no common entranceway for
12 7 or more units, the board may designate one or more
13 locations in the proximity of these units where the notices
14 of meetings shall be posted. The board shall give members
15 ~~unit owners~~ notice of any board meeting, through a
16 prescribed delivery method, concerning the adoption of (i)
17 the proposed annual budget, (ii) regular assessments, or
18 (iii) a separate or special assessment within 10 to 60 days
19 prior to the meeting, unless otherwise provided in Section
20 1-45 (a) or any other provision of this Act.

21 (5) Meetings of the board shall be open to any unit
22 owner, except for the portion of any meeting held (i) to
23 discuss litigation when an action against or on behalf of
24 the particular association has been filed and is pending in
25 a court or administrative tribunal, or when the common
26 interest community association finds that such an action is

1 probable or imminent, (ii) to consider third party
2 contracts or information regarding appointment,
3 employment, or dismissal of an employee, or (iii) to
4 discuss violations of rules and regulations of the
5 association or a member's ~~unit owner's~~ unpaid share of
6 common expenses. Any vote on these matters shall be taken
7 at a meeting or portion thereof open to any member ~~unit~~
8 ~~owner~~.

9 (6) The board must reserve a portion of the meeting of
10 the board for comments by members ~~unit owners~~; provided,
11 however, the duration and meeting order for the member ~~unit~~
12 ~~owner~~ comment period is within the sole discretion of the
13 board.

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

15 (765 ILCS 160/1-45)

16 Sec. 1-45. Finances.

17 (a) Each member ~~unit owner~~ shall receive through a
18 prescribed delivery method, at least 30 days but not more than
19 60 days prior to the adoption thereof by the board, a copy of
20 the proposed annual budget together with an indication of which
21 portions are intended for reserves, capital expenditures or
22 repairs or payment of real estate taxes.

23 (b) The board shall provide all members ~~unit owners~~ with a
24 reasonably detailed summary of the receipts, common expenses,
25 and reserves for the preceding budget year. The board shall (i)

1 make available for review to all members ~~unit-owners~~ an
2 itemized accounting of the common expenses for the preceding
3 year actually incurred or paid, together with an indication of
4 which portions were for reserves, capital expenditures or
5 repairs or payment of real estate taxes and with a tabulation
6 of the amounts collected pursuant to the budget or assessment,
7 and showing the net excess or deficit of income over
8 expenditures plus reserves or (ii) provide a consolidated
9 annual independent audit report of the financial status of all
10 fund accounts within the association.

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

24 (d) If total common expenses exceed the total amount of the
25 approved and adopted budget, the common interest community
26 association shall disclose this variance to all its members and

1 specifically identify the subsequent assessments needed to
2 offset this variance in future budgets. ~~Any common expense not~~
3 ~~set forth in the budget or any increase in assessments over the~~
4 ~~amount adopted in the budget shall be separately assessed~~
5 ~~against all unit owners.~~

6 (e) Separate assessments for expenditures relating to
7 emergencies or mandated by law may be adopted by the board
8 without being subject to member ~~unit owner~~ approval or the
9 provisions of subsection (c) or (f) of this Section. As used
10 herein, "emergency" means a danger to or a compromise of the
11 structural integrity of the common areas or any of the common
12 assets of the common interest community. "Emergency" also
13 includes a danger to the life, health, safety, or welfare of
14 the membership ~~an immediate danger to the structural integrity~~
15 ~~of the common areas or to the life, health, safety, or property~~
16 ~~of the unit owners.~~

17 (f) Assessments for additions and alterations to the common
18 areas or to association-owned property not included in the
19 adopted annual budget, shall be separately assessed and are
20 subject to approval of a simple majority ~~two-thirds~~ of the
21 total members at a meeting called for that purpose.

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

1 which the assessment is approved.

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

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

8 (765 ILCS 160/1-50)

9 Sec. 1-50. Administration of property prior to election of
10 the initial board of directors.

11 (a) Until the election of the initial board whose
12 declaration is recorded on or after the effective date of this
13 Act, the same rights, titles, powers, privileges, trusts,
14 duties, and obligations that are vested in or imposed upon the
15 board by this Act or in the declaration or other duly recorded
16 covenant shall be held and performed by the developer.

17 (b) The election of the initial board, whose declaration is
18 recorded on or after the effective date of this Act, shall be
19 held not later than 60 days after the conveyance by the
20 developer of 75% of the units, or 3 years after the recording
21 of the declaration, whichever is earlier. The developer shall
22 give at least 21 days' notice of the meeting to elect the
23 initial board of directors and shall upon request provide to
24 any member ~~unit owner~~, within 3 working days of the request,
25 the names, addresses, and weighted vote of each member ~~unit~~

1 ~~owner~~ entitled to vote at the meeting. Any member ~~unit owner~~
2 shall, upon receipt of the request, be provided with the same
3 information, within 10 days after the request, with respect to
4 each subsequent meeting to elect members of the board of
5 directors.

6 (c) If the initial board of a common interest community
7 association whose declaration is recorded on or after the
8 effective date of this Act is not elected by the time
9 established in subsection (b), the developer shall continue in
10 office for a period of 30 days, whereupon written notice of his
11 or her resignation shall be sent to all of the unit owners or
12 members.

13 (d) Within 60 days following the election of a majority of
14 the board, other than the developer, by members ~~unit owners~~,
15 the developer shall deliver to the board:

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

26 (2) A detailed accounting by the developer, setting

1 forth the source and nature of receipts and expenditures in
2 connection with the management, maintenance, and operation
3 of the property, copies of all insurance policies, and a
4 list of any loans or advances to the association which are
5 outstanding.

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

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

13 (5) A list of all litigation, administrative action,
14 and arbitrations involving the association, any notices of
15 governmental bodies involving actions taken or which may be
16 taken concerning the association, engineering and
17 architectural drawings and specifications as approved by
18 any governmental authority, all other documents filed with
19 any other governmental authority, all governmental
20 certificates, correspondence involving enforcement of any
21 association requirements, copies of any documents relating
22 to disputes involving members ~~unit owners~~, and originals of
23 all documents relating to everything listed in this
24 paragraph.

25 (6) If the developer fails to fully comply with this
26 subsection (d) within the 60 days provided and fails to

1 fully comply within 10 days after written demand mailed by
2 registered or certified mail to his or her last known
3 address, the board may bring an action to compel compliance
4 with this subsection (d). If the court finds that any of
5 the required deliveries were not made within the required
6 period, the board shall be entitled to recover its
7 reasonable attorney's fees and costs incurred from and
8 after the date of expiration of the 10-day demand.

9 (e) With respect to any common interest community
10 association whose declaration is recorded on or after the
11 effective date of this Act, any contract, lease, or other
12 agreement made prior to the election of a majority of the board
13 other than the developer by or on behalf of members ~~unit owners~~
14 or underlying common interest community association, the
15 association or the board, which extends for a period of more
16 than 2 years from the recording of the declaration, shall be
17 subject to cancellation by more than one-half of the votes of
18 the members ~~unit owners~~, other than the developer, cast at a
19 special meeting of members called for that purpose during a
20 period of 90 days prior to the expiration of the 2-year period
21 if the board is elected by the members ~~unit owners~~, otherwise
22 by more than one-half of the underlying common interest
23 community association board. At least 60 days prior to the
24 expiration of the 2-year period, the board or, if the board is
25 still under developer control, the developer shall send notice
26 to every member ~~unit owner~~ notifying them of this provision, of

1 what contracts, leases, and other agreements are affected, and
2 of the procedure for calling a meeting of the members ~~unit~~
3 ~~owners~~ or for action by the board for the purpose of acting to
4 terminate such contracts, leases or other agreements. During
5 the 90-day period the other party to the contract, lease, or
6 other agreement shall also have the right of cancellation.

7 (f) The statute of limitations for any actions in law or
8 equity that the board may bring shall not begin to run until
9 the members ~~unit owners~~ have elected a majority of the members
10 of the board.

11 (Source: P.A. 96-1400, eff. 7-29-10.)

12 (765 ILCS 160/1-60)

13 Sec. 1-60. Errors and omissions.

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

25 (b) If, through a scrivener's error, a unit has not been

1 designated as owning an appropriate undivided share of the
2 common areas or does not bear an appropriate share of the
3 common expenses, or if all of the common expenses or all of the
4 common elements have not been distributed in the declaration,
5 so that the sum total of the shares of common areas which have
6 been distributed or the sum total of the shares of the common
7 expenses fail to equal 100%, or if it appears that more than
8 100% of the common elements or common expenses have been
9 distributed, the error may be corrected by operation of law by
10 filing an amendment to the declaration, approved by vote of
11 two-thirds of the members of the board or a majority vote of
12 the members at a meeting called for that purpose, which
13 proportionately adjusts all percentage interests so that the
14 total is equal to 100%, unless the declaration specifically
15 provides for a different procedure or different percentage vote
16 by the owners of the units and the owners of mortgages thereon
17 affected by modification being made in the undivided interest
18 in the common areas, the number of votes in the association or
19 the liability for common expenses appertaining to the unit.

20 (c) If a scrivener's error in the declaration or other
21 instrument is corrected by vote of two-thirds of the members of
22 the board pursuant to the authority established in subsection
23 (a) or subsection (b), the board, upon written petition by
24 members with 20% of the votes of the association received
25 within 30 days of the board action, shall call a meeting of the
26 members within 30 days of the filing of the petition to

1 consider the board action. Unless a majority of the votes of
2 the members of the association are cast at the meeting to
3 reject the action, it is ratified whether or not a quorum is
4 present.

5 (d) Nothing contained in this Section shall be construed to
6 invalidate any provision of a declaration authorizing the
7 developer to amend an instrument prior to the latest date on
8 which the initial membership meeting of the members ~~unit owners~~
9 must be held, whether or not it has actually been held, to
10 bring the instrument into compliance with the legal
11 requirements of the Federal National Mortgage Association, the
12 Federal Home Loan Mortgage Corporation, the Federal Housing
13 Administration, the United States Department of Veterans
14 Affairs, or their respective successors and assigns.

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

16 (765 ILCS 160/1-70)

17 Sec. 1-70. Display of American flag or military flag.

18 (a) Notwithstanding any provision in the declaration,
19 bylaws, community instruments, rules, regulations, or
20 agreements or other instruments of a common interest community
21 association or a board's construction of any of those
22 instruments, a board may not prohibit the display of the
23 American flag or a military flag, or both, on or within the
24 limited common areas and facilities of a member ~~unit owner~~ or
25 on the immediately adjacent exterior of the building in which

1 the unit of a member ~~unit owner~~ is located. A board may adopt
2 reasonable rules and regulations, consistent with Sections 4
3 through 10 of Chapter 1 of Title 4 of the United States Code,
4 regarding the placement and manner of display of the American
5 flag and a board may adopt reasonable rules and regulations
6 regarding the placement and manner of display of a military
7 flag. A board may not prohibit the installation of a flagpole
8 for the display of the American flag or a military flag, or
9 both, on or within the limited common areas and facilities of a
10 member ~~unit owner~~ or on the immediately adjacent exterior of
11 the building in which the unit of a member ~~unit owner~~ is
12 located, but a board may adopt reasonable rules and regulations
13 regarding the location and size of flagpoles.

14 (b) As used in this Section:

15 "American flag" means the flag of the United States (as
16 defined in Section 1 of Chapter 1 of Title 4 of the United
17 States Code and the Executive Orders entered in connection
18 with that Section) made of fabric, cloth, or paper
19 displayed from a staff or flagpole or in a window, but
20 "American flag" does not include a depiction or emblem of
21 the American flag made of lights, paint, roofing, siding,
22 paving materials, flora, or balloons, or any other similar
23 building, landscaping, or decorative component.

24 "Military flag" means a flag of any branch of the
25 United States armed forces or the Illinois National Guard
26 made of fabric, cloth, or paper displayed from a staff or

1 flagpole or in a window, but "military flag" does not
2 include a depiction or emblem of a military flag made of
3 lights, paint, roofing, siding, paving materials, flora,
4 or balloons, or any other similar building, landscaping, or
5 decorative component.

6 (Source: P.A. 96-1400, eff. 7-29-10.)

7 (765 ILCS 160/1-75)

8 Sec. 1-75. Exemptions for small common ~~community~~ interest
9 communities.

10 (a) A common interest community association organized
11 under the General Not for Profit Corporation Act of 1986 and
12 having either (i) 10 units or less or (ii) annual budgeted
13 assessments of \$100,000 or less shall be exempt from this Act
14 unless the association affirmatively elects to be covered by
15 this Act by a majority of its directors or members.

16 (b) Common interest community associations which in their
17 declaration, bylaws, or other governing documents provide that
18 the association may not use the courts or an arbitration
19 process to collect or enforce assessments, fines, or similar
20 levies and common interest community associations (i) of 10
21 units or less or (ii) having annual budgeted assessments of
22 \$50,000 or less shall be exempt from subsection (a) of Section
23 1-30, subsections (a) and (b) of Section 1-40, and Section 1-55
24 but shall be required to provide notice of meetings to members
25 ~~unit owners~~ in a manner and at a time that will allow members

1 ~~unit owners~~ to participate in those meetings.

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

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