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1 AN ACT concerning civil law.

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

- Section 5. The Condominium Property Act is amended by changing Section 9.1 as follows:
- 6 (765 ILCS 605/9.1) (from Ch. 30, par. 309.1)
- Sec. 9.1. (a) Other liens; <u>rights of board of managers</u>

 8 attachment and satisfaction.
 - (a) Subsequent to the recording of the declaration, no liens of any nature shall be created or arise against any portion of the property except against an individual unit or units. No labor performed or materials furnished with the consent or at the request of a particular unit owner shall be the basis for the filing of a mechanics' lien claim against any other unit. If the performance of the labor or furnishing of the materials is expressly authorized by the board of managers, each unit owner shall be deemed to have expressly authorized it and consented thereto, and shall be liable for the payment of his unit's proportionate share of any due and payable indebtedness as set forth in this Section.
- Each mortgage and other lien, including mechanics liens, securing a debt incurred in the development of the land submitted to the provisions of this Act for the sale of units

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shall be subject to the provisions of this Act, subsequent to the conveyance of a unit to the purchaser.

In the event any lien exists against 2 or more units and the indebtedness secured by such lien is due and payable, the unit owner of any such unit so affected may remove such unit and the undivided interest in the common elements appertaining thereto from such lien by payment of the proportional amount of such indebtedness attributable to such unit. In the event such lien exists against the units or against the property, the amount of such proportional payment shall be computed on the basis of the percentages set forth in the declaration. Upon payment as herein provided, it is the duty of the encumbrancer to execute and deliver to the unit owner a release of such unit and the undivided interest in the common elements appertaining thereto from such lien, except that such proportional payment and release shall not prevent the encumbrancer from proceeding to enforce his rights against any unit or interest with respect to which such lien has not been so paid or released.

The owner of a unit shall not be liable for any claims, damages, or judgments, including but not limited to State or local government fees or fines, entered as a result of any action or inaction of the board of managers of the association other than for mechanics' liens as set forth in this Section. Unit owners other than the developer, members of the board of managers other than the developer or developer representatives, and the association of unit owners shall not

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be liable for any claims, damages, or judgments, including but not limited to State or local government fees or fines, entered as result of any action or inaction of the developer other than for mechanics' liens as set forth in this Section. Each unit owner's liability for any judgment entered against the board of managers or the association, if any, shall be limited to his proportionate share of the indebtedness as set forth in this Section, whether collection is sought through assessment or otherwise. A unit owner shall be liable for any claim, damage or judgment entered as a result of the use or operation of his unit, or caused by his own conduct. Before conveying a unit, a developer shall record and furnish purchaser releases of all liens affecting that unit and its common element interest which the purchaser does not expressly agree to take subject to or assume, and the developer shall provide a surety bond or substitute collateral for or insurance against liens for which a release is not provided. After conveyance of such unit, no mechanics lien shall be created against such unit or its common element interest by reason of any subsequent contract by the developer to improve or make additions to the property.

Each mortgagee or other lienholder of the unit of a common interest community or of a unit subject to the Condominium Property Act shall provide an address to the unit owners' association at the time the lien or mortgage is recorded at which address such unit owners' association shall send notice such mortgagee or lienholder of any eminent

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Condominium Property Act.

- proceeding to which the association thereafter becomes a party. 1 2 If the mortgagee or lienholder has not provided an address for notice purposes to the association, then such notice shall be 3 sent to all mortgagees or lienholders which are named insureds 4 5 on the master policy of insurance which exists or may exist on 6 interest community or unit subject common
 - (b) Board of Managers' standing and capacity. The board of managers shall have standing and capacity to act in a representative capacity in relation to matters involving the common elements or more than one unit, on behalf of the unit owners, as their interests may appear.
 - (c) Any provision in a condominium instrument is void as against public policy and ineffective if it limits or restricts the rights of the board of managers under subsection (b) of this Section by:
 - (1) requiring the prior consent of the unit owners in order for the board of managers to take any action authorized or permitted under subsection (b) of this Section, including the institution of any action in court or a demand for a trial by jury; or
 - (2) notwithstanding Section 32 of this Act, requiring the board of managers to arbitrate or mediate a dispute with any one or more of all of the declarants under the condominium instruments or the developer or any person not then a unit owner prior to the institution of any action by

- the board of managers or a demand for a trial by jury under 1 subsection (b) of this Section. 2
- 3 A provision in a declaration which would otherwise be void and ineffective under this Section may be enforced if it is 4 5 approved by a vote of not less than 75% of the unit owners at 6 any time after the election of the first unit owner board of
- 7 managers.
- 8 (Source: P.A. 91-616, eff. 8-19-99.)