

104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

SB1703

Introduced 2/5/2025, by Sen. Bill Cunningham

SYNOPSIS AS INTRODUCED:

765 ILCS 160/1-32 new

765 ILCS 160/1-35

765 ILCS 605/18.5

765 ILCS 605/22.1

from Ch. 30, par. 318.5

from Ch. 30, par. 322.1

Amends the Common Interest Community Association Act. Requires a common interest association to conduct and update a reserve study every 5 years. "Reserve study" means an analysis of the reserves required for future major maintenance, repairs, and replacements of the common elements. Grants a 5-year window for an association to conduct a reserve study or update a current study. Requires a reserve study to be made available to any prospective purchaser of a unit upon request for a resale of any unit in the community. Exempts an association with 15 or fewer units but still requires the board comply with the budgeting and reserve requirements elsewhere in the Act. Amends the Condominium Property Act to make similar changes.

LRB104 09052 JRC 19108 b

1 AN ACT concerning civil law.

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

4 Section 5. The Common Interest Community Association Act
5 is amended by adding Section 1-32 and by changing Section 1-35
6 as follows:

7 (765 ILCS 160/1-32 new)

8 Sec. 1-32. Reserve study.

9 (a) As used in this Section:

10 "Major shared components or significant infrastructure"
11 means structural, mechanical, electrical, and plumbing
12 components of the common areas and any other components that
13 are the responsibility of the association to maintain,
14 restore, repair, and replace, or infrastructure, including,
15 but not limited to, roads, street lighting, hardscape,
16 landscape, ponds and lakes, water features, pools, and
17 accessory buildings, if applicable, with a restoration or
18 replacement cost exceeding \$10,000, which are capital expenses
19 as identified in the federal tax code and generally accepted
20 accounting principles.

21 "Reserve study" means an analysis of the reserves required
22 for future major maintenance, repairs and replacements of the
23 common areas that:

1 (1) identifies each structural, mechanical,
2 electrical, and plumbing component of the common areas and
3 any other components that are the responsibility of the
4 association to maintain, repair, and replace;

5 (2) states the normal useful life and the estimated
6 remaining useful life of each identified component;

7 (3) states the estimated cost of maintenance, repair,
8 or replacement of each identified component; and

9 (4) states the estimated annual reserve amount
10 necessary to accomplish any identified future maintenance,
11 repair, or replacement.

12 (b) Any association with major shared components or
13 significant infrastructure shall cause a reserve study to be
14 conducted and updated in accordance with this Section.

15 (c) Any association with major shared components or
16 significant infrastructure that has had a reserve study
17 conducted on or after January 1, 2024, shall have an updated
18 reserve study conducted within 5 years after the date the
19 reserve study was conducted, and at least every 5 years
20 thereafter, for purposes of assessing the condition of and
21 planning for maintenance, repair, and replacement of the
22 common areas.

23 (d) Any association with major shared components or
24 significant infrastructure that has not had a reserve study
25 conducted on or after January 1, 2024, shall require that a
26 reserve study be conducted on or before January 1, 2028, and

1 shall update the study every 5 years for purposes of assessing
2 the condition of and planning for maintenance, repair and
3 replacement of the common areas.

4 (e) The reserve study and any update to the reserve study
5 shall be conducted by a qualified person, association,
6 organization, or business entity that is knowledgeable about
7 the major shared components or significant infrastructure that
8 will be the subject of the reserve study. A qualified person,
9 association, organization, or business entity is one that has
10 experience and knowledge about the normal useful life,
11 function, performance, condition, maintenance, repair, and
12 replacement of any one or more of the major shared components
13 or significant infrastructure that will be the subject of the
14 reserve study, as well as the related expenses. The reserve
15 study is not required to be conducted by a single person,
16 association, organization, or business entity. An association
17 may internally prepare a reserve study if the reserve study
18 compiles information from a qualified person, association,
19 organization, or business entity.

20 (f) In the event of resale of any unit in the common
21 interest community, a copy of the most recent reserve study,
22 if any, shall be made available to any prospective purchaser
23 upon request.

24 (g) Any association with 15 or fewer units is exempt from
25 the requirements of this Section; however, the board still
26 must comply with budgeting and reserve requirements set forth

1 in this Act or in the community instruments.

2 (765 ILCS 160/1-35)

3 Sec. 1-35. Member powers, duties, and obligations.

4 (a) The provisions of this Act, the declaration, bylaws,
5 other community instruments, and rules and regulations that
6 relate to the use of an individual unit or the common areas
7 shall be applicable to any person leasing a unit and shall be
8 deemed to be incorporated in any lease executed or renewed on
9 or after the effective date of this Act. Unless otherwise
10 provided in the community instruments, with regard to any
11 lease entered into subsequent to the effective date of this
12 Act, the unit owner leasing the unit shall deliver a copy of
13 the signed lease to the association or if the lease is oral, a
14 memorandum of the lease, not later than the date of occupancy
15 or 10 days after the lease is signed, whichever occurs first.

16 (b) If there are multiple owners of a single unit, only one
17 of the multiple owners shall be eligible to serve as a member
18 of the board at any one time, unless the unit owner owns
19 another unit independently.

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

22 (d) In the event of any resale of a unit in a common
23 interest community association by a member or unit owner other
24 than the developer, the board shall make available for
25 inspection to the prospective purchaser, upon demand, the

1 following:

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

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

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

10 (4) A statement of the status and amount of any
11 reserve or replacement fund and any other fund
12 specifically designated for association projects.

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

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

18 (7) A statement setting forth what insurance coverage
19 is provided for all members or unit owners by the
20 association for common properties.

21 (8) A copy of the most recent reserve study, if any.

22 The principal officer of the board or such other officer
23 as is specifically designated shall furnish the above
24 information within 30 days after receiving a written request
25 for such information.

26 A reasonable fee covering the direct out-of-pocket cost of

1 copying and providing such information may be charged by the
2 association or the board to the unit seller for providing the
3 information.

4 (Source: P.A. 97-605, eff. 8-26-11; 97-1090, eff. 8-24-12;
5 98-842, eff. 1-1-15.)

6 Section 10. The Condominium Property Act is amended by
7 changing Sections 18.5 and 22.1 as follows:

8 (765 ILCS 605/18.5) (from Ch. 30, par. 318.5)

9 Sec. 18.5. Master Associations.

10 (a) If the declaration, other condominium instrument, or
11 other duly recorded covenants provide that any of the powers
12 of the unit owners associations are to be exercised by or may
13 be delegated to a nonprofit corporation or unincorporated
14 association that exercises those or other powers on behalf of
15 one or more condominiums, or for the benefit of the unit owners
16 of one or more condominiums, such corporation or association
17 shall be a master association.

18 (b) There shall be included in the declaration, other
19 condominium instruments, or other duly recorded covenants
20 establishing the powers and duties of the master association
21 the provisions set forth in subsections (c) through (h).

22 In interpreting subsections (c) through (h), the courts
23 should interpret these provisions so that they are interpreted
24 consistently with the similar parallel provisions found in

1 other parts of this Act.

2 (c) Meetings and finances.

3 (1) Each unit owner of a condominium subject to the
4 authority of the board of the master association shall
5 receive, at least 30 days prior to the adoption thereof by
6 the board of the master association, a copy of the
7 proposed annual budget.

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

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

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

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

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

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

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

14 Any unit owner may record the proceedings at meetings
15 required to be open by this Act by tape, film or other
16 means; the board may prescribe reasonable rules and
17 regulations to govern the right to make such recordings.
18 Notice of meetings shall be mailed or delivered at least
19 48 hours prior thereto, unless a written waiver of such
20 notice is signed by the persons entitled to notice before
21 the meeting is convened. Copies of notices of meetings of
22 the board of the master association shall be posted in
23 entranceways, elevators, or other conspicuous places in
24 the condominium at least 48 hours prior to the meeting of
25 the board of the master association. Where there is no
26 common entranceway for 7 or more units, the board of the

1 master association may designate one or more locations in
2 the proximity of these units where the notices of meetings
3 shall be posted.

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

26 (6) The board of the master association shall have the

1 authority to establish and maintain a system of master
2 metering of public utility services and to collect
3 payments in connection therewith, subject to the
4 requirements of the Tenant Utility Payment Disclosure Act.

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

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

25 (d) Records.

26 (1) The board of the master association shall maintain

1 the following records of the association and make them
2 available for examination and copying at convenient hours
3 of weekdays by any unit owners in a condominium subject to
4 the authority of the board or their mortgagees and their
5 duly authorized agents or attorneys:

6 (i) Copies of the recorded declaration, other
7 condominium instruments, other duly recorded covenants
8 and bylaws and any amendments, articles of
9 incorporation of the master association, annual
10 reports and any rules and regulations adopted by the
11 master association or its board shall be available.
12 Prior to the organization of the master association,
13 the developer shall maintain and make available the
14 records set forth in this subdivision (d)(1) for
15 examination and copying.

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

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

26 (iv) Ballots and proxies related thereto, if any,

1 for any election held for the board of the master
2 association and for any other matters voted on by the
3 unit owners shall be maintained for not less than one
4 year.

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

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

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

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

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

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

6 (f) Administration of property prior to election of the
7 initial board of directors.

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

17 (2) The election of the initial board of directors of
18 a master association whose declaration is recorded on or
19 after August 10, 1990, by the unit owners or the boards of
20 managers of the underlying condominium associations, shall
21 be held not later than 60 days after the conveyance by the
22 developer of 75% of the units, or 3 years after the
23 recording of the declaration, whichever is earlier. The
24 developer shall give at least 21 days notice of the
25 meeting to elect the initial board of directors and shall
26 upon request provide to any unit owner, within 3 working

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

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

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

21 (i) All original documents as recorded or filed
22 pertaining to the property, its administration, and
23 the association, such as the declaration, articles of
24 incorporation, other instruments, annual reports,
25 minutes, rules and regulations, and contracts, leases,
26 or other agreements entered into by the association.

1 If any original documents are unavailable, a copy may
2 be provided if certified by affidavit of the
3 developer, or an officer or agent of the developer, as
4 being a complete copy of the actual document recorded
5 or filed.

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

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

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

21 (v) A list of all litigation, administrative
22 action and arbitrations involving the association, any
23 notices of governmental bodies involving actions taken
24 or which may be taken concerning the association,
25 engineering and architectural drawings and
26 specifications as approved by any governmental

1 authority, all other documents filed with any other
2 governmental authority, all governmental certificates,
3 correspondence involving enforcement of any
4 association requirements, copies of any documents
5 relating to disputes involving unit owners, and
6 originals of all documents relating to everything
7 listed in this subparagraph.

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

19 (5) With respect to any master association whose
20 declaration is recorded on or after August 10, 1990, any
21 contract, lease, or other agreement made prior to the
22 election of a majority of the board of directors other
23 than the developer by or on behalf of unit owners or
24 underlying condominium associations, the association or
25 the board of directors, which extends for a period of more
26 than 2 years from the recording of the declaration, shall

1 be subject to cancellation by more than 1/2 of the votes of
2 the unit owners, other than the developer, cast at a
3 special meeting of members called for that purpose during
4 a period of 90 days prior to the expiration of the 2 year
5 period if the board of managers is elected by the unit
6 owners, otherwise by more than 1/2 of the underlying
7 condominium board of managers. At least 60 days prior to
8 the expiration of the 2 year period, the board of
9 directors, or, if the board is still under developer
10 control, then the board of managers or the developer shall
11 send notice to every unit owner or underlying condominium
12 board of managers, notifying them of this provision, of
13 what contracts, leases and other agreements are affected,
14 and of the procedure for calling a meeting of the unit
15 owners or for action by the underlying condominium board
16 of managers for the purpose of acting to terminate such
17 contracts, leases or other agreements. During the 90 day
18 period the other party to the contract, lease, or other
19 agreement shall also have the right of cancellation.

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

25 (g) In the event of any resale of a unit in a master
26 association by a unit owner other than the developer, the

1 owner shall obtain from the board of directors and shall make
2 available for inspection to the prospective purchaser, upon
3 demand, the following:

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

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

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

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

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

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

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

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

1 master association.

2 (9) A copy of the most recent reserve study, if any.

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

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

11 (g-1) The purchaser of a unit of a common interest
12 community at a judicial foreclosure sale, other than a
13 mortgagee, who takes possession of a unit of a common interest
14 community pursuant to a court order or a purchaser who
15 acquires title from a mortgagee shall have the duty to pay the
16 proportionate share, if any, of the common expenses for the
17 unit that would have become due in the absence of any
18 assessment acceleration during the 6 months immediately
19 preceding institution of an action to enforce the collection
20 of assessments and the court costs incurred by the association
21 in an action to enforce the collection that remain unpaid by
22 the owner during whose possession the assessments accrued. If
23 the outstanding assessments and the court costs incurred by
24 the association in an action to enforce the collection are
25 paid at any time during any action to enforce the collection of
26 assessments, the purchaser shall have no obligation to pay any

1 assessments that accrued before he or she acquired title. The
2 notice of sale of a unit of a common interest community under
3 subsection (c) of Section 15-1507 of the Code of Civil
4 Procedure shall state that the purchaser of the unit other
5 than a mortgagee shall pay the assessments and court costs
6 required by this subsection (g-1).

7 (h) Errors and omissions.

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

20 (2) If, through a scrivener's error, a unit has not
21 been designated as owning an appropriate undivided share
22 of the common areas or does not bear an appropriate share
23 of the common expenses, or if all of the common expenses or
24 all of the common elements in the condominium have not
25 been distributed in the declaration, so that the sum total
26 of the shares of common areas which have been distributed

1 or the sum total of the shares of the common expenses fail
2 to equal 100%, or if it appears that more than 100% of the
3 common elements or common expenses have been distributed,
4 the error may be corrected by operation of law by filing an
5 amendment to the declaration, approved by vote of
6 two-thirds of the members of the board of directors or a
7 majority vote of the unit owners at a meeting called for
8 that purpose, which proportionately adjusts all percentage
9 interests so that the total is equal to 100%, unless the
10 declaration specifically provides for a different
11 procedure or different percentage vote by the owners of
12 the units and the owners of mortgages thereon affected by
13 modification being made in the undivided interest in the
14 common areas, the number of votes in the unit owners
15 association or the liability for common expenses
16 appertaining to the unit.

17 (3) If an omission or error or a scrivener's error in
18 the declaration or other instrument is corrected by vote
19 of two-thirds of the members of the board of directors
20 pursuant to the authority established in subdivisions
21 (h)(1) or (h)(2) of this Section, the board, upon written
22 petition by unit owners with 20% of the votes of the
23 association or resolutions adopted by the board of
24 managers or board of directors of the condominium and
25 common interest community associations which select 20% of
26 the members of the board of directors of the master

1 association, whichever is applicable, received within 30
2 days of the board action, shall call a meeting of the unit
3 owners or the boards of the condominium and common
4 interest community associations which select members of
5 the board of directors of the master association within 30
6 days of the filing of the petition or receipt of the
7 condominium and common interest community association
8 resolution to consider the board action. Unless a majority
9 of the votes of the unit owners of the association are cast
10 at the meeting to reject the action, or board of managers
11 or board of directors of condominium and common interest
12 community associations which select over 50% of the
13 members of the board of the master association adopt
14 resolutions prior to the meeting rejecting the action of
15 the board of directors of the master association, it is
16 ratified whether or not a quorum is present.

17 (4) The procedures for amendments set forth in this
18 subsection (h) cannot be used if such an amendment would
19 materially or adversely affect property rights of the unit
20 owners unless the affected unit owners consent in writing.
21 This Section does not restrict the powers of the
22 association to otherwise amend the declaration, bylaws, or
23 other condominium instruments, but authorizes a simple
24 process of amendment requiring a lesser vote for the
25 purpose of correcting defects, errors, or omissions when
26 the property rights of the unit owners are not materially

1 or adversely affected.

2 (5) If there is an omission or error in the
3 declaration or other instruments that may not be corrected
4 by an amendment procedure set forth in subdivision (h) (1)
5 or (h) (2) of this Section, then the circuit court in the
6 county in which the master association is located shall
7 have jurisdiction to hear a petition of one or more of the
8 unit owners thereon or of the association, to correct the
9 error or omission, and the action may be a class action.
10 The court may require that one or more methods of
11 correcting the error or omission be submitted to the unit
12 owners to determine the most acceptable correction. All
13 unit owners in the association must be joined as parties
14 to the action. Service of process on owners may be by
15 publication, but the plaintiff shall furnish all unit
16 owners not personally served with process with copies of
17 the petition and final judgment of the court by certified
18 mail, return receipt requested, at their last known
19 address.

20 (6) Nothing contained in this Section shall be
21 construed to invalidate any provision of a declaration
22 authorizing the developer to amend an instrument prior to
23 the latest date on which the initial membership meeting of
24 the unit owners must be held, whether or not it has
25 actually been held, to bring the instrument into
26 compliance with the legal requirements of the Federal

1 National Mortgage Association, the Federal Home Loan
2 Mortgage Corporation, the Federal Housing Administration,
3 the United States Veterans Administration or their
4 respective successors and assigns.

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

19 (j) (Blank).

20 (k) Reserve study.

21 (1) As used in this Section:

22 "Major shared components or significant
23 infrastructure" means structural, mechanical, electrical,
24 and plumbing components of the common areas and any other
25 components that are the responsibility of the association
26 to maintain, restore, repair, and replace, or

1 infrastructure including, but not limited to, roads,
2 street lighting, hardscape, landscape, ponds and lakes,
3 water features, pools, and accessory buildings, if
4 applicable, with a restoration or replacement cost
5 exceeding \$10,000, which are capital expenses as
6 identified in the federal tax code and generally accepted
7 accounting principles.

8 "Reserve study" means an analysis of the reserves
9 required for future major maintenance, repairs and
10 replacements of the common elements that:

11 (2) Any association with major shared components or
12 significant infrastructure shall cause a reserve study to
13 be conducted and updated in accordance with this Section.

14 (3) Any association with major shared components or
15 significant infrastructure that has had a reserve study
16 conducted on or after January 1, 2024, shall have an
17 updated reserve study conducted within 5 years after the
18 date the reserve study was conducted, and at least every 5
19 years thereafter, for purposes of assessing the condition
20 of and planning for maintenance, repair, and replacement
21 of the common areas.

22 (4) Any association with major shared components or
23 significant infrastructure that has not had a reserve
24 study conducted on or after January 1, 2024, shall require
25 that a reserve study be conducted on or before January 1,
26 2028, and shall update the study every 5 years for

1 purposes of assessing the condition of and planning for
2 maintenance, repair and replacement of the common areas.

3 (5) The reserve study and any update thereof shall be
4 conducted by a qualified person, association,
5 organization, or business entity who is knowledgeable
6 about the major shared components or significant
7 infrastructure that will be the subject of the reserve
8 study. A qualified person, association, organization, or
9 business entity is one who has experience and knowledge
10 about the normal useful life, function, performance,
11 condition, maintenance, repair, and replacement, and
12 related expenses, of any one or more of the major shared
13 components or significant infrastructure that will be the
14 subject of the reserve study. The reserve study is not
15 required to be conducted by a single person, association,
16 organization, or business entity. An association may
17 internally prepare a reserve study provided that such a
18 reserve study compiles information from a qualified
19 person, association, organization, or business entity.

20 (6) In the event of resale of any unit in the common
21 interest community, a copy of the most recent reserve
22 study, if any, shall be made available to any prospective
23 purchaser, upon request.

24 (7) Any association with 15 or fewer units is exempt
25 from the requirements of this subsection (j); however, the
26 board still must comply with budgeting and reserve

1 requirements as provided elsewhere in the Act or in the
2 community instruments.

3 (Source: P.A. 100-416, eff. 1-1-18.)

4 (765 ILCS 605/22.1) (from Ch. 30, par. 322.1)

5 Sec. 22.1. (a) In the event of any resale of a condominium
6 unit by a unit owner other than the developer such owner shall
7 obtain from the Board of Managers and shall make available for
8 inspection to the prospective purchaser, upon demand, the
9 following:

10 (1) A copy of the Declaration, by-laws, other
11 condominium instruments, and any rules and regulations.

12 (2) A statement of any liens, including a statement of
13 the account of the unit setting forth the amounts of
14 unpaid assessments and other charges due and owing as
15 authorized and limited by the provisions of Section 9 of
16 this Act or the condominium instruments.

17 (3) A statement of any capital expenditures
18 anticipated by the unit owner's association within the
19 current or succeeding 2 fiscal years.

20 (4) A statement of the status and amount of any
21 reserve for replacement fund and any portion of such fund
22 earmarked for any specified project by the Board of
23 Managers.

24 (5) A copy of the statement of financial condition of
25 the unit owner's association for the last fiscal year for

1 which such statement is available.

2 (6) A statement of the status of any pending suits or
3 judgments in which the unit owner's association is a
4 party.

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

8 (8) A statement that any improvements or alterations
9 made to the unit, or the limited common elements assigned
10 thereto, by the prior unit owner are in good faith
11 believed to be in compliance with the condominium
12 instruments.

13 (9) The identity and mailing address of the principal
14 officer of the unit owner's association or of the other
15 officer or agent as is specifically designated to receive
16 notices.

17 (10) A copy of the most recent reserve study, if any.

18 (b) The principal officer of the unit owner's association
19 or such other officer as is specifically designated shall
20 furnish the above information when requested to do so in
21 writing and within 10 business days of the request.

22 (c) Within 15 days of the recording of a mortgage or trust
23 deed against a unit ownership given by the owner of that unit
24 to secure a debt, the owner shall inform the Board of Managers
25 of the unit owner's association of the identity of the lender
26 together with a mailing address at which the lender can

1 receive notices from the association. If a unit owner fails or
2 refuses to inform the Board as required under subsection (c)
3 then that unit owner shall be liable to the association for all
4 costs, expenses, and reasonable attorney's fees and such other
5 damages, if any, incurred by the association as a result of
6 such failure or refusal.

7 A reasonable fee, not to exceed \$375, covering the direct
8 out-of-pocket cost of providing such information and copying
9 may be charged by the association or its Board of Managers to
10 the unit seller for providing such information. Beginning one
11 year after the effective date of this amendatory Act of the
12 102nd General Assembly, the \$375 fee shall be increased or
13 decreased, as applicable, by a percentage equal to the
14 percentage change in the consumer price index-u during the
15 preceding 12-month calendar year. "Consumer price index-u"
16 means the index published by the Bureau of Labor Statistics of
17 the United States Department of Labor that measures the
18 average change in prices of goods and services purchased by
19 all urban consumers, United States city average, all items,
20 1982-84 = 100. An association may charge an additional \$100
21 for rush service completed within 72 hours.

22 (Source: P.A. 102-976, eff. 1-1-23.)