



## 94TH GENERAL ASSEMBLY

### State of Illinois

2005 and 2006

HB5783

Introduced 04/25/06, by Rep. Harry Osterman

#### SYNOPSIS AS INTRODUCED:

765 ILCS 605/30

from Ch. 30, par. 330

Amends the Condominium Property Act. Provides as to a conversion condominium that a tenant who vacated a unit in a building within 18 months of the real estate becoming a conversion condominium and who did not receive a notice of intent to submit the real estate to the Act must be awarded damages of \$10,000 plus reasonable attorney's fees and costs. Provides that a non-profit housing organization suing for an aggrieved party may also recover compensation for diversion of mission necessary for filing the action.

LRB094 20381 AJO 58531 b

1 AN ACT concerning property.

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

4 Section 5. The Condominium Property Act is amended by  
5 changing Section 30 as follows:

6 (765 ILCS 605/30) (from Ch. 30, par. 330)

7 Sec. 30. Conversion condominiums; notice; recording.

8 (a) No real estate may be submitted to the provisions of  
9 the Act as a conversion condominium unless (i) a notice of  
10 intent to submit the real estate to this Act (notice of intent)  
11 has been given to all persons who were tenants of the building  
12 located on the real estate on the date the notice is given.  
13 Such notice shall be given at least 30 days, and not more than  
14 1 year prior to the recording of the declaration which submits  
15 the real estate to this Act; and (ii) the developer executes  
16 and acknowledges a certificate which shall be attached to and  
17 made a part of the declaration and which provides that the  
18 developer, prior to the execution by him or his agent of any  
19 agreement for the sale of a unit, has given a copy of the  
20 notice of intent to all persons who were tenants of the  
21 building located on the real estate on the date the notice of  
22 intent was given. Any tenant who vacated a unit in a building  
23 on real estate that became a conversion condominium within 18  
24 months before the real estate is submitted to the provisions of  
25 this Act or before the developer or his or her agent executed  
26 any agreement for the sale of a unit, without receiving a  
27 notice of intent defined in this Section, shall be awarded  
28 damages of \$10,000 plus reasonable attorney's fees and costs. A  
29 non-profit housing organization, suing on behalf of an  
30 aggrieved party, may also recover compensation for diversion of  
31 mission necessary for filing the action.

32 Any developer of a conversion condominium must, upon

1 issuing the notice of intent, publish and deliver along with  
2 such notice of intent, a schedule of selling prices for all  
3 units subject to the condominium instruments and offer to sell  
4 such unit to the current tenants, except for units to be  
5 vacated for rehabilitation subsequent to such notice of intent.  
6 Such offer shall not expire earlier than 30 days after receipt  
7 of the offer by the current tenant, unless the tenant notifies  
8 the developer in writing of his election not to purchase the  
9 condominium unit.

10 Any tenant who was a tenant as of the date of the notice of  
11 intent and whose tenancy expires (other than for cause) prior  
12 to the expiration of 120 days from the date on which a copy of  
13 the notice of intent was given to the tenant shall have the  
14 right to extend his tenancy on the same terms and conditions  
15 and for the same rental until the expiration of such 120 day  
16 period by the giving of written notice thereof to the developer  
17 within 30 days of the date upon which a copy of the notice of  
18 intent was given to the tenant by the developer.

19 Each lessee in a conversion condominium shall be informed  
20 by the developer at the time the notice of intent is given  
21 whether his tenancy will be renewed or terminated upon its  
22 expiration. If the tenancy is to be renewed, the tenant shall  
23 be informed of all charges, rental or otherwise, in connection  
24 with the new tenancy and the length of the term of occupancy  
25 proposed in conjunction therewith.

26 For a period of 120 days following his receipt of the  
27 notice of intent, any tenant who was a tenant on the date the  
28 notice of intent was given shall be given the right to purchase  
29 his unit on substantially the same terms and conditions as set  
30 forth in a duly executed contract to purchase the unit, which  
31 contract shall conspicuously disclose the existence of, and  
32 shall be subject to, the right of first refusal. The tenant may  
33 exercise the right of first refusal by giving notice thereof to  
34 the developer prior to the expiration of 30 days from the  
35 giving of notice by the developer to the tenant of the  
36 execution of the contract to purchase the unit. The tenant may

1 exercise such right of first refusal within 30 days from the  
2 giving of notice by the developer of the execution of a  
3 contract to purchase the unit, notwithstanding the expiration  
4 of the 120 day period following the tenant's receipt of the  
5 notice of intent, if such contract was executed prior to the  
6 expiration of the 120 day period. The recording of the deed  
7 conveying the unit to the purchaser which contains a statement  
8 to the effect that the tenant of the unit either waived or  
9 failed to exercise the right of first refusal or option or had  
10 no right of first refusal or option with respect to the unit  
11 shall extinguish any legal or equitable right or interest to  
12 the possession or acquisition of the unit which the tenant may  
13 have or claim with respect to the unit arising out of the right  
14 of first refusal or option provided for in this Section. The  
15 foregoing provision shall not affect any claim which the tenant  
16 may have against the landlord for damages arising out of the  
17 right of first refusal provided for in this Section.

18 During the 30 day period after the giving of notice of an  
19 executed contract in which the tenant may exercise the right of  
20 first refusal, the developer shall grant to such tenant access  
21 to any portion of the building to inspect any of its features  
22 or systems and access to any reports, warranties, or other  
23 documents in the possession of the developer which reasonably  
24 pertain to the condition of the building. Such access shall be  
25 subject to reasonable limitations, including as to hours. The  
26 refusal of the developer to grant such access is a business  
27 offense punishable by a fine of \$500. Each refusal to an  
28 individual lessee who is a potential purchaser is a separate  
29 violation.

30 Any notice provided for in this Section shall be deemed  
31 given when a written notice is delivered in person or mailed,  
32 certified or registered mail, return receipt requested to the  
33 party who is being given the notice.

34 Prior to their initial sale, units offered for sale in a  
35 conversion condominium and occupied by a tenant at the time of  
36 the offer shall be shown to prospective purchasers only a

1 reasonable number of times and at appropriate hours. Units may  
2 only be shown to prospective purchasers during the last 90 days  
3 of any expiring tenancy.

4 Any provision in any lease or other rental agreement, or  
5 any termination of occupancy on account of condominium  
6 conversion, not authorized herein, or contrary to or waiving  
7 the foregoing provisions, shall be deemed to be void as against  
8 public policy.

9 Nothing in this Section shall affect any provision in any  
10 lease or rental agreement in effect before this Act becomes  
11 law.

12 (b) Nothing in this amendatory Act of 1978 shall be  
13 construed to imply that there was previously a requirement to  
14 record the notice provided for in subsection (a).

15 (Source: P.A. 88-417.)