



## 95TH GENERAL ASSEMBLY

### State of Illinois

2007 and 2008

HB5168

by Rep. Harry Osterman

#### SYNOPSIS AS INTRODUCED:

765 ILCS 605/30

from Ch. 30, par. 330

Amends the Condominium Property Act. Provides that when suing on behalf of an aggrieved tenant over an improper condominium conversion, a non-profit housing organization, or association (instead of organization) may recover attorney's fees and court costs. Effective immediately.

LRB095 17831 AJO 43910 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 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) (1) 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.

23 (2) ~~(a) (2)~~ If the owner fails to provide a tenant with

1 notice of the intent to convert as defined in this Section,  
2 the tenant permanently vacates the premises as a direct  
3 result of non-renewal of his or her lease by the owner, and  
4 the tenant's unit is converted to a condominium by the  
5 filing of a declaration submitting a property to this Act  
6 without having provided the required notice, then the owner  
7 is liable to the tenant for the following:

8 (A) the tenant's actual moving expenses incurred  
9 when moving from the subject property, not to exceed  
10 \$1,500;

11 (B) three month's rent at the subject property; and

12 (C) reasonable attorney's fees and court costs.

13 (b) Any developer of a conversion condominium must, upon  
14 issuing the notice of intent, publish and deliver along with  
15 such notice of intent, a schedule of selling prices for all  
16 units subject to the condominium instruments and offer to sell  
17 such unit to the current tenants, except for units to be  
18 vacated for rehabilitation subsequent to such notice of intent.  
19 Such offer shall not expire earlier than 30 days after receipt  
20 of the offer by the current tenant, unless the tenant notifies  
21 the developer in writing of his election not to purchase the  
22 condominium unit.

23 (c) Any tenant who was a tenant as of the date of the  
24 notice of intent and whose tenancy expires (other than for  
25 cause) prior to the expiration of 120 days from the date on  
26 which a copy of the notice of intent was given to the tenant

1 shall have the right to extend his tenancy on the same terms  
2 and conditions and for the same rental until the expiration of  
3 such 120 day period by the giving of written notice thereof to  
4 the developer within 30 days of the date upon which a copy of  
5 the notice of intent was given to the tenant by the developer.

6 (d) Each lessee in a conversion condominium shall be  
7 informed by the developer at the time the notice of intent is  
8 given whether his tenancy will be renewed or terminated upon  
9 its expiration. If the tenancy is to be renewed, the tenant  
10 shall be informed of all charges, rental or otherwise, in  
11 connection with the new tenancy and the length of the term of  
12 occupancy proposed in conjunction therewith.

13 (e) For a period of 120 days following his receipt of the  
14 notice of intent, any tenant who was a tenant on the date the  
15 notice of intent was given shall be given the right to purchase  
16 his unit on substantially the same terms and conditions as set  
17 forth in a duly executed contract to purchase the unit, which  
18 contract shall conspicuously disclose the existence of, and  
19 shall be subject to, the right of first refusal. The tenant may  
20 exercise the right of first refusal by giving notice thereof to  
21 the developer prior to the expiration of 30 days from the  
22 giving of notice by the developer to the tenant of the  
23 execution of the contract to purchase the unit. The tenant may  
24 exercise such right of first refusal within 30 days from the  
25 giving of notice by the developer of the execution of a  
26 contract to purchase the unit, notwithstanding the expiration

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

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

1           (g) Any notice provided for in this Section shall be deemed  
2 given when a written notice is delivered in person or mailed,  
3 certified or registered mail, return receipt requested to the  
4 party who is being given the notice.

5           (h) Prior to their initial sale, units offered for sale in  
6 a conversion condominium and occupied by a tenant at the time  
7 of the offer shall be shown to prospective purchasers only a  
8 reasonable number of times and at appropriate hours. Units may  
9 only be shown to prospective purchasers during the last 90 days  
10 of any expiring tenancy.

11           (i) Any provision in any lease or other rental agreement,  
12 or any termination of occupancy on account of condominium  
13 conversion, not authorized herein, or contrary to or waiving  
14 the foregoing provisions, shall be deemed to be void as against  
15 public policy.

16           (j) A tenant is entitled to injunctive relief to enforce  
17 the provisions of subsections (a) and (c) of this Section.

18           (k) A non-profit housing organization or association,  
19 suing on behalf of an aggrieved tenant under this Section, may  
20 also recover compensation for reasonable attorney's fees and  
21 court costs necessary for filing such action.

22           (l) Nothing in this Section shall affect any provision in  
23 any lease or rental agreement in effect before this Act becomes  
24 law.

25           (m) Nothing in this amendatory Act of 1978 shall be  
26 construed to imply that there was previously a requirement to

1 record the notice provided for in this Section.

2 (Source: P.A. 95-221, eff. 1-1-08; revised 11-16-07.)

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