



95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

SB0318

Introduced 2/7/2007, by Sen. William R. Haine

SYNOPSIS AS INTRODUCED:

765 ILCS 5/27.5 new

Amends the Conveyances Act. Provides that a party to a real estate settlement that will convey legal or equitable title to real estate or any interest in real estate or create any lien on real estate by way of a mortgage may record a notice of real estate settlement with the recorder of deeds of the county in which the real estate is located. Permits the recorder of deeds to charge a fee for recording a notice of real estate settlement not to exceed the fee to record a federal tax lien. Provides the notice of real estate settlement form. Provides that, after the filing of a notice of real estate settlement, any person claiming title to, an interest in, or a lien upon the real estate described in the notice through any party in the notice shall be deemed to have acquired the title, interest, or lien with knowledge of the anticipated settlement and shall be subject to the terms, conditions, and provisions of the deed or mortgage between the parties recorded within the specified period. Provides that a notice of real estate settlement is effective for 60 days from the date of recording. Provides that a 60 day extension of time may be accomplished by recording an additional notice and that a notice may be terminated by the recording of a discharge of notice of real estate settlement. Effective 60 days after becoming law.

LRB095 07890 AJO 28052 b

FISCAL NOTE ACT
MAY APPLY

HOUSING
AFFORDABILITY
IMPACT NOTE ACT
MAY APPLY

STATE MANDATES
ACT MAY REQUIRE
REIMBURSEMENT

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 Conveyances Act is amended by adding Section
5 27.5 as follows:

6 (765 ILCS 5/27.5 new)

7 Sec. 27.5. Notice of real estate settlement.

8 (a) Any party, or his or her legal representative, to a
9 real estate settlement that will convey legal or equitable
10 title to real estate or any interest therein or create any lien
11 thereon by way of a mortgage or trust deed in the nature of a
12 mortgage, may record an instrument to be designated a "notice
13 of real estate settlement" with the recorder of deeds of the
14 county in which the real estate is situated. The recorder of
15 deeds may charge a fee not to exceed the fee charged for the
16 recording of notices of federal tax liens.

17 (b) The notice of real estate settlement shall be signed by
18 a party or legal representative and shall set forth the names
19 of the parties to the settlement and contain a description of
20 the real estate. The execution of the notice shall be
21 acknowledged or proved in the manner provided by law for the
22 acknowledgement or proof of deeds.

23 (c) The form of the notice of real estate settlement shall

1 be as follows:

2

3 Name)

4 Address)

5 Seller or Mortgagor)

6 NOTICE OF

7 REAL ESTATE

8 SETTLEMENT

9 Name)

10 Address)

11 Purchaser or Mortgagee)

12

13 NOTICE is hereby given of a
14 (contract, agreement, or mortgage commitment) between the
15 parties hereto.

16 THE lands to be affected are described as follows:

17 ALL that certain tract or parcel of land and premises
18 situate, in the of, County of
19 and State of Illinois, commonly known as
20 (street
21 address) and more particularly described as follows:

22 (legal description and permanent index number)

23 Name of party or legal representative

1 Address

2 (acknowledgement)

3 State of (name of state),)

4 _____)ss

5 County of (name of county).

6 I (here give name of officer and his official title)
7 certify that (name of grantor, and if acknowledged by the
8 spouse, his or her name, and add "his or her spouse")
9 personally known to me to be the same person whose name is (or
10 are) subscribed to the foregoing instrument, appeared before me
11 this day in person, and acknowledged that he (she or they)
12 signed and delivered the instrument as his (her or their) free
13 and voluntary act, for the uses and purposes therein set forth.

14 Dated (insert date).

15 (Signature of officer).

16 (Seal).

17 (d) After the recording of a notice of real estate
18 settlement, any person claiming title to, an interest in, or a
19 lien upon the real estate described in the notice of real
20 estate settlement through any party in the notice of real
21 estate settlement shall be deemed to have acquired the title,
22 interest, or lien with knowledge of the anticipated settlement

1 and shall be subject to the terms, conditions, and provisions
2 of the deed, mortgage, or trust deed in the nature of a
3 mortgage between the parties recorded within the period set
4 forth in subsection (e) of this Section.

5 (e) The notice of real estate settlement shall be effective
6 for 60 days from the date of recording, unless it is terminated
7 by the recording of a "discharge of notice of real estate
8 settlement". The effective period of a notice of real estate
9 settlement may be extended for one period of 60 days by
10 recording an additional notice of real estate settlement before
11 the expiration or discharge of the notice of real estate
12 settlement. If the purchaser or mortgagor does not both
13 consummate the real estate settlement contemplated in the
14 notice of real estate settlement and record the documents
15 generated for recording from said real estate settlement within
16 60 days of the recording of the notice of real estate
17 settlement, then the notice of real estate settlement shall be
18 of no further force and effect and shall not import either
19 constructive or actual knowledge to third parties of the
20 purchaser or mortgagor.

21 (f) A discharge of a notice of real estate settlement shall
22 be substantially in the form prescribed for a notice of real
23 estate settlement and shall be recorded by the party or
24 authorized representative who recorded the notice of
25 settlement. The discharge shall be entitled to recording in the
26 same manner as the notice of real estate settlement.

1 Section 99. Effective date. This Act takes effect 60 days
2 after becoming law.