



Rep. André M. Thapedi

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1 AMENDMENT TO HOUSE BILL 4560

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 4560 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Common Interest Community Association Act  
5 is amended by changing Section 1-45 as follows:

6 (765 ILCS 160/1-45)

7 Sec. 1-45. Finances.

8 (a) Each unit owner shall receive through a prescribed  
9 delivery method, at least 30 days but not more than 60 days  
10 prior to the adoption thereof by the board, a copy of the  
11 proposed annual budget together with an indication of which  
12 portions are intended for reserves, capital expenditures or  
13 repairs or payment of real estate taxes.

14 (b) The board shall provide all unit owners with a  
15 reasonably detailed summary of the receipts, common expenses,  
16 and reserves for the preceding budget year. The board shall (i)

1 make available for review to all unit owners an itemized  
2 accounting of the common expenses for the preceding year  
3 actually incurred or paid, together with an indication of which  
4 portions were for reserves, capital expenditures or repairs or  
5 payment of real estate taxes and with a tabulation of the  
6 amounts collected pursuant to the budget or assessment, and  
7 showing the net excess or deficit of income over expenditures  
8 plus reserves or (ii) provide a consolidated annual independent  
9 audit report of the financial status of all fund accounts  
10 within the association.

11 (c) If an adopted budget or any separate assessment adopted  
12 by the board would result in the sum of all regular and  
13 separate assessments payable in the current fiscal year  
14 exceeding 115% of the sum of all regular and separate  
15 assessments payable during the preceding fiscal year, the  
16 common interest community association, upon written petition  
17 by unit owners with 20% of the votes of the association  
18 delivered to the board within 14 days of the board action,  
19 shall call a meeting of the unit owners within 30 days of the  
20 date of delivery of the petition to consider the budget or  
21 separate assessment; unless a majority of the total votes of  
22 the unit owners are cast at the meeting to reject the budget or  
23 separate assessment, it shall be deemed ratified.

24 (d) Any common expense not set forth in the budget or any  
25 increase in assessments over the amount adopted in the budget  
26 shall be separately assessed against all unit owners.

1 (e) Separate assessments for expenditures relating to  
2 emergencies or mandated by law may be adopted by the board  
3 without being subject to unit owner approval or the provisions  
4 of subsection (c) or (f) of this Section. As used herein,  
5 "emergency" means an immediate danger to the structural  
6 integrity of the common areas or to the life, health, safety,  
7 or property of the unit owners.

8 (f) Assessments for additions and alterations to the common  
9 areas or to association-owned property not included in the  
10 adopted annual budget, shall be separately assessed and are  
11 subject to approval of two-thirds of the total members at a  
12 meeting called for that purpose.

13 (g) The board may adopt separate assessments payable over  
14 more than one fiscal year. With respect to multi-year  
15 assessments not governed by subsections (e) and (f) of this  
16 Section, the entire amount of the multi-year assessment shall  
17 be deemed considered and authorized in the first fiscal year in  
18 which the assessment is approved.

19 (h) The board of a common interest community association  
20 shall have the authority to establish and maintain a system of  
21 master metering of public utility services to collect payments  
22 in conjunction therewith, subject to the requirements of the  
23 Tenant Utility Payment Disclosure Act.

24 (i) Notwithstanding any other provision of this Act, the  
25 purchaser of a unit of a common interest community at a  
26 judicial foreclosure sale, other than a mortgagee, who takes

1 title to a unit of a common interest community pursuant to a  
2 court order or a purchaser who acquires title from a mortgagee  
3 following a judicial foreclosure sale or pursuant to a deed in  
4 lieu of foreclosure shall have the duty to pay the  
5 proportionate share, if any, of the common expenses for the  
6 unit, attorneys' fees levied pursuant to subsection (k), and  
7 other charges related to the common expenses, that would have  
8 become due in the absence of any acceleration during the 12  
9 months immediately preceding a judicial foreclosure sale or  
10 delivery of a deed in lieu of foreclosure. If the 12 months of  
11 common expenses, related attorneys' fees, and other charges are  
12 paid at any time, the purchaser, other than the mortgagee,  
13 shall have no obligation to pay any common expenses, related  
14 attorneys' fees, and other charges that accrued before he or  
15 she acquired title.

16 The notice of sale of a unit of a common interest community  
17 under subsection (c) of Section 15-1507 of the Code of Civil  
18 Procedure shall state that the purchaser of the unit other than  
19 a mortgagee shall pay the common expenses, including but not  
20 limited to attorneys' fees levied pursuant to subsection (k),  
21 required by this Section.

22 The statement of assessment account issued by the  
23 association to a unit owner and the disclosure statement issued  
24 to a prospective purchaser under paragraph (2) of subsection  
25 (d) of Section 1-35 shall state the amount of common expenses,  
26 if any, including but not limited to attorneys' fees levied

1 pursuant to subsection (k), required by this Section.

2 (j) In the event of any default by any unit owner or his or  
3 her tenant, invitee, or guest in the performance of the unit  
4 owner's obligations under this Act or under the declaration,  
5 the bylaws, or the rules and regulations of the board of  
6 managers, the board of managers or its agents shall have such  
7 rights and remedies as provided in this Act or the common  
8 interest community's instruments, including the right to  
9 maintain an action for possession against the defaulting unit  
10 owner or his or her tenant for the benefit of all the other  
11 unit owners in the manner prescribed by Article IX of the Code  
12 of Civil Procedure.

13 (k) Any attorneys' fees incurred by the common interest  
14 community arising out of a default by any unit owner or his or  
15 her tenant, invitee, or guest in the performance of any of the  
16 provisions of the common interest community's instruments or  
17 rules and regulations, or any applicable statute or ordinance,  
18 shall be added to, and deemed a part of, his or her respective  
19 share of the common expense.

20 (l) The board of a common interest community association  
21 shall have the authority to impose charges for the late payment  
22 of a unit owner's share of the common expenses, or any other  
23 expenses lawfully agreed upon.

24 (Source: P.A. 96-1400, eff. 7-29-10; 97-605, eff. 8-26-11.)

25 Section 10. The Condominium Property Act is amended by

1 changing Sections 9 and 18.5 as follows:

2 (765 ILCS 605/9) (from Ch. 30, par. 309)

3 Sec. 9. Sharing of expenses - Lien for nonpayment.

4 (a) All common expenses incurred or accrued prior to the  
5 first conveyance of a unit shall be paid by the developer, and  
6 during this period no common expense assessment shall be  
7 payable to the association. It shall be the duty of each unit  
8 owner including the developer to pay his proportionate share of  
9 the common expenses commencing with the first conveyance. The  
10 proportionate share shall be in the same ratio as his  
11 percentage of ownership in the common elements set forth in the  
12 declaration.

13 (b) The condominium instruments may provide that common  
14 expenses for insurance premiums be assessed on a basis  
15 reflecting increased charges for coverage on certain units.

16 (c) Budget and reserves.

17 (1) The board of managers shall prepare and distribute  
18 to all unit owners a detailed proposed annual budget,  
19 setting forth with particularity all anticipated common  
20 expenses by category as well as all anticipated assessments  
21 and other income. The initial budget and common expense  
22 assessment based thereon shall be adopted prior to the  
23 conveyance of any unit. The budget shall also set forth  
24 each unit owner's proposed common expense assessment.

25 (2) All budgets adopted by a board of managers on or

1 after July 1, 1990 shall provide for reasonable reserves  
2 for capital expenditures and deferred maintenance for  
3 repair or replacement of the common elements. To determine  
4 the amount of reserves appropriate for an association, the  
5 board of managers shall take into consideration the  
6 following: (i) the repair and replacement cost, and the  
7 estimated useful life, of the property which the  
8 association is obligated to maintain, including but not  
9 limited to structural and mechanical components, surfaces  
10 of the buildings and common elements, and energy systems  
11 and equipment; (ii) the current and anticipated return on  
12 investment of association funds; (iii) any independent  
13 professional reserve study which the association may  
14 obtain; (iv) the financial impact on unit owners, and the  
15 market value of the condominium units, of any assessment  
16 increase needed to fund reserves; and (v) the ability of  
17 the association to obtain financing or refinancing.

18 (3) Notwithstanding the provisions of this subsection  
19 (c), an association without a reserve requirement in its  
20 condominium instruments may elect to waive in whole or in  
21 part the reserve requirements of this Section by a vote of  
22 2/3 of the total votes of the association. Any association  
23 having elected under this paragraph (3) to waive the  
24 provisions of subsection (c) may by a vote of 2/3 of the  
25 total votes of the association elect to again be governed  
26 by the requirements of subsection (c).

1           (4) In the event that an association elects to waive  
2 all or part of the reserve requirements of this Section,  
3 that fact must be disclosed after the meeting at which the  
4 waiver occurs by the association in the financial  
5 statements of the association and, highlighted in bold  
6 print, in the response to any request of a prospective  
7 purchaser for the information prescribed under Section  
8 22.1; and no member of the board of managers or the  
9 managing agent of the association shall be liable, and no  
10 cause of action may be brought for damages against these  
11 parties, for the lack or inadequacy of reserve funds in the  
12 association budget.

13           (d) (Blank).

14           (e) The condominium instruments may provide for the  
15 assessment, in connection with expenditures for the limited  
16 common elements, of only those units to which the limited  
17 common elements are assigned.

18           (f) Payment of any assessment shall be in amounts and at  
19 times determined by the board of managers.

20           (g) Lien.

21           (1) If any unit owner shall fail or refuse to make any  
22 payment of the common expenses or the amount of any unpaid  
23 fine when due, the amount thereof together with any  
24 interest, late charges, reasonable attorney fees incurred  
25 enforcing the covenants of the condominium instruments,  
26 rules and regulations of the board of managers, or any



1 applicable statute or ordinance, and costs of collections  
2 shall constitute a lien on the interest of the unit owner  
3 in the property prior to all other liens and encumbrances,  
4 recorded or unrecorded, except only (a) taxes, special  
5 assessments and special taxes theretofore or thereafter  
6 levied by any political subdivision or municipal  
7 corporation of this State and other State or federal taxes  
8 which by law are a lien on the interest of the unit owner  
9 prior to preexisting recorded encumbrances thereon and (b)  
10 encumbrances on the interest of the unit owner recorded  
11 prior to the date of such failure or refusal which by law  
12 would be a lien thereon prior to subsequently recorded  
13 encumbrances. Any action brought to extinguish the lien of  
14 the association shall include the association as a party.

15 (2) With respect to encumbrances executed prior to  
16 August 30, 1984 or encumbrances executed subsequent to  
17 August 30, 1984 which are neither bonafide first mortgages  
18 nor trust deeds and which encumbrances contain a statement  
19 of a mailing address in the State of Illinois where notice  
20 may be mailed to the encumbrancer thereunder, if and  
21 whenever and as often as the manager or board of managers  
22 shall send, by United States certified or registered mail,  
23 return receipt requested, to any such encumbrancer at the  
24 mailing address set forth in the recorded encumbrance a  
25 statement of the amounts and due dates of the unpaid common  
26 expenses with respect to the encumbered unit, then, unless

1 otherwise provided in the declaration or bylaws, the prior  
2 recorded encumbrance shall be subject to the lien of all  
3 unpaid common expenses with respect to the unit which  
4 become due and payable within a period of 90 days after the  
5 date of mailing of each such notice.

6 (3) The purchaser of a condominium unit at a judicial  
7 foreclosure sale, or a mortgagee who receives title to a  
8 unit by deed in lieu of foreclosure or judgment by common  
9 law strict foreclosure or otherwise takes possession  
10 pursuant to court order under the Illinois Mortgage  
11 Foreclosure Law, shall have the duty to pay the unit's  
12 proportionate share of the common expenses for the unit  
13 assessed from and after the first day of the month after  
14 the date of the judicial foreclosure sale, delivery of the  
15 deed in lieu of foreclosure, entry of a judgment in common  
16 law strict foreclosure, or taking of possession pursuant to  
17 such court order. Such payment confirms the extinguishment  
18 of any lien created pursuant to paragraph (1) or (2) of  
19 this subsection (g) by virtue of the failure or refusal of  
20 a prior unit owner to make payment of common expenses,  
21 where the judicial foreclosure sale has been confirmed by  
22 order of the court, a deed in lieu thereof has been  
23 accepted by the lender, or a consent judgment has been  
24 entered by the court.

25 (4) Notwithstanding any other provision of this Act,  
26 the ~~The~~ purchaser of a condominium unit at a judicial

1 foreclosure sale, other than a mortgagee, who takes title  
2 to possession of a condominium unit pursuant to a court  
3 order or a purchaser who acquires title from a mortgagee  
4 following a judicial foreclosure sale or pursuant to a deed  
5 in lieu of foreclosure shall have the duty to pay the  
6 proportionate share, if any, of the common expenses for the  
7 unit, attorneys' fees levied pursuant to subsection (b) of  
8 Section 9.2, and other charges related to the common  
9 expenses, that ~~which~~ would have become due in the absence  
10 of any ~~assessment~~ acceleration during the 12 ~~6~~ months  
11 immediately preceding a judicial foreclosure sale or  
12 delivery of a deed in lieu of foreclosure ~~institution of an~~  
13 ~~action to enforce the collection of assessments, and which~~  
14 ~~remain unpaid by the owner during whose possession the~~  
15 ~~assessments accrued.~~ If the 12 months of common expenses,  
16 related attorneys' fees, and other charges ~~outstanding~~  
17 ~~assessments~~ are paid at any time ~~during any action to~~  
18 ~~enforce the collection of assessments,~~ the purchaser,  
19 other than the mortgagee, shall have no obligation to pay  
20 any common expenses, related attorneys' fees, and other  
21 charges that ~~assessments which~~ accrued before he or she  
22 acquired title.

23 (5) The notice of sale of a condominium unit under  
24 subsection (c) of Section 15-1507 of the Code of Civil  
25 Procedure shall state that the purchaser of the unit other  
26 than a mortgagee shall pay the common expenses, including

1        but not limited to attorneys' fees levied pursuant to  
2        subsection (b) of Section 9.2, required by subdivision  
3        (g) (4) assessments and the legal fees required by  
4        subdivisions (g) (1) and (g) (4) of Section 9 of this Act.  
5        The statement of assessment account issued by the  
6        association to a unit owner under subsection (i) of Section  
7        18 of this Act, and the disclosure statement issued to a  
8        prospective purchaser under Section 22.1 of this Act, shall  
9        state the amount of common expenses ~~the assessments and the~~  
10       ~~legal fees~~, if any, including but not limited to attorneys'  
11       fees levied pursuant to subsection (b) of Section 9.2 of  
12       this Act, required by subdivisions (g) (1) and (g) (4) of  
13       Section 9 of this Act.

14       (h) A lien for common expenses shall be in favor of the  
15       members of the board of managers and their successors in office  
16       and shall be for the benefit of all other unit owners. Notice  
17       of the lien may be recorded by the board of managers, or if the  
18       developer is the manager or has a majority of seats on the  
19       board of managers and the manager or board of managers fails to  
20       do so, any unit owner may record notice of the lien. Upon the  
21       recording of such notice the lien may be foreclosed by an  
22       action brought in the name of the board of managers in the same  
23       manner as a mortgage of real property.

24       (i) Unless otherwise provided in the declaration, the  
25       members of the board of managers and their successors in  
26       office, acting on behalf of the other unit owners, shall have

1 the power to bid on the interest so foreclosed at the  
2 foreclosure sale, and to acquire and hold, lease, mortgage and  
3 convey it.

4 (j) Any encumbrancer may from time to time request in  
5 writing a written statement from the manager or board of  
6 managers setting forth the unpaid common expenses with respect  
7 to the unit covered by his encumbrance. Unless the request is  
8 complied with within 20 days, all unpaid common expenses which  
9 become due prior to the date of the making of such request  
10 shall be subordinate to the lien of the encumbrance. Any  
11 encumbrancer holding a lien on a unit may pay any unpaid common  
12 expenses payable with respect to the unit, and upon payment the  
13 encumbrancer shall have a lien on the unit for the amounts paid  
14 at the same rank as the lien of his encumbrance.

15 (k) Nothing in Public Act 83-1271 is intended to change the  
16 lien priorities of any encumbrance created prior to August 30,  
17 1984.

18 (Source: P.A. 94-1049, eff. 1-1-07.)

19 (765 ILCS 605/18.5) (from Ch. 30, par. 318.5)

20 Sec. 18.5. Master Associations.

21 (a) If the declaration, other condominium instrument, or  
22 other duly recorded covenants provide that any of the powers of  
23 the unit owners associations are to be exercised by or may be  
24 delegated to a nonprofit corporation or unincorporated  
25 association that exercises those or other powers on behalf of

1 one or more condominiums, or for the benefit of the unit owners  
2 of one or more condominiums, such corporation or association  
3 shall be a master association.

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

8 In interpreting subsections (c) through (h), the courts  
9 should interpret these provisions so that they are interpreted  
10 consistently with the similar parallel provisions found in  
11 other parts of this Act.

12 (c) Meetings and finances.

13 (1) Each unit owner of a condominium subject to the  
14 authority of the board of the master association shall  
15 receive, at least 30 days prior to the adoption thereof by  
16 the board of the master association, a copy of the proposed  
17 annual budget.

18 (2) The board of the master association shall annually  
19 supply to all unit owners of condominiums subject to the  
20 authority of the board of the master association an  
21 itemized accounting of the common expenses for the  
22 preceding year actually incurred or paid, together with a  
23 tabulation of the amounts collected pursuant to the budget  
24 or assessment, and showing the net excess or deficit of  
25 income over expenditures plus reserves.

26 (3) Each unit owner of a condominium subject to the

1 authority of the board of the master association shall  
2 receive written notice mailed or delivered no less than 10  
3 and no more than 30 days prior to any meeting of the board  
4 of the master association concerning the adoption of the  
5 proposed annual budget or any increase in the budget, or  
6 establishment of an assessment.

7 (4) Meetings of the board of the master association  
8 shall be open to any unit owner in a condominium subject to  
9 the authority of the board of the master association,  
10 except for the portion of any meeting held:

11 (A) to discuss litigation when an action against or  
12 on behalf of the particular master association has been  
13 filed and is pending in a court or administrative  
14 tribunal, or when the board of the master association  
15 finds that such an action is probable or imminent,

16 (B) to consider information regarding appointment,  
17 employment or dismissal of an employee, or

18 (C) to discuss violations of rules and regulations  
19 of the master association or unpaid common expenses  
20 owed to the master association.

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

24 Any unit owner may record the proceedings at meetings  
25 required to be open by this Act by tape, film or other  
26 means; the board may prescribe reasonable rules and

1 regulations to govern the right to make such recordings.  
2 Notice of meetings shall be mailed or delivered at least 48  
3 hours prior thereto, unless a written waiver of such notice  
4 is signed by the persons entitled to notice before the  
5 meeting is convened. Copies of notices of meetings of the  
6 board of the master association shall be posted in  
7 entranceways, elevators, or other conspicuous places in  
8 the condominium at least 48 hours prior to the meeting of  
9 the board of the master association. Where there is no  
10 common entranceway for 7 or more units, the board of the  
11 master association may designate one or more locations in  
12 the proximity of these units where the notices of meetings  
13 shall be posted.

14 (5) If the declaration provides for election by unit  
15 owners of members of the board of directors in the event of  
16 a resale of a unit in the master association, the purchaser  
17 of a unit from a seller other than the developer pursuant  
18 to an installment contract for purchase shall, during such  
19 times as he or she resides in the unit, be counted toward a  
20 quorum for purposes of election of members of the board of  
21 directors at any meeting of the unit owners called for  
22 purposes of electing members of the board, and shall have  
23 the right to vote for the election of members of the board  
24 of directors and to be elected to and serve on the board of  
25 directors unless the seller expressly retains in writing  
26 any or all of those rights. In no event may the seller and



1 purchaser both be counted toward a quorum, be permitted to  
2 vote for a particular office, or be elected and serve on  
3 the board. Satisfactory evidence of the installment  
4 contract shall be made available to the association or its  
5 agents. For purposes of this subsection, "installment  
6 contract" shall have the same meaning as set forth in  
7 subsection (e) of Section 1 of the Dwelling Unit  
8 Installment Contract Act.

9 (6) The board of the master association shall have the  
10 authority to establish and maintain a system of master  
11 metering of public utility services and to collect payments  
12 in connection therewith, subject to the requirements of the  
13 Tenant Utility Payment Disclosure Act.

14 (7) The board of the master association or a common  
15 interest community association shall have the power, after  
16 notice and an opportunity to be heard, to levy and collect  
17 reasonable fines from members for violations of the  
18 declaration, bylaws, and rules and regulations of the  
19 master association or the common interest community  
20 association. Nothing contained in this subdivision (7)  
21 shall give rise to a statutory lien for unpaid fines.

22 (8) Other than attorney's fees, no fees pertaining to  
23 the collection of a unit owner's financial obligation to  
24 the Association, including fees charged by a manager or  
25 managing agent, shall be added to and deemed a part of an  
26 owner's respective share of the common expenses unless: (i)

1 the managing agent fees relate to the costs to collect  
2 common expenses for the Association; (ii) the fees are set  
3 forth in a contract between the managing agent and the  
4 Association; and (iii) the authority to add the management  
5 fees to an owner's respective share of the common expenses  
6 is specifically stated in the declaration or bylaws of the  
7 Association.

8 (9) The board of the master association shall have the  
9 authority to impose charges for the late payment of a unit  
10 owner's share of the common expenses, or any other expenses  
11 lawfully agreed upon.

12 (d) Records.

13 (1) The board of the master association shall maintain  
14 the following records of the association and make them  
15 available for examination and copying at convenient hours  
16 of weekdays by any unit owners in a condominium subject to  
17 the authority of the board or their mortgagees and their  
18 duly authorized agents or attorneys:

19 (i) Copies of the recorded declaration, other  
20 condominium instruments, other duly recorded covenants  
21 and bylaws and any amendments, articles of  
22 incorporation of the master association, annual  
23 reports and any rules and regulations adopted by the  
24 master association or its board shall be available.  
25 Prior to the organization of the master association,  
26 the developer shall maintain and make available the

1 records set forth in this subdivision (d)(1) for  
2 examination and copying.

3 (ii) Detailed and accurate records in  
4 chronological order of the receipts and expenditures  
5 affecting the common areas, specifying and itemizing  
6 the maintenance and repair expenses of the common areas  
7 and any other expenses incurred, and copies of all  
8 contracts, leases, or other agreements entered into by  
9 the master association, shall be maintained.

10 (iii) The minutes of all meetings of the master  
11 association and the board of the master association  
12 shall be maintained for not less than 7 years.

13 (iv) Ballots and proxies related thereto, if any,  
14 for any election held for the board of the master  
15 association and for any other matters voted on by the  
16 unit owners shall be maintained for not less than one  
17 year.

18 (v) Such other records of the master association as  
19 are available for inspection by members of a  
20 not-for-profit corporation pursuant to Section 107.75  
21 of the General Not For Profit Corporation Act of 1986  
22 shall be maintained.

23 (vi) With respect to units owned by a land trust,  
24 if a trustee designates in writing a person to cast  
25 votes on behalf of the unit owner, the designation  
26 shall remain in effect until a subsequent document is

1 filed with the association.

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

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

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

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

19 (f) Administration of property prior to election of the  
20 initial board of directors.

21 (1) Until the election, by the unit owners or the  
22 boards of managers of the underlying condominium  
23 associations, of the initial board of directors of a master  
24 association whose declaration is recorded on or after  
25 August 10, 1990, the same rights, titles, powers,  
26 privileges, trusts, duties and obligations that are vested

1 in or imposed upon the board of directors by this Act or in  
2 the declaration or other duly recorded covenant shall be  
3 held and performed by the developer.

4 (2) The election of the initial board of directors of a  
5 master association whose declaration is recorded on or  
6 after August 10, 1990, by the unit owners or the boards of  
7 managers of the underlying condominium associations, shall  
8 be held not later than 60 days after the conveyance by the  
9 developer of 75% of the units, or 3 years after the  
10 recording of the declaration, whichever is earlier. The  
11 developer shall give at least 21 days notice of the meeting  
12 to elect the initial board of directors and shall upon  
13 request provide to any unit owner, within 3 working days of  
14 the request, the names, addresses, and weighted vote of  
15 each unit owner entitled to vote at the meeting. Any unit  
16 owner shall upon receipt of the request be provided with  
17 the same information, within 10 days of the request, with  
18 respect to each subsequent meeting to elect members of the  
19 board of directors.

20 (3) If the initial board of directors of a master  
21 association whose declaration is recorded on or after  
22 August 10, 1990 is not elected by the unit owners or the  
23 members of the underlying condominium association board of  
24 managers at the time established in subdivision (f) (2), the  
25 developer shall continue in office for a period of 30 days,  
26 whereupon written notice of his resignation shall be sent

1 to all of the unit owners or members of the underlying  
2 condominium board of managers entitled to vote at an  
3 election for members of the board of directors.

4 (4) Within 60 days following the election of a majority  
5 of the board of directors, other than the developer, by  
6 unit owners, the developer shall deliver to the board of  
7 directors:

8 (i) All original documents as recorded or filed  
9 pertaining to the property, its administration, and  
10 the association, such as the declaration, articles of  
11 incorporation, other instruments, annual reports,  
12 minutes, rules and regulations, and contracts, leases,  
13 or other agreements entered into by the association. If  
14 any original documents are unavailable, a copy may be  
15 provided if certified by affidavit of the developer, or  
16 an officer or agent of the developer, as being a  
17 complete copy of the actual document recorded or filed.

18 (ii) A detailed accounting by the developer,  
19 setting forth the source and nature of receipts and  
20 expenditures in connection with the management,  
21 maintenance and operation of the property, copies of  
22 all insurance policies, and a list of any loans or  
23 advances to the association which are outstanding.

24 (iii) Association funds, which shall have been at  
25 all times segregated from any other moneys of the  
26 developer.

1           (iv) A schedule of all real or personal property,  
2           equipment and fixtures belonging to the association,  
3           including documents transferring the property,  
4           warranties, if any, for all real and personal property  
5           and equipment, deeds, title insurance policies, and  
6           all tax bills.

7           (v) A list of all litigation, administrative  
8           action and arbitrations involving the association, any  
9           notices of governmental bodies involving actions taken  
10          or which may be taken concerning the association,  
11          engineering and architectural drawings and  
12          specifications as approved by any governmental  
13          authority, all other documents filed with any other  
14          governmental authority, all governmental certificates,  
15          correspondence involving enforcement of any  
16          association requirements, copies of any documents  
17          relating to disputes involving unit owners, and  
18          originals of all documents relating to everything  
19          listed in this subparagraph.

20          (vi) If the developer fails to fully comply with  
21          this paragraph (4) within the 60 days provided and  
22          fails to fully comply within 10 days of written demand  
23          mailed by registered or certified mail to his or her  
24          last known address, the board may bring an action to  
25          compel compliance with this paragraph (4). If the court  
26          finds that any of the required deliveries were not made

1           within the required period, the board shall be entitled  
2           to recover its reasonable attorneys' fees and costs  
3           incurred from and after the date of expiration of the  
4           10 day demand.

5           (5) With respect to any master association whose  
6           declaration is recorded on or after August 10, 1990, any  
7           contract, lease, or other agreement made prior to the  
8           election of a majority of the board of directors other than  
9           the developer by or on behalf of unit owners or underlying  
10          condominium associations, the association or the board of  
11          directors, which extends for a period of more than 2 years  
12          from the recording of the declaration, shall be subject to  
13          cancellation by more than 1/2 of the votes of the unit  
14          owners, other than the developer, cast at a special meeting  
15          of members called for that purpose during a period of 90  
16          days prior to the expiration of the 2 year period if the  
17          board of managers is elected by the unit owners, otherwise  
18          by more than 1/2 of the underlying condominium board of  
19          managers. At least 60 days prior to the expiration of the 2  
20          year period, the board of directors, or, if the board is  
21          still under developer control, then the board of managers  
22          or the developer shall send notice to every unit owner or  
23          underlying condominium board of managers, notifying them  
24          of this provision, of what contracts, leases and other  
25          agreements are affected, and of the procedure for calling a  
26          meeting of the unit owners or for action by the underlying



1 condominium board of managers for the purpose of acting to  
2 terminate such contracts, leases or other agreements.  
3 During the 90 day period the other party to the contract,  
4 lease, or other agreement shall also have the right of  
5 cancellation.

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

11 (g) In the event of any resale of a unit in a master  
12 association by a unit owner other than the developer, the owner  
13 shall obtain from the board of directors and shall make  
14 available for inspection to the prospective purchaser, upon  
15 demand, the following:

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

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

21 (3) A statement of any capital expenditures  
22 anticipated by the association within the current or  
23 succeeding 2 fiscal years.

24 (4) A statement of the status and amount of any reserve  
25 for replacement fund and any portion of such fund earmarked  
26 for any specified project by the board of directors.

1           (5) A copy of the statement of financial condition of  
2 the association for the last fiscal year for which such a  
3 statement is available.

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

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

8           (8) A statement that any improvements or alterations  
9 made to the unit, or any part of the common areas assigned  
10 thereto, by the prior unit owner are in good faith believed  
11 to be in compliance with the declaration of the master  
12 association.

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

17           A reasonable fee covering the direct out-of-pocket cost of  
18 copying and providing such information may be charged by the  
19 association or its board of directors to the unit seller for  
20 providing the information.

21           (g-1) Notwithstanding any other provision of this Act, the  
22 ~~The~~ purchaser of a unit of a master association ~~common interest~~  
23 ~~community~~ at a judicial foreclosure sale, other than a  
24 mortgagee, who takes title to possession of a unit of a master  
25 association ~~common interest community~~ pursuant to a court order  
26 or a purchaser who acquires title from a mortgagee following a

1 judicial foreclosure sale or conveyance of a unit pursuant to a  
2 deed in lieu of foreclosure shall have the duty to pay the  
3 proportionate share, if any, of the common expenses for the  
4 unit, including but not limited to attorneys levied pursuant to  
5 subsection (b) of Section 9.2 of this Act, that would have  
6 become due in the absence of any ~~assessment~~ acceleration during  
7 the 12 ~~6~~ months immediately preceding a judicial foreclosure  
8 sale or execution of deed in lieu of foreclosure ~~institution of~~  
9 ~~an action to enforce the collection of assessments and the~~  
10 ~~court costs incurred by the association in an action to enforce~~  
11 ~~the collection that remain unpaid by the owner during whose~~  
12 ~~possession the assessments accrued.~~ If the 12 months of common  
13 expenses ~~outstanding assessments and the court costs incurred~~  
14 ~~by the association in an action to enforce the collection~~ are  
15 paid at any time ~~during any action to enforce the collection of~~  
16 ~~assessments,~~ the purchaser, other than the mortgagee, shall  
17 have no obligation to pay any common expense ~~assessments~~ that  
18 accrued before he or she acquired title. The notice of sale of  
19 a unit of a master association ~~common interest community~~ under  
20 subsection (c) of Section 15-1507 of the Code of Civil  
21 Procedure shall state that the purchaser of the unit other than  
22 a mortgagee shall pay the common expenses, including but not  
23 limited to attorneys' fees levied pursuant to subsection (b) of  
24 Section 9.2 of this Act, ~~assessments and court costs~~ required  
25 by this subsection (g-1).

26 (h) Errors and omissions.

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

12           (2) If, through a scrivener's error, a unit has not  
13 been designated as owning an appropriate undivided share of  
14 the common areas or does not bear an appropriate share of  
15 the common expenses, or if all of the common expenses or  
16 all of the common elements in the condominium have not been  
17 distributed in the declaration, so that the sum total of  
18 the shares of common areas which have been distributed or  
19 the sum total of the shares of the common expenses fail to  
20 equal 100%, or if it appears that more than 100% of the  
21 common elements or common expenses have been distributed,  
22 the error may be corrected by operation of law by filing an  
23 amendment to the declaration, approved by vote of  
24 two-thirds of the members of the board of directors or a  
25 majority vote of the unit owners at a meeting called for  
26 that purpose, which proportionately adjusts all percentage

1 interests so that the total is equal to 100%, unless the  
2 declaration specifically provides for a different  
3 procedure or different percentage vote by the owners of the  
4 units and the owners of mortgages thereon affected by  
5 modification being made in the undivided interest in the  
6 common areas, the number of votes in the unit owners  
7 association or the liability for common expenses  
8 appertaining to the unit.

9 (3) If an omission or error or a scrivener's error in  
10 the declaration or other instrument is corrected by vote of  
11 two-thirds of the members of the board of directors  
12 pursuant to the authority established in subdivisions  
13 (h)(1) or (h)(2) of this Section, the board, upon written  
14 petition by unit owners with 20% of the votes of the  
15 association or resolutions adopted by the board of managers  
16 or board of directors of the condominium and common  
17 interest community associations which select 20% of the  
18 members of the board of directors of the master  
19 association, whichever is applicable, received within 30  
20 days of the board action, shall call a meeting of the unit  
21 owners or the boards of the condominium and common interest  
22 community associations which select members of the board of  
23 directors of the master association within 30 days of the  
24 filing of the petition or receipt of the condominium and  
25 common interest community association resolution to  
26 consider the board action. Unless a majority of the votes

1 of the unit owners of the association are cast at the  
2 meeting to reject the action, or board of managers or board  
3 of directors of condominium and common interest community  
4 associations which select over 50% of the members of the  
5 board of the master association adopt resolutions prior to  
6 the meeting rejecting the action of the board of directors  
7 of the master association, it is ratified whether or not a  
8 quorum is present.

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

20 (5) If there is an omission or error in the declaration  
21 or other instruments that may not be corrected by an  
22 amendment procedure set forth in subdivision (h)(1) or  
23 (h)(2) of this Section, then the circuit court in the  
24 county in which the master association is located shall  
25 have jurisdiction to hear a petition of one or more of the  
26 unit owners thereon or of the association, to correct the

1 error or omission, and the action may be a class action.  
2 The court may require that one or more methods of  
3 correcting the error or omission be submitted to the unit  
4 owners to determine the most acceptable correction. All  
5 unit owners in the association must be joined as parties to  
6 the action. Service of process on owners may be by  
7 publication, but the plaintiff shall furnish all unit  
8 owners not personally served with process with copies of  
9 the petition and final judgment of the court by certified  
10 mail, return receipt requested, at their last known  
11 address.

12 (6) Nothing contained in this Section shall be  
13 construed to invalidate any provision of a declaration  
14 authorizing the developer to amend an instrument prior to  
15 the latest date on which the initial membership meeting of  
16 the unit owners must be held, whether or not it has  
17 actually been held, to bring the instrument into compliance  
18 with the legal requirements of the Federal National  
19 Mortgage Association, the Federal Home Loan Mortgage  
20 Corporation, the Federal Housing Administration, the  
21 United States Veterans Administration or their respective  
22 successors and assigns.

23 (i) The provisions of subsections (c) through (h) are  
24 applicable to all declarations, other condominium instruments,  
25 and other duly recorded covenants establishing the powers and  
26 duties of the master association recorded under this Act. Any

1 portion of a declaration, other condominium instrument, or  
2 other duly recorded covenant establishing the powers and duties  
3 of a master association which contains provisions contrary to  
4 the provisions of subsection (c) through (h) shall be void as  
5 against public policy and ineffective. Any declaration, other  
6 condominium instrument, or other duly recorded covenant  
7 establishing the powers and duties of the master association  
8 which fails to contain the provisions required by subsections  
9 (c) through (h) shall be deemed to incorporate such provisions  
10 by operation of law.

11 (j) (Blank).

12 (Source: P.A. 96-1045, eff. 7-14-10; 97-535, eff. 1-1-12;  
13 97-605, eff. 8-26-11; revised 10-4-11.)

14 Section 99. Effective date. This Act takes effect July 1,  
15 2012.".