HB2640 Enrolled

1 AN ACT concerning civil law.

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

Section 5. The Common Interest Community Association Act is
amended by changing Section 1-15 as follows:

6 (765 ILCS 160/1-15)

Sec. 1-15. Construction, interpretation, and validity of
community instruments.

9 (a) Except to the extent otherwise provided by the 10 declaration or other community instruments, the terms defined 11 in Section 1-5 of this Act shall be deemed to have the meaning 12 specified therein unless the context otherwise requires.

(b) <u>(Blank)</u> All provisions of the declaration, bylaws, and other community instruments severed by this Act shall be revised by the board of directors independent of the membership to comply with this Act.

17 (c) A provision in the declaration limiting ownership, 18 rental, or occupancy of a unit to a person 55 years of age or 19 older shall be valid and deemed not to be in violation of 20 Article 3 of the Illinois Human Rights Act provided that the 21 person or the immediate family of a person owning, renting, or 22 lawfully occupying such unit prior to the recording of the 23 initial declaration shall not be deemed to be in violation of HB2640 Enrolled - 2 - LRB099 07615 HEP 27746 b such age restriction so long as they continue to own or reside in such unit.

3 (d) Every common interest community association shall 4 define a member and its relationship to the units or unit 5 owners in its community instruments.

6 (Source: P.A. 96-1400, eff. 7-29-10; 97-605, eff. 8-26-11; 7 97-1090, eff. 8-24-12.)

8 Section 10. The Condominium Property Act is amended by 9 changing Sections 18 and 27 as follows:

10 (765 ILCS 605/18) (from Ch. 30, par. 318)

Sec. 18. Contents of bylaws. The bylaws shall provide for at least the following:

(a) (1) The election from among the unit owners of a board of managers, the number of persons constituting such board, and that the terms of at least one-third of the members of the board shall expire annually and that all members of the board shall be elected at large. If there are multiple owners of a single unit, only one of the multiple owners shall be eligible to serve as a member of the board at any one time.

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(2) the powers and duties of the board;

21 (3) the compensation, if any, of the members of the board;

22 (4) the method of removal from office of members of the 23 board;

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(5) that the board may engage the services of a manager or

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1 managing agent;

(6) that each unit owner shall receive, at least <u>25</u> 30 days
prior to the adoption thereof by the board of managers, a copy
of the proposed annual budget together with an indication of
which portions are intended for reserves, capital expenditures
or repairs or payment of real estate taxes;

7 (7) that the board of managers shall annually supply to all 8 unit owners an itemized accounting of the common expenses for 9 the preceding year actually incurred or paid, together with an 10 indication of which portions were for reserves, capital 11 expenditures or repairs or payment of real estate taxes and 12 with a tabulation of the amounts collected pursuant to the 13 budget or assessment, and showing the net excess or deficit of 14 income over expenditures plus reserves;

15 (8) (i) that each unit owner shall receive notice, in the 16 same manner as is provided in this Act for membership meetings, 17 of any meeting of the board of managers concerning the adoption of the proposed annual budget and regular assessments pursuant 18 19 thereto or to adopt a separate (special) assessment, (ii) that 20 except as provided in subsection (iv) below, if an adopted 21 budget or any separate assessment adopted by the board would 22 result in the sum of all regular and separate assessments 23 payable in the current fiscal year exceeding 115% of the sum of 24 all regular and separate assessments payable during the preceding fiscal year, the board of managers, upon written 25 26 petition by unit owners with 20 percent of the votes of the

association delivered to the board within 14 days of the board 1 2 action, shall call a meeting of the unit owners within 30 days of the date of delivery of the petition to consider the budget 3 or separate assessment; unless a majority of the total votes of 4 5 the unit owners are cast at the meeting to reject the budget or separate assessment, it is ratified, (iii) that any common 6 7 expense not set forth in the budget or any increase in 8 assessments over the amount adopted in the budget shall be 9 separately assessed against all unit owners, (iv) that separate 10 assessments for expenditures relating to emergencies or 11 mandated by law may be adopted by the board of managers without 12 being subject to unit owner approval or the provisions of item 13 (ii) above or item (v) below. As used herein, "emergency" means 14 an immediate danger to the structural integrity of the common 15 elements or to the life, health, safety or property of the unit 16 owners, (v) that assessments for additions and alterations to 17 the common elements or to association-owned property not included in the adopted annual budget, shall be separately 18 19 assessed and are subject to approval of two-thirds of the total votes of all unit owners, (vi) that the board of managers may 20 21 adopt separate assessments payable over more than one fiscal 22 year. With respect to multi-year assessments not governed by 23 items (iv) and (v), the entire amount of the multi-year assessment shall be deemed considered and authorized in the 24 25 first fiscal year in which the assessment is approved;

26 (9) (A) that every meeting meetings of the board of managers

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shall be open to any unit owner, except for the portion of any 1 2 meeting held (i) to discuss or consider information relating to: (i) litigation when an action against or on behalf of the 3 particular association has been filed and is pending in a court 4 5 or administrative tribunal, or when the board of managers finds that such an action is probable or imminent, (ii) to consider 6 7 information regarding appointment, employment or dismissal of an employee, or (iii) to discuss violations of rules and 8 9 regulations of the association, or (iv) a unit owner's unpaid 10 share of common expenses; that any vote on these matters 11 discussed or considered in closed session shall take place be 12 taken at a meeting of the board of managers or portion thereof 13 open to any unit owner;

14 <u>(B) that board members may participate in and act at any</u> 15 <u>meeting of the board of managers in person, by telephonic</u> 16 <u>means, or by use of any acceptable technological means whereby</u> 17 <u>all persons participating in the meeting can communicate with</u> 18 <u>each other; that participation constitutes attendance and</u> 19 <u>presence in person at the meeting;</u>

20 (C) that any unit owner may record the proceedings at 21 meetings of the board of managers or portions thereof required 22 to be open by this Act by tape, film or other means, and; that 23 the board may prescribe reasonable rules and regulations to 24 govern the right to make such recordings; τ

25 <u>(D)</u> that notice of <u>every meeting of the board of managers</u> 26 such meetings shall be <u>given to every board member</u> mailed or HB2640 Enrolled - 6 - LRB099 07615 HEP 27746 b

delivered at least 48 hours prior thereto, unless <u>the board</u> member waives notice of the meeting pursuant to subsection (a) of Section 18.8; a written waiver of such notice is signed by the person or persons entitled to such notice pursuant to the declaration, bylaws, other condominium instrument, or provision of law other than this subsection before the meeting is convened, and

8 (E) that notice copies of notices of every meeting meetings 9 of the board of managers shall be posted in entranceways, 10 elevators, or other conspicuous places in the condominium at 11 least 48 hours prior to the meeting of the board of managers 12 except where there is no common entranceway for 7 or more units, the board of managers may designate one or more 13 14 locations in the proximity of these units where the notices of 15 meetings shall be posted; that notice of every meeting of the 16 board of managers shall also be given at least 48 hours prior 17 to the meeting, or such longer notice as this Act may separately require, to: (i) each unit owner who has provided 18 19 the association with written authorization to conduct business 20 by acceptable technological means, and (ii) to the extent that the condominium instruments of an association require, to each 21 22 other unit owner, as required by subsection (f) of Section 23 18.8, by mail or delivery, and that no other notice of a 24 meeting of the board of managers need be given to any unit 25 owner;

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(10) that the board shall meet at least 4 times annually;

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1 (11) that no member of the board or officer shall be 2 elected for a term of more than 2 years, but that officers and 3 board members may succeed themselves;

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(12) the designation of an officer to mail and receive all notices and execute amendments to condominium instruments as provided for in this Act and in the condominium instruments;

7 (13) the method of filling vacancies on the board which 8 shall include authority for the remaining members of the board 9 to fill the vacancy by two-thirds vote until the next annual 10 meeting of unit owners or for a period terminating no later 11 than 30 days following the filing of a petition signed by unit 12 owners holding 20% of the votes of the association requesting a 13 meeting of the unit owners to fill the vacancy for the balance 14 of the term, and that a meeting of the unit owners shall be 15 called for purposes of filling a vacancy on the board no later 16 than 30 days following the filing of a petition signed by unit 17 owners holding 20% of the votes of the association requesting such a meeting, and the method of filling vacancies among the 18 officers that shall include the authority for the members of 19 20 the board to fill the vacancy for the unexpired portion of the 21 term;

(14) what percentage of the board of managers, if otherthan a majority, shall constitute a quorum;

24 (15) provisions concerning notice of board meetings to 25 members of the board;

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(16) the board of managers may not enter into a contract

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current board member or with a corporation or 1 with a 2 partnership in which a board member or a member of the board member's immediate family has 25% or more interest, unless 3 notice of intent to enter the contract is given to unit owners 4 5 within 20 days after a decision is made to enter into the contract and the unit owners are afforded an opportunity by 6 filing a petition, signed by 20% of the unit owners, for an 7 8 election to approve or disapprove the contract; such petition 9 shall be filed within 20 days after such notice and such 10 election shall be held within 30 days after filing the 11 petition; for purposes of this subsection, a board member's 12 immediate family means the board member's spouse, parents, and 13 children;

(17) that the board of managers may disseminate to unit 14 15 owners biographical and background information about 16 candidates for election to the board if (i) reasonable efforts 17 to identify all candidates are made and all candidates are given an opportunity to include biographical and background 18 information in the information to be disseminated; and (ii) the 19 20 board does not express a preference in favor of any candidate;

(18) any proxy distributed for board elections by the board of managers gives unit owners the opportunity to designate any person as the proxy holder, and gives the unit owner the opportunity to express a preference for any of the known candidates for the board or to write in a name;

26 (19) that special meetings of the board of managers can be

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called by the president or 25% of the members of the board; and (20) that the board of managers may establish and maintain a system of master metering of public utility services and collect payments in connection therewith, subject to the requirements of the Tenant Utility Payment Disclosure Act; and -

7 (21) that the board may ratify and confirm actions of the 8 members of the board taken in response to an emergency, as that 9 term is defined in subdivision (a) (8) (iv) of this Section; that 10 the board shall give notice to the unit owners of: (i) the 11 occurrence of the emergency event within 7 business days after 12 the emergency event, and (ii) the general description of the 13 actions taken to address the event within 7 days after the 14 emergency event.

15 <u>The intent of the provisions of this amendatory Act of the</u> 16 <u>99th General Assembly adding this paragraph (21) is to empower</u> 17 <u>and support boards to act in emergencies.</u>

(b) (1) What percentage of the unit owners, if other than 18 20%, shall constitute a quorum provided that, for condominiums 19 with 20 or more units, the percentage of unit owners 20 constituting a quorum shall be 20% unless the unit owners 21 22 holding a majority of the percentage interest in the 23 association provide for a higher percentage, provided that in voting on amendments to the association's bylaws, a unit owner 24 25 who is in arrears on the unit owner's regular or separate 26 assessments for 60 days or more, shall not be counted for HB2640 Enrolled - 10 - LRB099 07615 HEP 27746 b

purposes of determining if a quorum is present, but that unit owner retains the right to vote on amendments to the association's bylaws;

4 (2) that the association shall have one class of 5 membership;

6 (3) that the members shall hold an annual meeting, one of 7 the purposes of which shall be to elect members of the board of 8 managers;

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(4) the method of calling meetings of the unit owners;

10 (5) that special meetings of the members can be called by11 the president, board of managers, or by 20% of unit owners;

12 (6) that written notice of any membership meeting shall be 13 mailed or delivered giving members no less than 10 and no more 14 than 30 days notice of the time, place and purpose of such 15 meeting except that notice may be sent, to the extent the 16 condominium instruments or rules adopted thereunder expressly 17 so provide, by electronic transmission consented to by the unit owner to whom the notice is given, provided the director and 18 19 officer or his agent certifies in writing to the delivery by 20 electronic transmission;

(7) that voting shall be on a percentage basis, and that the percentage vote to which each unit is entitled is the percentage interest of the undivided ownership of the common elements appurtenant thereto, provided that the bylaws may provide for approval by unit owners in connection with matters where the requisite approval on a percentage basis is not HB2640 Enrolled - 11 - LRB099 07615 HEP 27746 b

1 specified in this Act, on the basis of one vote per unit;

2 (8) that, where there is more than one owner of a unit, if 3 only one of the multiple owners is present at a meeting of the association, he is entitled to cast all the votes allocated to 4 5 that unit, if more than one of the multiple owners are present, the votes allocated to that unit may be cast only in accordance 6 7 with the agreement of a majority in interest of the multiple 8 owners, unless the declaration expressly provides otherwise, 9 that there is majority agreement if any one of the multiple 10 owners cast the votes allocated to that unit without protest 11 being made promptly to the person presiding over the meeting by 12 any of the other owners of the unit;

13 (9) (A) except as provided in subparagraph (B) of this 14 paragraph (9) in connection with board elections, that a unit 15 owner may vote by proxy executed in writing by the unit owner 16 or by his duly authorized attorney in fact; that the proxy must 17 bear the date of execution and, unless the condominium instruments or the written proxy itself provide otherwise, is 18 invalid after 11 months from the date of its execution; to the 19 extent the condominium instruments or rules adopted thereunder 20 expressly so provide, a vote or proxy may be submitted by 21 22 electronic transmission, provided that any such electronic 23 transmission shall either set forth or be submitted with information from which it can be determined that the electronic 24 transmission was authorized by the unit owner or the unit 25 26 owner's proxy;

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(B) that if a rule adopted at least 120 days before a board 1 2 election or the declaration or bylaws provide for balloting as 3 set forth in this subsection, unit owners may not vote by proxy in board elections, but may vote only (i) by submitting an 4 5 association-issued ballot in person at the election meeting or 6 by submitting an association-issued ballot to the (ii) 7 association or its designated agent by mail or other means of 8 delivery specified in the declaration, bylaws, or rule; that 9 the ballots shall be mailed or otherwise distributed to unit 10 owners not less than 10 and not more than 30 days before the 11 election meeting, and the board shall give unit owners not less 12 than 21 days' prior written notice of the deadline for 13 inclusion of a candidate's name on the ballots; that the 14 deadline shall be no more than 7 days before the ballots are 15 mailed or otherwise distributed to unit owners; that every such 16 ballot must include the names of all candidates who have given 17 the board or its authorized agent timely written notice of their candidacy and must give the person casting the ballot the 18 opportunity to cast votes for candidates whose names do not 19 20 appear on the ballot; that a ballot received by the association 21 or its designated agent after the close of voting shall not be 22 counted; that a unit owner who submits a ballot by mail or 23 other means of delivery specified in the declaration, bylaws, 24 or rule may request and cast a ballot in person at the election 25 meeting, and thereby void any ballot previously submitted by 26 that unit owner;

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(B-5) that if a rule adopted at least 120 days before a 1 2 board election or the declaration or bylaws provide for 3 balloting as set forth in this subparagraph, unit owners may not vote by proxy in board elections, but may vote only (i) by 4 5 submitting an association-issued ballot in person at the election meeting; or (ii) by any acceptable technological means 6 7 as defined in Section 2 of this Act; instructions regarding the 8 use of electronic means for voting shall be distributed to all 9 unit owners not less than 10 and not more than 30 days before 10 the election meeting, and the board shall give unit owners not 11 less than 21 days' prior written notice of the deadline for 12 inclusion of a candidate's name on the ballots; the deadline 13 shall be no more than 7 days before the instructions for voting 14 using electronic or acceptable technological means is 15 distributed to unit owners; every instruction notice must 16 include the names of all candidates who have given the board or 17 its authorized agent timely written notice of their candidacy give the person voting through electronic or 18 and must 19 acceptable technological means the opportunity to cast votes 20 for candidates whose names do not appear on the ballot; a unit owner who submits a vote using electronic or acceptable 21 22 technological means may request and cast a ballot in person at 23 the election meeting, thereby voiding any vote previously 24 submitted by that unit owner;

(C) that if a written petition by unit owners with at least
20% of the votes of the association is delivered to the board

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within 14 days after the board's approval of a rule adopted pursuant to subparagraph (B) or subparagraph (B-5) of this paragraph (9), the board shall call a meeting of the unit owners within 30 days after the date of delivery of the petition; that unless a majority of the total votes of the unit owners are cast at the meeting to reject the rule, the rule is ratified;

8 (D) that votes cast by ballot under subparagraph (B) or 9 electronic or acceptable technological means under 10 subparagraph (B-5) of this paragraph (9) are valid for the 11 purpose of establishing a quorum;

12 (10) that the association may, upon adoption of the 13 appropriate rules by the board of managers, conduct elections 14 by secret ballot whereby the voting ballot is marked only with the percentage interest for the unit and the vote itself, 15 16 provided that the board further adopt rules to verify the 17 status of the unit owner issuing a proxy or casting a ballot; and further, that a candidate for election to the board of 18 19 managers or such candidate's representative shall have the right to be present at the counting of ballots at such 20 21 election;

(11) that in the event of a resale of a condominium unit the purchaser of a unit from a seller other than the developer pursuant to an installment contract for purchase shall during such times as he or she resides in the unit be counted toward a quorum for purposes of election of members of the board of

managers at any meeting of the unit owners called for purposes 1 2 of electing members of the board, shall have the right to vote for the election of members of the board of managers and to be 3 elected to and serve on the board of managers unless the seller 4 5 expressly retains in writing any or all of such rights. In no event may the seller and purchaser both be counted toward a 6 7 quorum, be permitted to vote for a particular office or be elected and serve on the board. Satisfactory evidence of the 8 9 installment contact shall be made available to the association 10 or its agents. For purposes of this subsection, "installment 11 contact" shall have the same meaning as set forth in Section 1 12 (e) of "An Act relating to installment contracts to sell dwelling structures", approved August 11, 1967, as amended; 13

(12) the method by which matters subject to the approval of unit owners set forth in this Act, or in the condominium instruments, will be submitted to the unit owners at special membership meetings called for such purposes; and

18 (13) that matters subject to the affirmative vote of not 19 less than 2/3 of the votes of unit owners at a meeting duly 20 called for that purpose, shall include, but not be limited to:

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(i) merger or consolidation of the association;

(ii) sale, lease, exchange, or other disposition
(excluding the mortgage or pledge) of all, or substantially
all of the property and assets of the association; and

25 (iii) the purchase or sale of land or of units on26 behalf of all unit owners.

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1 (c) Election of a president from among the board of 2 managers, who shall preside over the meetings of the board of 3 managers and of the unit owners.

4 (d) Election of a secretary from among the board of 5 managers, who shall keep the minutes of all meetings of the 6 board of managers and of the unit owners and who shall, in 7 general, perform all the duties incident to the office of 8 secretary.

9 (e) Election of a treasurer from among the board of 10 managers, who shall keep the financial records and books of 11 account.

12 (f) Maintenance, repair and replacement of the common 13 elements and payments therefor, including the method of 14 approving payment vouchers.

15 (q) An association with 30 or more units shall obtain and 16 maintain fidelity insurance covering persons who control or 17 disburse funds of the association for the maximum amount of coverage available to protect funds in the custody or control 18 19 of the association plus the association reserve fund. All 20 management companies which are responsible for the funds held or administered by the association shall maintain and furnish 21 22 to the association a fidelity bond for the maximum amount of 23 coverage available to protect funds in the custody of the 24 management company at any time. The association shall bear the 25 cost of the fidelity insurance and fidelity bond, unless 26 otherwise provided by contract between the association and a

management company. The association shall be the direct obligee 1 2 of any such fidelity bond. A management company holding reserve funds of an association shall at all times maintain a separate 3 account for each association, provided, however, that for 4 5 investment purposes, the Board of Managers of an association 6 mav authorize а management company to maintain the 7 association's reserve funds in a single interest bearing similar funds of other associations. 8 with account The 9 management company shall at all times maintain records 10 identifying all moneys of each association in such investment 11 account. The management company may hold all operating funds of 12 associations which it manages in a single operating account but 13 shall at all times maintain records identifying all moneys of 14 each association in such operating account. Such operating and 15 reserve funds held by the management company for the 16 association shall not be subject to attachment by any creditor 17 of the management company.

For the purpose of this subsection a management company 18 19 shall be defined as a person, partnership, corporation, or 20 other legal entity entitled to transact business on behalf of 21 others, acting on behalf of or as an agent for a unit owner, 22 unit owners or association of unit owners for the purpose of 23 the duties, responsibilities, carrying out and other 24 obligations necessary for the day to day operation and 25 management of any property subject to this Act. For purposes of 26 this subsection, the term "fiduciary insurance coverage" shall HB2640 Enrolled - 18 - LRB099 07615 HEP 27746 b

be defined as both a fidelity bond and directors and officers liability coverage, the fidelity bond in the full amount of association funds and association reserves that will be in the custody of the association, and the directors and officers liability coverage at a level as shall be determined to be reasonable by the board of managers, if not otherwise established by the declaration or by laws.

8 Until one year after the effective date of this amendatory 9 Act of 1985, if a condominium association has reserves plus 10 assessments in excess of \$250,000 and cannot reasonably obtain 11 100% fidelity bond coverage for such amount, then it must 12 obtain a fidelity bond coverage of \$250,000.

(h) Method of estimating the amount of the annual budget, and the manner of assessing and collecting from the unit owners their respective shares of such estimated expenses, and of any other expenses lawfully agreed upon.

(i) That upon 10 days notice to the manager or board of managers and payment of a reasonable fee, any unit owner shall be furnished a statement of his account setting forth the amount of any unpaid assessments or other charges due and owing from such owner.

(j) Designation and removal of personnel necessary for themaintenance, repair and replacement of the common elements.

(k) Such restrictions on and requirements respecting the
use and maintenance of the units and the use of the common
elements, not set forth in the declaration, as are designed to

prevent unreasonable interference with the use of their respective units and of the common elements by the several unit owners.

4 (1) Method of adopting and of amending administrative rules
5 and regulations governing the operation and use of the common
6 elements.

7 (m) The percentage of votes required to modify or amend the 8 bylaws, but each one of the particulars set forth in this 9 section shall always be embodied in the bylaws.

10 (n) (i) The provisions of this Act, the declaration, bylaws, 11 other condominium instruments, and rules and regulations that 12 relate to the use of the individual unit or the common elements shall be applicable to any person leasing a unit and shall be 13 14 deemed to be incorporated in any lease executed or renewed on 15 or after the effective date of this amendatory Act of 1984. 16 (ii) With regard to any lease entered into subsequent to the 17 effective date of this amendatory Act of 1989, the unit owner leasing the unit shall deliver a copy of the signed lease to 18 19 the board or if the lease is oral, a memorandum of the lease, 20 not later than the date of occupancy or 10 days after the lease is signed, whichever occurs first. In addition to any other 21 22 remedies, by filing an action jointly against the tenant and 23 the unit owner, an association may seek to enjoin a tenant from occupying a unit or seek to evict a tenant under the provisions 24 25 of Article IX of the Code of Civil Procedure for failure of the 26 lessor-owner to comply with the leasing requirements

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prescribed by this Section or by the declaration, bylaws, and rules and regulations. The board of managers may proceed directly against a tenant, at law or in equity, or under the provisions of Article IX of the Code of Civil Procedure, for any other breach by tenant of any covenants, rules, regulations or bylaws.

7 (o) The association shall have no authority to forbear the8 payment of assessments by any unit owner.

9 (p) That when 30% or fewer of the units, by number, possess 10 over 50% in the aggregate of the votes in the association, any 11 percentage vote of members specified herein or in the 12 condominium instruments shall require the specified percentage 13 by number of units rather than by percentage of interest in the common elements allocated to units that would otherwise be 14 15 applicable and garage units or storage units, or both, shall 16 have, in total, no more votes than their aggregate percentage 17 of ownership in the common elements; this shall mean that if garage units or storage units, or both, are to be given a vote, 18 19 or portion of a vote, that the association must add the total 20 number of votes cast of garage units, storage units, or both, and divide the total by the number of garage units, storage 21 22 units, or both, and multiply by the aggregate percentage of 23 ownership of garage units and storage units to determine the 24 vote, or portion of a vote, that garage units or storage units, 25 or both, have. For purposes of this subsection (p), when making a determination of whether 30% or fewer of the units, by 26

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number, possess over 50% in the aggregate of the votes in the association, a unit shall not include a garage unit or a storage unit.

4 (q) That a unit owner may not assign, delegate, transfer,
5 surrender, or avoid the duties, responsibilities, and
6 liabilities of a unit owner under this Act, the condominium
7 instruments, or the rules and regulations of the Association;
8 and that such an attempted assignment, delegation, transfer,
9 surrender, or avoidance shall be deemed void.

10 The provisions of this Section are applicable to all 11 condominium instruments recorded under this Act. Any portion of 12 a condominium instrument which contains provisions contrary to 13 these provisions shall be void as against public policy and 14 ineffective. Any such instrument which fails to contain the 15 provisions required by this Section shall be deemed to 16 incorporate such provisions by operation of law.

17 (Source: P.A. 98-1042, eff. 1-1-15.)

18 (765 ILCS 605/27) (from Ch. 30, par. 327)

19 Sec. 27. <u>Amendments.</u>

(a) If there is any unit owner other than the developer,
and unless otherwise provided in this Act, the condominium
instruments shall be amended only as follows:

(i) upon the affirmative vote of 2/3 of those voting or 23 24 majority specified upon the by the condominium 25 instruments, provided that in event shall the no

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condominium instruments require more than a three-quarters vote of all unit owners; and

3 (ii) with the approval of, or notice to, any mortgagees or other lienholders of record, if required under the 4 5 provisions of the condominium instruments.

(b) (1) If there is an omission, error, or inconsistency in 6 7 a condominium instrument, such that a provision of a condominium instrument does not conform to this Act or to 8 9 another applicable statute, the association may correct the 10 omission, error, or inconsistency to conform the condominium 11 instrument to this Act or to another applicable statute by an amendment adopted by vote of two-thirds of the Board of 12 13 Managers, without a unit owner vote. A provision in a 14 condominium instrument requiring or allowing unit owners, mortgagees, or other lienholders of record to vote to approve 15 an amendment to a condominium instrument, or for the mortgagees 16 17 or other lienholders of record to be given notice of an amendment to a condominium instrument, is not applicable to an 18 19 amendment to the extent that the amendment corrects an 20 omission, error, or inconsistency to conform the condominium instrument to this Act or to another applicable statute or 21 22 error in the declaration, bylaws or other condominium 23 instrument, the association may correct the error -or omission 24 by an amendment to the declaration, bylaws, or other 25 condominium instrument in such respects as may be required to 26 conform to this Act, and any other applicable statute or to

1 declaration by vote of two-thirds of the members of the Board 2 of Managers or by a majority vote of the unit owners at a 3 meeting called for this purpose, unless the Act or the 4 condominium instruments specifically provide for greater 5 percentages or different procedures.

(2) If through a scrivener's error, a unit has not been 6 7 designated as owning an appropriate undivided share of the 8 common elements or does not bear an appropriate share of the 9 common expenses or that all the common expenses or all of the 10 common elements in the condominium have not been distributed in 11 the declaration, so that the sum total of the shares of common 12 elements which have been distributed or the sum total of the 13 shares of the common expenses fail to equal 100%, or if it appears that more than 100% of the common elements or common 14 expenses have been distributed, the error may be corrected by 15 16 operation of law by filing an amendment to the declaration 17 approved by vote of two-thirds of the members of the Board of Managers or a majority vote of the unit owners at a meeting 18 19 called for this purpose which proportionately adjusts all percentage interests so that the total is equal to 100% unless 20 21 condominium instruments specifically provide the for а 22 different procedure or different percentage vote by the owners 23 of the units and the owners of mortgages thereon affected by modification being made in the undivided interest in the common 24 25 elements, the number of votes in the unit owners association or 26 the liability for common expenses appertaining to the unit.

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(3) If an omission or error or a scrivener's error in the 1 2 declaration, bylaws or other condominium instrument is 3 corrected by vote of two-thirds of the members of the Board of Managers pursuant to the authority established in subsections 4 5 (b)(1) or (b)(2) of Section 27 of this Act, the Board upon written petition by unit owners with 20 percent of the votes of 6 7 the association filed within 30 days of the Board action shall 8 call a meeting of the unit owners within 30 days of the filing 9 of the petition to consider the Board action. Unless a majority 10 of the votes of the unit owners of the association are cast at 11 the meeting to reject the action, it is ratified whether or not 12 a quorum is present.

13 The procedures for amendments set forth in this (4) subsection (b) cannot be used if such an amendment would 14 15 materially or adversely affect property rights of the unit 16 owners unless the affected unit owners consent in writing. This 17 Section does not restrict the powers of the association to otherwise amend the declaration, bylaws, or other condominium 18 19 instruments, but authorizes a simple process of amendment 20 requiring a lesser vote for the purpose of correcting defects, 21 errors, or omissions when the property rights of the unit 22 owners are not materially or adversely affected.

(5) If there is an omission or error in the declaration,
bylaws, or other condominium instruments, which may not be
corrected by an amendment procedure set forth in paragraphs (1)
and (2) of subsection (b) of Section 27 in the declaration then

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the Circuit Court in the County in which the condominium is 1 2 located shall have jurisdiction to hear a petition of one or more of the unit owners thereon or of the association, to 3 correct the error or omission, and the action may be a class 4 5 action. The court may require that one or more methods of correcting the error or omission be submitted to the unit 6 7 owners to determine the most acceptable correction. All unit 8 owners in the association must be joined as parties to the 9 action. Service of process on owners may be by publication, but 10 the plaintiff shall furnish all unit owners not personally 11 served with process with copies of the petition and final 12 judgment of the court by certified mail return receipt 13 requested, at their last known address.

14 (6) Nothing contained in this Section shall be construed to 15 invalidate any provision of a condominium instrument 16 authorizing the developer to amend a condominium instrument 17 prior to the latest date on which the initial membership meeting of the unit owners must be held, whether or nor it has 18 19 actually been held, to bring the instrument into compliance 20 with the legal requirements of the Federal National Mortgage 21 Association, the Federal Home Loan Mortgage Corporation, the 22 Federal Housing Administration, the United States Veterans 23 Administration or their respective successors and assigns. (Source: P.A. 98-282, eff. 1-1-14.) 24