

Sen. Heather A. Steans

Filed: 5/15/2015

	09900HB2640sam003 LRB099 07615 KTG 35679 a
1	AMENDMENT TO HOUSE BILL 2640
2	AMENDMENT NO Amend House Bill 2640, AS AMENDED, by
3	replacing everything after the enacting clause with the
4	following:
5	"Section 5. The Common Interest Community Association Act
6	is amended by changing Section 1-15 as follows:
7	(765 ILCS 160/1-15)
8	Sec. 1-15. Construction, interpretation, and validity of
9	community instruments.
10	(a) Except to the extent otherwise provided by the
11	declaration or other community instruments, the terms defined
12	in Section 1-5 of this Act shall be deemed to have the meaning
13	specified therein unless the context otherwise requires.
14	(b) <u>(Blank)</u> All provisions of the declaration, bylaws, and
15	other community instruments severed by this Act shall be

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revised by the board of directors independent of the membership to comply with this Act.

3 (c) A provision in the declaration limiting ownership, 4 rental, or occupancy of a unit to a person 55 years of age or 5 older shall be valid and deemed not to be in violation of Article 3 of the Illinois Human Rights Act provided that the 6 person or the immediate family of a person owning, renting, or 7 lawfully occupying such unit prior to the recording of the 8 9 initial declaration shall not be deemed to be in violation of 10 such age restriction so long as they continue to own or reside 11 in such unit.

12 (d) Every common interest community association shall 13 define a member and its relationship to the units or unit 14 owners in its community instruments.

15 (Source: P.A. 96-1400, eff. 7-29-10; 97-605, eff. 8-26-11; 16 97-1090, eff. 8-24-12.)

- Section 10. The Condominium Property Act is amended by changing Sections 18 and 27 as follows:
- 19 (765 ILCS 605/18) (from Ch. 30, par. 318)
- 20 Sec. 18. Contents of bylaws. The bylaws shall provide for 21 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

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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;

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

7 (4) the method of removal from office of members of the 8 board;

9 (5) that the board may engage the services of a manager or 10 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;

16 (7) that the board of managers shall annually supply to all unit owners an itemized accounting of the common expenses for 17 18 the preceding year actually incurred or paid, together with an indication of which portions were for reserves, capital 19 20 expenditures or repairs or payment of real estate taxes and with a tabulation of the amounts collected pursuant to the 21 22 budget or assessment, and showing the net excess or deficit of 23 income over expenditures plus reserves;

(8) (i) that each unit owner shall receive notice, in the
same manner as is provided in this Act for membership meetings,
of any meeting of the board of managers concerning the adoption

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1 of the proposed annual budget and regular assessments pursuant 2 thereto or to adopt a separate (special) assessment, (ii) that 3 except as provided in subsection (iv) below, if an adopted 4 budget or any separate assessment adopted by the board would 5 result in the sum of all regular and separate assessments payable in the current fiscal year exceeding 115% of the sum of 6 all regular and separate assessments payable during the 7 8 preceding fiscal year, the board of managers, upon written 9 petition by unit owners with 20 percent of the votes of the 10 association delivered to the board within 14 days of the board 11 action, shall call a meeting of the unit owners within 30 days of the date of delivery of the petition to consider the budget 12 13 or separate assessment; unless a majority of the total votes of 14 the unit owners are cast at the meeting to reject the budget or 15 separate assessment, it is ratified, (iii) that any common 16 expense not set forth in the budget or any increase in assessments over the amount adopted in the budget shall be 17 18 separately assessed against all unit owners, (iv) that separate 19 assessments for expenditures relating to emergencies or 20 mandated by law may be adopted by the board of managers without 21 being subject to unit owner approval or the provisions of item 22 (ii) above or item (v) below. As used herein, "emergency" means 23 an immediate danger to the structural integrity of the common 24 elements or to the life, health, safety or property of the unit 25 owners, (v) that assessments for additions and alterations to 26 the common elements or to association-owned property not

1 included in the adopted annual budget, shall be separately assessed and are subject to approval of two-thirds of the total 2 votes of all unit owners, (vi) that the board of managers may 3 4 adopt separate assessments payable over more than one fiscal 5 year. With respect to multi-year assessments not governed by 6 items (iv) and (v), the entire amount of the multi-year assessment shall be deemed considered and authorized in the 7 8 first fiscal year in which the assessment is approved;

9 (9) (A) that every meeting meetings of the board of managers 10 shall be open to any unit owner, except for the portion of any 11 meeting held (i) to discuss or consider information relating to: (i) litigation when an action against or on behalf of the 12 13 particular association has been filed and is pending in a court 14 or administrative tribunal, or when the board of managers finds 15 that such an action is probable or imminent, (ii) to consider 16 information regarding appointment, employment or dismissal of an employee, or (iii) to discuss violations of rules and 17 regulations of the association $_{L}$ or $\underline{(iv)}$ a unit owner's unpaid 18 19 share of common expenses; that any vote on these matters 20 discussed or considered in closed session shall take place be taken at a meeting of the board of managers or portion thereof 21 22 open to any unit owner;

23 (B) that board members may participate in and act at any 24 meeting of the board of managers in person, by telephonic 25 means, or by use of any acceptable technological means whereby 26 all persons participating in the meeting can communicate with 09900HB2640sam003

1 <u>each other; that participation constitutes attendance and</u> 2 presence in person at the meeting;

3 (C) that any unit owner may record the proceedings at 4 meetings <u>of the board of managers</u> or portions thereof required 5 to be open by this Act by tape, film or other means<u>, and</u>; that 6 the board may prescribe reasonable rules and regulations to 7 govern the right to make such recordings<u>;</u>

(D) that notice of every meeting of the board of managers 8 9 such meetings shall be given to every board member mailed or 10 delivered at least 48 hours prior thereto, unless the board 11 member waives notice of the meeting pursuant to subsection (a) of Section 18.8; a written waiver of such notice is signed by 12 13 the person or persons entitled to such notice pursuant to the 14 declaration, bylaws, other condominium instrument, 15 provision of law other than this subsection before the meeting 16 is convened, and

17 (E) that notice copies of notices of every meeting meetings of the board of managers shall be posted in entranceways, 18 elevators, or other conspicuous places in the condominium at 19 20 least 48 hours prior to the meeting of the board of managers except where there is no common entranceway for 7 or more 21 22 units, the board of managers may designate one or more 23 locations in the proximity of these units where the notices of 24 meetings shall be posted; that notice of every meeting of the 25 board of managers shall also be given at least 48 hours prior to the meeting, or such longer notice as this Act may 26

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1 separately require, to: (i) each unit owner who has provided the association with written authorization to conduct business 2 by acceptable technological means, and (ii) to the extent that 3 4 the condominium instruments of an association require, to each 5 other unit owner, as required by subsection (f) of Section 6 18.8, by mail or delivery, and that no other notice of a meeting of the board of managers need be given to any unit 7 8 owner;

9 (10) that the board shall meet at least 4 times annually; 10 (11) that no member of the board or officer shall be 11 elected for a term of more than 2 years, but that officers and 12 board members may succeed themselves;

(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;

16 (13) the method of filling vacancies on the board which shall include authority for the remaining members of the board 17 to fill the vacancy by two-thirds vote until the next annual 18 meeting of unit owners or for a period terminating no later 19 20 than 30 days following the filing of a petition signed by unit owners holding 20% of the votes of the association requesting a 21 meeting of the unit owners to fill the vacancy for the balance 22 23 of the term, and that a meeting of the unit owners shall be 24 called for purposes of filling a vacancy on the board no later 25 than 30 days following the filing of a petition signed by unit 26 owners holding 20% of the votes of the association requesting

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such a meeting, and the method of filling vacancies among the officers that shall include the authority for the members of the board to fill the vacancy for the unexpired portion of the term;

5 (14) what percentage of the board of managers, if other
6 than a majority, shall constitute a quorum;

7 (15) provisions concerning notice of board meetings to 8 members of the board;

9 (16) the board of managers may not enter into a contract 10 with a current board member or with a corporation or 11 partnership in which a board member or a member of the board member's immediate family has 25% or more interest, unless 12 13 notice of intent to enter the contract is given to unit owners 14 within 20 days after a decision is made to enter into the 15 contract and the unit owners are afforded an opportunity by 16 filing a petition, signed by 20% of the unit owners, for an 17 election to approve or disapprove the contract; such petition shall be filed within 20 days after such notice and such 18 19 election shall be held within 30 days after filing the 20 petition; for purposes of this subsection, a board member's 21 immediate family means the board member's spouse, parents, and 22 children;

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

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

9 (19) that special meetings of the board of managers can be 10 called by the president or 25% of the members of the board; and

11 (20) that the board of managers may establish and maintain 12 a system of master metering of public utility services and 13 collect payments in connection therewith, subject to the 14 requirements of the Tenant Utility Payment Disclosure Act; and 15 -

16 (21) that the board may ratify and confirm actions of the members of the board taken in response to an emergency, as that 17 term is defined in subdivision (a) (8) (iv) of this Section; that 18 19 the board shall give notice to the unit owners of: (i) the 20 occurrence of the emergency event within 7 business days after the emergency event, and (ii) the general description of the 21 actions taken to address the event within 7 days after the 22 23 emergency event.

24 <u>The intent of the provisions of this amendatory Act of the</u> 25 <u>99th General Assembly adding this paragraph (21) is to empower</u> 26 <u>and support boards to act in emergencies.</u> 09900HB2640sam003 -10- LRB099 07615 KTG 35679 a

1 (b) (1) What percentage of the unit owners, if other than 20%, shall constitute a quorum provided that, for condominiums 2 with 20 or more units, the percentage of unit owners 3 4 constituting a quorum shall be 20% unless the unit owners 5 holding a majority of the percentage interest in the 6 association provide for a higher percentage, provided that in voting on amendments to the association's bylaws, a unit owner 7 8 who is in arrears on the unit owner's regular or separate assessments for 60 days or more, shall not be counted for 9 10 purposes of determining if a quorum is present, but that unit 11 owner retains the right to vote on amendments to the 12 association's bylaws;

13 (2) that the association shall have one class of 14 membership;

15 (3) that the members shall hold an annual meeting, one of 16 the purposes of which shall be to elect members of the board of 17 managers;

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

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

(6) that written notice of any membership meeting shall be mailed or delivered giving members no less than 10 and no more than 30 days notice of the time, place and purpose of such meeting except that notice may be sent, to the extent the condominium instruments or rules adopted thereunder expressly so provide, by electronic transmission consented to by the unit 1 owner to whom the notice is given, provided the director and 2 officer or his agent certifies in writing to the delivery by 3 electronic transmission;

4 (7) that voting shall be on a percentage basis, and that 5 the percentage vote to which each unit is entitled is the 6 percentage interest of the undivided ownership of the common 7 elements appurtenant thereto, provided that the bylaws may 8 provide for approval by unit owners in connection with matters 9 where the requisite approval on a percentage basis is not 10 specified in this Act, on the basis of one vote per unit;

11 (8) that, where there is more than one owner of a unit, if only one of the multiple owners is present at a meeting of the 12 13 association, he is entitled to cast all the votes allocated to 14 that unit, if more than one of the multiple owners are present, 15 the votes allocated to that unit may be cast only in accordance 16 with the agreement of a majority in interest of the multiple owners, unless the declaration expressly provides otherwise, 17 that there is majority agreement if any one of the multiple 18 19 owners cast the votes allocated to that unit without protest 20 being made promptly to the person presiding over the meeting by any of the other owners of the unit; 21

(9) (A) except as provided in subparagraph (B) of this paragraph (9) in connection with board elections, that a unit owner may vote by proxy executed in writing by the unit owner or by his duly authorized attorney in fact; that the proxy must bear the date of execution and, unless the condominium 09900HB2640sam003 -12- LRB099 07615 KTG 35679 a

1 instruments or the written proxy itself provide otherwise, is invalid after 11 months from the date of its execution; to the 2 3 extent the condominium instruments or rules adopted thereunder 4 expressly so provide, a vote or proxy may be submitted by 5 electronic transmission, provided that any such electronic transmission shall either set forth or be submitted with 6 information from which it can be determined that the electronic 7 transmission was authorized by the unit owner or the unit 8 9 owner's proxy;

10 (B) that if a rule adopted at least 120 days before a board election or the declaration or bylaws provide for balloting as 11 set forth in this subsection, unit owners may not vote by proxy 12 13 in board elections, but may vote only (i) by submitting an 14 association-issued ballot in person at the election meeting or 15 (ii) by submitting an association-issued ballot to the 16 association or its designated agent by mail or other means of delivery specified in the declaration, bylaws, or rule; that 17 the ballots shall be mailed or otherwise distributed to unit 18 owners not less than 10 and not more than 30 days before the 19 20 election meeting, and the board shall give unit owners not less 21 than 21 days' prior written notice of the deadline for inclusion of a candidate's name on the ballots; that the 22 23 deadline shall be no more than 7 days before the ballots are 24 mailed or otherwise distributed to unit owners; that every such 25 ballot must include the names of all candidates who have given 26 the board or its authorized agent timely written notice of 09900HB2640sam003 -13- LRB099 07615 KTG 35679 a

1 their candidacy and must give the person casting the ballot the opportunity to cast votes for candidates whose names do not 2 3 appear on the ballot; that a ballot received by the association 4 or its designated agent after the close of voting shall not be 5 counted; that a unit owner who submits a ballot by mail or other means of delivery specified in the declaration, bylaws, 6 or rule may request and cast a ballot in person at the election 7 meeting, and thereby void any ballot previously submitted by 8 9 that unit owner;

10 (B-5) that if a rule adopted at least 120 days before a 11 board election or the declaration or bylaws provide for balloting as set forth in this subparagraph, unit owners may 12 13 not vote by proxy in board elections, but may vote only (i) by 14 submitting an association-issued ballot in person at the 15 election meeting; or (ii) by any acceptable technological means 16 as defined in Section 2 of this Act; instructions regarding the use of electronic means for voting shall be distributed to all 17 unit owners not less than 10 and not more than 30 days before 18 the election meeting, and the board shall give unit owners not 19 20 less than 21 days' prior written notice of the deadline for inclusion of a candidate's name on the ballots; the deadline 21 22 shall be no more than 7 days before the instructions for voting 23 using electronic or acceptable technological means is 24 distributed to unit owners; every instruction notice must 25 include the names of all candidates who have given the board or 26 its authorized agent timely written notice of their candidacy 09900HB2640sam003 -14- LRB099 07615 KTG 35679 a

and must give the person voting through electronic or acceptable technological means the opportunity to cast votes for candidates whose names do not appear on the ballot; a unit owner who submits a vote using electronic or acceptable technological means may request and cast a ballot in person at the election meeting, thereby voiding any vote previously submitted by that unit owner;

8 (C) that if a written petition by unit owners with at least 9 20% of the votes of the association is delivered to the board 10 within 14 days after the board's approval of a rule adopted 11 pursuant to subparagraph (B) or subparagraph (B-5) of this paragraph (9), the board shall call a meeting of the unit 12 13 owners within 30 days after the date of delivery of the petition; that unless a majority of the total votes of the unit 14 15 owners are cast at the meeting to reject the rule, the rule is 16 ratified:

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

(10) that the association may, upon adoption of the appropriate rules by the board of managers, conduct elections by secret ballot whereby the voting ballot is marked only with the percentage interest for the unit and the vote itself, provided that the board further adopt rules to verify the status of the unit owner issuing a proxy or casting a ballot; 1 and further, that a candidate for election to the board of 2 managers or such candidate's representative shall have the 3 right to be present at the counting of ballots at such 4 election;

5 (11) that in the event of a resale of a condominium unit 6 the purchaser of a unit from a seller other than the developer pursuant to an installment contract for purchase shall during 7 8 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 9 10 managers at any meeting of the unit owners called for purposes 11 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 12 13 elected to and serve on the board of managers unless the seller 14 expressly retains in writing any or all of such rights. In no 15 event may the seller and purchaser both be counted toward a 16 quorum, be permitted to vote for a particular office or be elected and serve on the board. Satisfactory evidence of the 17 18 installment contact shall be made available to the association 19 or its agents. For purposes of this subsection, "installment 20 contact" shall have the same meaning as set forth in Section 1 (e) of "An Act relating to installment contracts to sell 21 22 dwelling structures", approved August 11, 1967, as amended;

(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 09900HB2640sam003 -16- LRB099 07615 KTG 35679 a

(13) that matters subject to the affirmative vote of not
less than 2/3 of the votes of unit owners at a meeting duly
called for that purpose, shall include, but not be limited to:
(i) merger or consolidation of the association;
(ii) sale, lease, exchange, or other disposition

6 (excluding the mortgage or pledge) of all, or substantially
7 all of the property and assets of the association; and

8 (iii) the purchase or sale of land or of units on 9 behalf of all unit owners.

10 (c) Election of a president from among the board of 11 managers, who shall preside over the meetings of the board of 12 managers and of the unit owners.

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

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

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

(g) An association with 30 or more units shall obtain and maintain fidelity insurance covering persons who control or disburse funds of the association for the maximum amount of 09900HB2640sam003 -17- LRB099 07615 KTG 35679 a

1 coverage available to protect funds in the custody or control of the association plus the association reserve fund. All 2 3 management companies which are responsible for the funds held 4 or administered by the association shall maintain and furnish 5 to the association a fidelity bond for the maximum amount of coverage available to protect funds in the custody of the 6 management company at any time. The association shall bear the 7 8 cost of the fidelity insurance and fidelity bond, unless 9 otherwise provided by contract between the association and a 10 management company. The association shall be the direct obligee 11 of any such fidelity bond. A management company holding reserve funds of an association shall at all times maintain a separate 12 13 account for each association, provided, however, that for investment purposes, the Board of Managers of an association 14 15 authorize a management company to maintain the mav 16 association's reserve funds in a single interest bearing funds of other associations. 17 account with similar The 18 management company shall at all times maintain records identifying all moneys of each association in such investment 19 20 account. The management company may hold all operating funds of 21 associations which it manages in a single operating account but 22 shall at all times maintain records identifying all moneys of 23 each association in such operating account. Such operating and 24 funds held by the management company reserve for the 25 association shall not be subject to attachment by any creditor 26 of the management company.

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1 For the purpose of this subsection a management company shall be defined as a person, partnership, corporation, or 2 3 other legal entity entitled to transact business on behalf of 4 others, acting on behalf of or as an agent for a unit owner, 5 unit owners or association of unit owners for the purpose of 6 the duties, responsibilities, carrving out and other obligations necessary for the day to day operation and 7 8 management of any property subject to this Act. For purposes of 9 this subsection, the term "fiduciary insurance coverage" shall 10 be defined as both a fidelity bond and directors and officers 11 liability coverage, the fidelity bond in the full amount of association funds and association reserves that will be in the 12 13 custody of the association, and the directors and officers liability coverage at a level as shall be determined to be 14 15 reasonable by the board of managers, if not otherwise 16 established by the declaration or by laws.

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

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(i) That upon 10 days notice to the manager or board of

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1 managers and payment of a reasonable fee, any unit owner shall 2 be furnished a statement of his account setting forth the 3 amount of any unpaid assessments or other charges due and owing 4 from such owner.

5 (j) Designation and removal of personnel necessary for the 6 maintenance, repair and replacement of the common elements.

7 (k) Such restrictions on and requirements respecting the 8 use and maintenance of the units and the use of the common 9 elements, not set forth in the declaration, as are designed to 10 prevent unreasonable interference with the use of their 11 respective units and of the common elements by the several unit 12 owners.

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

16 (m) The percentage of votes required to modify or amend the 17 bylaws, but each one of the particulars set forth in this 18 section shall always be embodied in the bylaws.

19 (n) (i) The provisions of this Act, the declaration, bylaws, 20 other condominium instruments, and rules and regulations that relate to the use of the individual unit or the common elements 21 22 shall be applicable to any person leasing a unit and shall be 23 deemed to be incorporated in any lease executed or renewed on 24 or after the effective date of this amendatory Act of 1984. 25 (ii) With regard to any lease entered into subsequent to the 26 effective date of this amendatory Act of 1989, the unit owner 09900HB2640sam003 -20- LRB099 07615 KTG 35679 a

1 leasing the unit shall deliver a copy of the signed lease to 2 the board or if the lease is oral, a memorandum of the lease, 3 not later than the date of occupancy or 10 days after the lease 4 is signed, whichever occurs first. In addition to any other 5 remedies, by filing an action jointly against the tenant and 6 the unit owner, an association may seek to enjoin a tenant from occupying a unit or seek to evict a tenant under the provisions 7 of Article IX of the Code of Civil Procedure for failure of the 8 9 lessor-owner to comply with the leasing requirements 10 prescribed by this Section or by the declaration, bylaws, and 11 rules and regulations. The board of managers may proceed directly against a tenant, at law or in equity, or under the 12 13 provisions of Article IX of the Code of Civil Procedure, for 14 any other breach by tenant of any covenants, rules, regulations 15 or bylaws.

16 (o) The association shall have no authority to forbear the17 payment of assessments by any unit owner.

(p) That when 30% or fewer of the units, by number, possess 18 19 over 50% in the aggregate of the votes in the association, any 20 percentage vote of members specified herein or in the 21 condominium instruments shall require the specified percentage 22 by number of units rather than by percentage of interest in the common elements allocated to units that would otherwise be 23 24 applicable and garage units or storage units, or both, shall 25 have, in total, no more votes than their aggregate percentage 26 of ownership in the common elements; this shall mean that if 09900HB2640sam003 -21- LRB099 07615 KTG 35679 a

1 garage units or storage units, or both, are to be given a vote, or portion of a vote, that the association must add the total 2 number of votes cast of garage units, storage units, or both, 3 4 and divide the total by the number of garage units, storage 5 units, or both, and multiply by the aggregate percentage of 6 ownership of garage units and storage units to determine the vote, or portion of a vote, that garage units or storage units, 7 8 or both, have. For purposes of this subsection (p), when making 9 a determination of whether 30% or fewer of the units, by 10 number, possess over 50% in the aggregate of the votes in the 11 association, a unit shall not include a garage unit or a 12 storage unit.

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

19 The provisions of this Section are applicable to all 20 condominium instruments recorded under this Act. Any portion of 21 a condominium instrument which contains provisions contrary to 22 these provisions shall be void as against public policy and 23 ineffective. Any such instrument which fails to contain the 24 provisions required by this Section shall be deemed to 25 incorporate such provisions by operation of law.

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

1	(765 ILCS 605/27) (from Ch. 30, par. 327)
2	Sec. 27. Amendments.
3	(a) If there is any unit owner other than the developer,
4	and unless otherwise provided in this Act, the condominium
5	instruments shall be amended only as follows:
6	(i) upon the affirmative vote of 2/3 of those voting or
7	upon the majority specified by the condominium
8	instruments, provided that in no event shall the
9	condominium instruments require more than a three-quarters
10	vote of all unit owners; and
11	(ii) with the approval of <u>, or notice to,</u> any mortgagees
12	or other lienholders of record, if required under the
13	provisions of the condominium instruments.
14	(b)(1) If there is an omission <u>, error, or inconsistency in</u>
15	a condominium instrument, such that a provision of a
16	condominium instrument does not conform to this Act or to
17	another applicable statute, the association may correct the
18	omission, error, or inconsistency to conform the condominium
19	instrument to this Act or to another applicable statute by an
20	amendment adopted by vote of two-thirds of the Board of
21	Managers, without a unit owner vote. A provision in a
22	condominium instrument requiring or allowing unit owners,
23	mortgagees, or other lienholders of record to vote to approve
24	an amendment to a condominium instrument, or for the mortgagees
25	or other lienholders of record to be given notice of an

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1 amendment to a condominium instrument, is not applicable to an 2 amendment to the extent that the amendment corrects an omission, error, or inconsistency to conform the condominium 3 4 instrument to this Act or to another applicable statute or 5 error in the declaration, bylaws or other condominium 6 instrument, the association may correct the error or omission 7 by an amendment to the declaration, bylaws, 0r other 8 condominium instrument in such respects as may be required to 9 conform to this Act, and any other applicable statute or to the 10 declaration by vote of two-thirds of the members of the Board of Managers or by a majority vote of the unit owners at a 11 meeting called for this purpose, unless the Act or 12 the 13 condominium instruments specifically provide for greater 14 percentages or different procedures.

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

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1 Managers or a majority vote of the unit owners at a meeting 2 called for this purpose which proportionately adjusts all 3 percentage interests so that the total is equal to 100% unless 4 the condominium instruments specifically provide for a 5 different procedure or different percentage vote by the owners of the units and the owners of mortgages thereon affected by 6 modification being made in the undivided interest in the common 7 8 elements, the number of votes in the unit owners association or the liability for common expenses appertaining to the unit. 9

10 (3) If an omission or error or a scrivener's error in the 11 declaration, bylaws or other condominium instrument is corrected by vote of two-thirds of the members of the Board of 12 13 Managers pursuant to the authority established in subsections (b)(1) or (b)(2) of Section 27 of this Act, the Board upon 14 15 written petition by unit owners with 20 percent of the votes of 16 the association filed within 30 days of the Board action shall call a meeting of the unit owners within 30 days of the filing 17 18 of the petition to consider the Board action. Unless a majority 19 of the votes of the unit owners of the association are cast at 20 the meeting to reject the action, it is ratified whether or not 21 a quorum is present.

(4) The procedures for amendments set forth in this subsection (b) cannot be used if such an amendment would materially or adversely affect property rights of the unit owners unless the affected unit owners consent in writing. This Section does not restrict the powers of the association to 1 otherwise amend the declaration, bylaws, or other condominium 2 instruments, but authorizes a simple process of amendment 3 requiring a lesser vote for the purpose of correcting defects, 4 errors, or omissions when the property rights of the unit 5 owners are not materially or adversely affected.

(5) If there is an omission or error in the declaration, 6 bylaws, or other condominium instruments, which may not be 7 8 corrected by an amendment procedure set forth in paragraphs (1) 9 and (2) of subsection (b) of Section 27 in the declaration then 10 the Circuit Court in the County in which the condominium is 11 located shall have jurisdiction to hear a petition of one or more of the unit owners thereon or of the association, to 12 13 correct the error or omission, and the action may be a class 14 action. The court may require that one or more methods of 15 correcting the error or omission be submitted to the unit 16 owners to determine the most acceptable correction. All unit owners in the association must be joined as parties to the 17 18 action. Service of process on owners may be by publication, but the plaintiff shall furnish all unit owners not personally 19 20 served with process with copies of the petition and final 21 judgment of the court by certified mail return receipt 22 requested, at their last known address.

(6) Nothing contained in this Section shall be construed to invalidate any provision of a condominium instrument authorizing the developer to amend a condominium instrument prior to the latest date on which the initial membership 09900HB2640sam003 -26- LRB099 07615 KTG 35679 a

1 meeting of the unit owners must be held, whether or nor it has 2 actually been held, to bring the instrument into compliance 3 with the legal requirements of the Federal National Mortgage 4 Association, the Federal Home Loan Mortgage Corporation, the 5 Federal Housing Administration, the United States Veterans 6 Administration or their respective successors and assigns.

7 (Source: P.A. 98-282, eff. 1-1-14.)".