AN ACT concerning civil law.

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

Section 5. The Mobile Home Landlord and Tenant Rights Act is amended by changing Sections 3, 6.5, 12, and 18 and by adding Sections 6.6 and 6.7 as follows:

(765 ILCS 745/3) (from Ch. 80, par. 203)

Sec. 3. Definitions. Unless otherwise expressly defined, all terms in this Act shall be construed to have their ordinarily accepted meanings or such meaning as the context therein requires.

(a) "Person" means any legal entity, including but not limited to, an individual, firm, partnership, association, trust, joint stock company, corporation or successor of any of the foregoing.

(b) "Manufactured home" means a factory-assembled, completely integrated structure designed for permanent habitation, with a permanent chassis, and so constructed as to permit its transport, on wheels temporarily or permanently attached to its frame, and is a movable or portable unit that is (i) 8 body feet or more in width, (ii) 40 body feet or more in length, and (iii) 320 or more square feet, constructed to be towed on its own chassis (comprised of frame and wheels) from

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the place of its construction to the location, or subsequent locations, at which it is installed and set up according to the manufacturer's instructions and connected to utilities for year-round occupancy for use as a permanent habitation, and designed and situated so as to permit its occupancy as a dwelling place for one or more persons. The term shall include units containing parts that may be folded, collapsed, or telescoped when being towed and that may be expected to provide additional cubic capacity, and that are designed to be joined into one integral unit capable of being separated again into the components for repeated towing. The term excludes campers and recreational vehicles.

(c) "Mobile Home Park" or "Park" means a tract of land or 2 contiguous tracts of land that contain sites with the necessary utilities for 5 or more mobile homes or manufactured homes. A mobile home park may be operated either free of charge or for revenue purposes.

(d) "Park Owner" means the owner of a mobile home park and any person authorized to exercise any aspect of the management of the premises, including any person who directly or indirectly receives rents and has no obligation to deliver the whole of such receipts to another person.

(e) "Tenant" means any person who occupies a mobile home rental unit for dwelling purposes or a lot on which he parks a mobile home for an agreed upon consideration.

(f) "Rent" means any money or other consideration given for

the right of use, possession and occupancy of property, be it a lot, a mobile home, or both.

(g) "Master antenna television service" means any and all services provided by or through the facilities of any closed circuit coaxial cable communication system, or any microwave or similar transmission services other than a community antenna television system as defined in Section 11-42-11 of the Illinois Municipal Code.

(h) "Authority having jurisdiction" means the Illinois Department of Public Health or a unit of local government specifically authorized by statute, rule, or ordinance to enforce this Act or any other statute, rule, or ordinance applicable to the mobile home park or manufactured home community.

(i) "Managing agent" means any person or entity responsible for the operation, management, or maintenance of a mobile home park or manufactured home community.

(Source: P.A. 96-1477, eff. 1-1-11.)

(765 ILCS 745/6.5)

Sec. 6.5. Disclosure. A park owner must disclose in writing the following with every lease or sale and upon renewal of a lease of a mobile home or lot in a mobile home park <u>or</u> manufactured home community:

(1) the rent charged for the mobile home or lot in the past 5 years;

(2) the park owner's responsibilities with respect to the mobile home or lot;

(3) information regarding any fees imposed in addition to the base rent;

(4) information regarding late payments;

(5) information regarding any privilege tax that is applicable;

(6) information regarding security deposits, including the right to the return of security deposits and interest as provided in Section 18 of this Act; and

(7) information on a 3-year rent increase projection which includes the 2 years of the lease and the year immediately following. The basis for such rent increases may be a fixed amount, a "not to exceed" amount, a formula, an applicable index, or a combination of these methodologies as elected by the park owner. These increases may be in addition to all the non-controllable expenses including, but not limited to, property taxes, government assessments, utilities, and insurance; -

(8) the name of the legal entity that owns the manufactured home community or mobile home park, and either: (a) the name, address, and telephone number of the property manager or designated agent for the manufactured home community or mobile home park; or (b) the address and telephone number of the legal entity that owns the manufactured home community or mobile home park, if the

manufactured home community or mobile home park does not have a property manager or designated agent; and

(9) information contained in any inspection notice required to be posted under subsection (b) of Section 6.7 of this Act.

The park owner must update the written disclosure at least once per year. The park owner must advise tenants who are renewing a lease of any changes in the disclosure from any prior disclosure. Within 20 days after the closing of a purchase and sale of a manufactured home community or mobile home park that results in a change in the owner, the purchaser or the representative of the purchaser must provide written notice to each homeowner of the new owner and either: (i) the name, address, and telephone number of the property manager or designated agent for the manufactured home community or mobile home park; or (ii) the address and telephone number of the legal entity that owns the manufactured home community or mobile home park if the manufactured home community or mobile home park does not have a property manager or designated agent. The written notice may be provided by hand delivery to the resident's home, by United States mail or a recognized courier service, by posting in the office of the custodian of the park or in the clubhouse or other area of the park where park residents gather, or by posting on a community bulletin board.

The changes to this Section by this amendatory Act of the 98th General Assembly apply to disclosures made and changes of

ownership that take place on or after January 1, 2015. (Source: P.A. 95-383, eff. 1-1-08.)

# (765 ILCS 745/6.6 new)

Sec. 6.6. Notice of bankruptcy or foreclosure proceedings. If a bankruptcy case is commenced by or against a park owner by the filing of a voluntary or involuntary petition under Title 11 of the United States Code, if a receiver is appointed by a court of competent jurisdiction in a case filed by or against a park owner, or if a foreclosure proceeding is initiated against the park property by a creditor of the park owner, then: (i) the park owner shall provide written notice of the commencement of the bankruptcy or foreclosure to the tenant within 30 days of process having been properly served upon the park owner notifying the park owner of the commencement of the case or proceeding, or, with respect to a voluntary petition filed by the park owner under Title 11 of the United States Code, within 30 days of the park owner's filing of the petition; and (ii) the receiver shall notify all tenants of the park of its appointment in accordance with the provisions of subsection (f) of Section 15-1704 of the Code of Civil Procedure. The park owner shall cause the written notice from the park owner required by subclause (i) of the immediately preceding sentence to be served by delivering a copy to the known occupant or by leaving the notice with some person of the age of 13 years or upwards who is residing on or in the leased premises or who is

in possession of the leased premises or by sending a copy of the notice to the known occupant by first-class mail addressed to the occupant by the name known to the park owner.

(765 ILCS 745/6.7 new)

Sec. 6.7. Violations; inspection reports; postings; penalty.

(a) Any nonconformance with a statute, rule, or ordinance applicable to the mobile home park or manufactured home community constitutes a violation. The authority having jurisdiction shall identify violations in an inspection report. The inspection report shall be served upon the park owner or managing agent in person or by certified United States mail, return receipt requested, postage prepaid.

(b) The park owner or its managing agent shall post in a conspicuous place any inspection report received from the authority having jurisdiction regarding health and life safety violations as defined in rules promulgated by the Illinois Department of Public Health. The inspection report shall be posted beginning the business day after the date by which the violation or violations must be corrected as set forth in the inspection report issued by the authority having jurisdiction. The posting may be removed only when:

(1) the authority having jurisdiction has issued written authorization to remove the posting; or

(2) the park owner or its managing agent has corrected

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the violation or violations, served notice to the authority having jurisdiction that the violation or violations have been corrected by submitting such documentation or affidavit as may be necessary to substantiate the correction by certified United States mail, return receipt requested, postage prepaid, and no less than 15 days have expired from the mailing date of the notice to the authority having jurisdiction.

(c) Nothing in this Act may be construed to diminish, impair, or otherwise affect the authority of the authority having jurisdiction to charge violations under the Mobile Home Park Act or any other statute, rule, or ordinance applicable to the mobile home park or manufactured home community.

(d) Failure to comply with the requirements of this Section subjects the park owner or managing agent to a \$250 penalty. The penalty shall be payable to the authority having jurisdiction which issued the inspection report citing violations.

(e) For purposes of enforcement of this Section by the Illinois Department of Public Health, the Illinois Administrative Procedure Act is hereby expressly adopted. The Illinois Department of Public Health has the authority to promulgate rules to enforce this Section.

(f) For purposes of enforcement of this Section by any authority having jurisdiction other than the Illinois Department of Public Health, the authority having jurisdiction Public Act 098-1062

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has the authority to adopt ordinances to enforce this Section.

(765 ILCS 745/12) (from Ch. 80, par. 212)

Sec. 12. Lease prohibitions. No lease hereafter executed or currently existing between a park owner and tenant in a mobile home park <u>or manufactured home community</u> in this State shall contain any provision:

(a) Permitting the park owner to charge a penalty fee for late payment of rent without allowing a tenant a minimum of 5 days beyond the date the rent is due in which to remit such payment;

(b) Permitting the park owner to charge an amount in excess of one month's rent as a security deposit;

(c) Requiring the tenant to pay any fees not specified in the lease;

(d) Permitting the park owner to transfer, or move, a mobile home to a different lot, including a different lot in the same mobile home park <u>or manufactured home community</u>, during the term of the lease:  $\overline{\phantom{a}}$ 

(e) Waiving the homeowner's right to a trial by jury.

If one provision of a lease is invalid, that does not affect the validity of the remaining provisions of the lease. (Source: P.A. 85-607.)

(765 ILCS 745/18) (from Ch. 80, par. 218) Sec. 18. Security deposit; Interest.

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(a) If the lease requires the tenant to provide any deposit with the park owner for the term of the lease, or any part thereof, said deposit shall be considered a Security Deposit. Security Deposits shall be returned in full to the tenant, provided that the tenant has paid all rent due in full for the term of the lease and has caused no actual damage to the premises.

The park owner shall furnish the tenant, within 15 days after termination or expiration of the lease, an itemized list of the damages incurred upon the premises and the estimated cost for the repair of each item. The tenant's failure to object to the itemized list within 15 days shall constitute an agreement upon the amount of damages specified therein. The park owner's failure to furnish such itemized list of damages shall constitute an agreement that no damages have been incurred upon the premises and the entire security deposit shall become immediately due and owing to the tenant.

The tenant's failure to furnish the park owner a forwarding address shall excuse the park owner from furnishing the list required by this Section.

(b) A park owner of any park regularly containing 25 or more mobile homes shall pay interest to the tenant, on any deposit held by the park owner, computed from the date of the deposit at a rate equal to the interest paid by the largest commercial bank, as measured by total assets, having its main banking premises in this State on minimum deposit passbook Public Act 098-1062

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savings accounts as of December 31 of the preceding year on any such deposit held by the park owner for more than 6 months. However, in the event that any portion of the amount deposited is utilized during the period for which it is deposited in order to compensate the owner for non-payment of rent or to make a good faith reimbursement to the owner for damage caused by the tenant, the principal on which the interest accrues may be recomputed to reflect the reduction for the period commencing on the first day of the calendar month following the reduction.

The park owner shall, within 30 days after the end of each 12-month period, pay to the tenant any interest owed under this Section in cash, provided, however, that the amount owed may be applied to rent due if the owner and tenant agree thereto.

A park owner who willfully fails or refuses to pay the interest required by this Act shall, upon a finding by a circuit court that he willfully failed or refused to pay, be liable for an amount equal to the amount of the security deposit, together with court costs and a reasonable attorney's fee.

(c) A park owner, as landlord, shall hold in trust all security deposits received from a tenant in one or more banks, savings banks, or credit unions, the accounts of which are insured by the Federal Deposit Insurance Corporation, the National Credit Union Administration Share Insurance Fund, or other applicable entity under law. A security deposit and the interest due under subsection (b) of this Section is the property of the tenant until the deposit is returned to the tenant or used to compensate, or applied to the tenant's obligations to, the park owner, as landlord, in accordance with the lease or applicable State and local law. The security deposit shall not be commingled with the assets of the park owner, and shall not be subject to the claims of any creditor of the park owner or any party claiming an interest in the deposit through the park owner, including a foreclosing mortgagee or trustee in bankruptcy; provided that this subsection does not prevent a foreclosing mortgagee, receiver, or trustee from taking over control of the applicable bank account holding the security deposits, which may include moving the security deposits to another bank account meeting the requirements of this Section, provided that the mortgagee, receiver, or trustee:

(1) shall continue to hold the security deposits in trust as provided in, and subject to, the provisions of this Section; and

(2) is entitled to use a security deposit to compensate, and apply a security deposit to discharge the obligations of the tenant to, the park owner as permitted by the lease or applicable State and local law.

(Source: P.A. 88-643, eff. 1-1-95.)