



2013 Annual Awards Entry Form
(Complete one for each entry.)

Entry Name Illinois Senate Bill 16 – Expedited Foreclosures for Vacant Properties

HFA Illinois Housing Development Authority (IHDA)

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Entry form with description, check(s), and visual aids (optional) must be received by NCSHA by **Monday, July 1, 2013**.

Use this header on the upper right corner of each page.

HFA Illinois Housing Development Authority

Entry Name Illinois Senate Bill 16 – Expedited Foreclosures for Vacant Properties

Communications	Homeownership	Legislative Advocacy	Management Innovation
<input type="checkbox"/> Annual Report <input type="checkbox"/> Promotional Materials and Newsletters <input type="checkbox"/> Creative Media	<input type="checkbox"/> Empowering New Buyers <input type="checkbox"/> Home Improvement and Rehabilitation <input type="checkbox"/> Encouraging New Production	<input type="checkbox"/> Federal Advocacy <input checked="" type="checkbox"/> State Advocacy	<input type="checkbox"/> Financial <input type="checkbox"/> Human Resources <input type="checkbox"/> Operations <input type="checkbox"/> Technology
Rental Housing	Special Needs Housing	Special Achievement	Are you providing visual aids?
<input type="checkbox"/> Multifamily Management <input type="checkbox"/> Preservation and Rehabilitation <input type="checkbox"/> Encouraging New Production	<input type="checkbox"/> Combating Homelessness <input type="checkbox"/> Housing for Persons with Special Needs	<input type="checkbox"/> Special Achievement	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO

Overview/Need:

There were 87,503 properties in foreclosure at the close of 2012 in Illinois, up from a pre-recession average of 16,900.¹ Foreclosures and the abandoned properties they create present enormous challenges for Illinois residents, local governments and the court system. Reduced property values, a reduced tax base, increased crime, demoralized neighborhoods and additional costs on the community at large are but a few of the devastating effects an inventory of abandoned homes present.

Illinois is a judicial state. Therefore, foreclosures are carried out through the court system. While this protects the rights of the homeowner, the average foreclosure case for residential property takes close to two years to be completed. For abandoned properties, this lengthy foreclosure process imposes significant and unnecessary burdens on the court system, the municipality and the neighborhood. The Illinois Housing Development Authority (IHDA) saw an opportunity to reduce this burden and it forged ahead to change the state's housing policy. The result was a bill that expedites the foreclosure timeline for abandoned properties, implements safeguards to protect the rights of homeowners and lenders and generates a new fee that funds foreclosure prevention programs.

Innovation:

Through the collaborative efforts of IHDA and its partners, the Illinois General Assembly passed Senate Bill 16 (SB16) in December 2012 to relieve the court system of the bottleneck of foreclosures that contributes to the growing number of abandoned, deteriorating properties in our neighborhoods. IHDA organized legislators to support the policy change and worked with lenders, counselors and elected officials to draft the final bill. Governor Pat Quinn signed SB16 into law in February 2013 and the reforms took effect June 1, 2013. Key provisions create an expedited foreclosure process, generate an additional fee for financial institutions filing a foreclosure, create new resources for local governments and create new resources for housing counseling agencies.

Expedited Foreclosure Process: SB16 allows a lender to file a motion with a judge requesting a foreclosure for an abandoned property to be expedited. If the lender complies with applicable notice requirements and a judge certifies that a property is abandoned, a foreclosure trial can immediately proceed. The expedited foreclosure process for abandoned homes will allow the courts to complete a foreclosure in 90 days, down from 600, while putting safeguards in place to protect the rights of property owners, tenants, legal occupants and lenders. Four innovative safeguards ensure that every stakeholder is protected while the court system is relieved of potentially thousands of foreclosure cases where no party claims ownership of the property. The key safeguards are:

- **Notice Required:** A notice of any motion to declare a property abandoned must be conspicuously posted on the property.
- **Motion based on personal knowledge, not affidavit alone:** The motion by the lender that sets forth the facts demonstrating that the mortgaged real estate is abandoned must be supported by personal knowledge of the property and must be supported by an affidavit.

¹ CoreLogic

- **No order where objection:** The law recognizes that properties in foreclosures have owners, tenants and legal occupants who have a right to object. The court may not grant a motion that requests an expedited judgment and sale if the mortgagor, an unknown owner or a lawful occupant appears in the action in any manner before or at the hearing and objects to a finding of abandonment.
- **Mortgagee may enter prior to taking title:** If the property is reasonably believed to be abandoned, the mortgagee or its agent has the legal right to enter, secure and maintain abandoned residential property and is exempt from prosecution for criminal trespass. The safeguard assigns responsibility for the maintenance of foreclosed homes to help communities address the care of vacant properties.

Additional Fee for Financial Institutions Filing a Foreclosure: Through the end of 2017, banks and other lending institutions will pay fees on a sliding scale depending on how many foreclosures they file each year. An institution that files more than 175 foreclosures will pay an additional \$500 for each foreclosure filed, while one with between 50 and 174 will pay \$250 per foreclosure and those with less than 50 foreclosures each year will pay \$50. The new law directs the filing fees paid by mortgage issuers into two funds administered by IHDA: the Foreclosure Prevention Program Fund (FPP) and the Abandoned Property Municipality Relief Program Fund (APP). Seventy percent of funds generated will go to the APP and 28 percent to the FPP to help local governments manage vacant properties and working families avoid foreclosure.

New Resources for Local Governments (APP): IHDA expects the bill to generate \$28 million annually from new foreclosure filing fees. The law directs IHDA to use the funds to make grants to municipalities and counties to assist with the costs incurred in securing vacant properties, including cutting neglected weeds and grass, removing garbage, debris and graffiti and securing the property. The new law also provides cities, municipalities and mortgage-holding organizations the legal right to secure and maintain abandoned properties during the foreclosure process.

New Resources for Housing Counseling Agencies (FPP): The additional fee on foreclosure filings will create \$13 million in annual funding for counseling agencies to help approximately 18,000 households through the foreclosure process. The bill directs IHDA to use the funds to assist non-profit housing counseling agencies that help struggling homeowners to navigate the bureaucracies of loan modification divisions, help apply for assistance and look at other options to foreclosure. These services can be invaluable to homeowners as studies show homeowners who undergo foreclosure prevention counseling are nearly twice as likely to obtain a mortgage modification and at least 67 percent more likely to remain current on their modified mortgage.

Strategy: Building an Unlikely Alliance

IHDA staff worked with Governor Pat Quinn’s office and a host of advocates and municipalities for nearly three years to pass this legislation. While lending institutions supported an expedited foreclosure timeline for abandoned properties, they were opposed to paying additional foreclosure filing fees that fund the prevention and mitigation activities created by the legislation. The solution was to combine a

“fast track” bill with a fee bill so everyone could get something they wanted, ultimately earning the support the Illinois Bankers Association (IBA).

The support of the banking industry was the result of lengthy negotiations and strategic compromise coordinated by IHDA and Governor Quinn’s office. The IBA and its membership stood against the bill for two years, but joined IHDA when the bill provided for a tiered fee structure such that credit unions and community banks would not pay higher filing fees. The IBA has members in every legislative district and effective methods of communication. With these organizations as partners, the bill passed.

Coalition Building and Effective Partnerships

A deep bench of supporters representing lenders, counselors, homeowners and local governments made the passage of SB16 possible. IHDA, the Office of Governor Pat Quinn, Illinois Senator Jacqueline Y. Collins, Illinois Representatives Joseph M. Lyons and Karen A. Yarbrough, the Illinois Department of Financial and Professional Regulation, Cook County, the Cook County Recorder of Deeds, the City of Aurora, the City of Chicago, the Credit Union League of Illinois, the Community Bankers Association of Illinois, Housing Action Illinois and the Sargent Shriver National Center on Poverty Law were among those who influenced the final legislation to create a policy that best addressed the challenges presented by the state’s housing market.

Measurable Benefits

Identifying, securing and maintaining abandoned homes can be a huge drain on local governments. Research has shown that the administrative costs of dealing with these properties cost the City of Chicago alone \$36 million per year.² SB16 provides resources for the municipalities to address abandoned properties and shifts the burden from the taxpayers.

Equally important, an expedited foreclosure timeline for abandoned properties will help Illinois courts decrease the volume of foreclosure cases and allow these cases to proceed more efficiently. This will allow the state to return vacant properties to productive use as quickly as possible, creating direct benefits to communities by creating jobs and increasing local revenue from property and real estate taxes. SB16 leverages IHDA’s existing efforts to strengthen communities, including the Illinois Building Blocks program which provides cash assistance to buyers of vacant homes. Communities also benefit from increased consumer spending by contractors as well as residents furnishing their new homes. The increase in affordable housing stock helps families looking to buy a home affordably and promotes economic growth in a way few industries can match.

Conclusion

An expedited foreclosure process for abandoned properties has been adopted that will help Illinois courts and neighborhoods by responsibly reducing the foreclosure process to 90 days, while new funding created by the legislation will support local governments and allow additional homeowners to find alternatives to foreclosure. The partnerships established over three years of negotiation and compromise created a stronger alliance between lenders, counselors, local governments and affordable housing advocates in Illinois that will prevent foreclosures and stabilize neighborhoods across the state.

² Left Behind: Troubled Foreclosed Properties and Servicer Accountability in Chicago – Woodstock Institute



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Pat Quinn, Governor

Guide to Illinois Senate Bill 16 – Expedited Foreclosure for Vacant Properties

Visual Aid Attachments

1. Governor Quinn Bill Signing Press Release
2. FPP and APP funding breakdown
3. SB16 full text



OFFICE OF GOVERNOR PAT QUINN

NEWS

FOR IMMEDIATE RELEASE:

Friday, February 8, 2013

Governor Quinn Signs Landmark Legislation to Strengthen Communities Across Illinois

New Law Will Responsibly Fast Track Foreclosures; Invest \$120 Million in Foreclosure Prevention and Abandoned Property Maintenance

CHICAGO – February 8, 2013. Governor Pat Quinn today signed a landmark law that will strengthen communities across Illinois by responsibly fast tracking the foreclosure process and investing more than \$120 million to help more families keep their homes. The law will help restore neighborhoods and property values by significantly shortening the foreclosure process to a few months, down from what now takes nearly two years. Today's signing is the latest action by Governor Quinn to help working families stay in their homes, which will stabilize and grow the Illinois housing market.

"A home is the foundation of our families and our communities," Governor Quinn said. "This law will help restore neighborhoods and property values while fighting crime and blight by decreasing the time a home sits empty and getting it back on the market quickly. It also allows us to make major investments to keep families in their homes by preventing foreclosures in the first place."

Senate Bill 16, sponsored by Sen. Jacqueline Collins (D-Chicago), Sen. John Mulroe (D-Chicago) and former Reps. Karen Yarbrough (D-Chicago) and Joe Lyons (D-Chicago), is the result of almost two years of discussions led by the Governor's office with the General Assembly and stakeholders including lending institutions, the Illinois Housing Development Authority (IHDA), the Illinois Department of Financial and Professional Regulation, municipalities including the city of Chicago and housing advocates across the state. It will allow single-family homes and multifamily buildings that are not legally occupied to be eligible for an expedited foreclosure process that could be completed in as little as 90 days. Previous Illinois law saw the foreclosure of some properties drag on for almost two years, which allowed them to fall into disrepair, damage local property values and become bases for crime.

"Abandoned homes bring down property values, function as safe-houses for criminals and discourage the economic growth our communities need to recover," Sen. Collins said. "This legislation, which addresses the problem of abandoned properties while protecting the rights of legitimate residents, will help break the foreclosure logjam and empower communities to act."

"We all recognize that there is a foreclosure crisis in Illinois. Abandoned homes magnify the crisis because they decrease the value of everyone's homes," Sen. Mulroe said. "The governor signing this bill into law will accelerate the foreclosure process for abandoned homes and provide much needed resources to the communities that are forced to care for abandoned homes."

"For too long our broken foreclosure system has burdened communities with abandoned homes and been a drag on our economy, but now we can get to work turning these properties from problems into solutions," Karen Yarbrough, Cook County Recorder of Deeds and original House sponsor for Senate Bill 16 said. "The provisions in this law to help families avoid foreclosure will also play a big role in the housing recovery, and I'm proud to see it signed into law."

-MORE-



“This legislation will be an enormous help to communities across our state and it would not have been possible without the hard work and dedication of so many staff members and advocates over the past two years,” former Rep. Joe Lyons said. “These unsung heroes behind the scenes have done and continue to do great good on behalf of the people of Illinois.”

Senate Bill 16 allows a lender to file a motion with a judge requesting a foreclosure be expedited. If the lender complies with applicable notice requirements and a judge certifies that a property is abandoned, a foreclosure trial can immediately proceed. This process currently takes approximately 600 days and under this new law, could be reduced to 90-180 days depending on the property.

This legislation will help working families who are at risk of foreclosure from losing their homes by directing filing fees paid by mortgage-issuers into two funds maintained by the IHDA: the Foreclosure Prevention Program Fund, and the Abandoned Property Municipality Relief Program. Through the end of 2017, banks and other lending institutions will pay fees on a sliding scale depending on how many foreclosures they file each year. An institution that files more than 175 foreclosures will pay \$500 per foreclosure, while one with between 50 and 175 will pay \$250 per foreclosure, and those with less than 50 foreclosures a year will pay \$50 per filing. The law is expected to generate more than \$120 million over the next three years.

Those fees are expected to provide an estimated \$28 million annually to local governments to maintain and secure abandoned residential properties to get them back into productive use. It will also provide an estimated \$13 million annually for housing counseling assistance, which will help provide support to an additional 18,000 households struggling to keep their homes. This law takes effect June 1.

“By fostering collaborations with public-private partners, we are able to build a stronger statewide network of assistance in every corner of the state to help more homeowners and revitalize communities across Illinois,” Mary R. Kenney, IHDA Executive Director said. “The new funding will further the work of Governor Quinn’s Illinois Foreclosure Prevention Network (IFPN) to link homeowners to counseling and other trusted assistance so they can access critical resources available statewide to protect their home from foreclosure.”

Returning properties to productive use benefits communities by creating jobs and increasing local revenue from property taxes and real estate taxes. Communities also benefit from increased consumer spending by contractors, as well as residents furnishing their new homes. The increase in affordable housing stock helps families starting out or starting again, and promotes economic growth. Abandoned properties burden communities by creating blight, attracting crime and reducing the tax rolls. On average, the value of homes on the same block as a foreclosed property can drop \$8,000 to \$10,000.

Governor Quinn announced recently that following his launch of the Illinois Foreclosure Prevention Network one year ago, nearly 600,000 people have been connected to free foreclosure help:

- 479,000 homeowners have accessed the IFPN website or the Illinois Hardest Hit program [website](#).
- More than 60,700 people have called IFPN help hotlines.
- More than 48,000 homeowners have received homeownership counseling.
- More than 3,400 people have attended a series of IFPN workshops across the state.
- Nearly 6,500 homeowners have received mortgage payment assistance with \$146.8 million in funds approved through the Illinois Hardest Hit program.

Families are urged to reach out today to access the free resources that have helped so many other homeowners across Illinois. All of the services are available by visiting www.keepyourhomeillinois.org, calling the toll-free hotline (1-855-KEEP-411), or visiting 80 counseling agencies throughout the state.

**FORECLOSURE FUNDING FOR
HOUSING COUNSELING &
LOCAL GOVERNMENT
ABANDONED RESIDENTIAL
PROPERTY RELIEF**
(S.B. 3739; P.A. 96-1419, eff. 10/1/10; and
S.B. 16; P.A. 97-1164, eff. 6/1/13)

TYPE OF FEE AND ALLOCATION TO FPP OR APP DEDICATED FUNDS ¹	GEOGRAPHIC DISTRIBUTION OF FEES	USE OF FEES
<p>I. §15-1504.1 Filing Fee for FPP:</p> <p>Sub (a): Existing \$50 front-end fee-</p> <ul style="list-style-type: none"> - 98% to State Treasurer for deposit into FPP - 2% to (retained by) Clerk of Court <p><u>Note:</u> No sunset</p>	<p>IHDA §7.30(b):</p> <ul style="list-style-type: none"> - 25% Outside City of Chicago - 25% City of Chicago - 25% Outside City of Chicago - 25% City of Chicago 	<ul style="list-style-type: none"> - FPP for approved counseling agency grants for foreclosure counseling services - FPP for approved counseling agency grants for approved housing counseling or to support foreclosure prevention counseling programs - FPP for approved community-based organization grants for foreclosure prevention outreach programs - FPP for approved community-based organization grants for foreclosure prevention outreach programs
<p>II. §15-1504.1 Filing Fee for FPP and APP:</p> <p>Sub (a-5): New front-end fee (\$50 or \$250 or \$500; based on number of foreclosure filings in preceding calendar year) -</p> <ul style="list-style-type: none"> - 28% to State Treasurer for deposit into FPP - 70% to State Treasurer for deposit into APP - 2% to (retained by) Clerk of Court <p><u>Note:</u> Sunset Jan. 1 2018</p>	<p>IHDA §7.30(b-1): Regarding the 28% FPP allocation-</p> <ul style="list-style-type: none"> - 30% Cook County Outside City of Chicago - 25% City of Chicago - 30% DuPage, Kane, Lake, McHenry and Will Counties - 15% All other Counties <p>IHDA §7.31(b): Regarding the 70% APP allocation-</p> <ul style="list-style-type: none"> - 30% Municipalities other than Chicago in Cook County and Cook County - 25% City of Chicago - 30% Municipalities in DuPage, Kane, Lake, McHenry and Will Counties and those counties - 15% Municipalities in all other counties and those other counties 	<ul style="list-style-type: none"> - FPP for approved housing counseling grants - FPP for approved housing counseling grants - FPP for approved housing counseling grants - FPP for approved housing counseling grants - APP grants - APP grants - APP grants - APP grants <div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p>Terms:</p> <p>“Approved counseling agency”: HUD approved housing counseling agency.</p> <p>“Approved housing counseling”: counseling provided by an approved counseling agency.</p> <p>“Approved community-based organization”: Educational and financial information through in person contact, but no legal representation or court sponsored mediation.</p> <p>“Approved foreclosure prevention outreach program”: program developed by approved community-based organization to provide home ownership counseling and options in foreclosure.</p> </div>
<p>III. §15-1507.1 Judicial Sale Fee for APP:</p> <p>Sub (a) and (b): Existing back-end variable fee paid at the rate of \$1.00/\$1,000 up to maximum of \$300 (paid by non-mortgagee purchaser)-</p> <ul style="list-style-type: none"> - 98% to State Treasurer for deposit into APP - 2% to (retained by) Clerk of Court <p><u>Note:</u> Sunset Jan. 1 2016</p>	<p>IHDA §7.31(b):</p> <ul style="list-style-type: none"> - 30% Municipalities other than Chicago in Cook County and Cook County - 25% City of Chicago - 30% Municipalities in DuPage, Kane, Lake, McHenry and Will Counties and those counties - 15% Municipalities in all other counties and those other counties 	<ul style="list-style-type: none"> - APP grants - APP grants - APP grants - APP grants

¹ “FPP” identifies the Foreclosure Prevention Program and “APP” identifies the Abandoned Property Program (i.e., Abandoned Residential Property Municipality Relief Program).

1 AN ACT concerning foreclosure.

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

4 Section 5. The Illinois Housing Development Act is amended
5 by changing Sections 7.30 and 7.31 as follows:

6 (20 ILCS 3805/7.30)

7 Sec. 7.30. Foreclosure Prevention Program.

8 (a) The Authority shall establish and administer a
9 Foreclosure Prevention Program. The Authority shall use moneys
10 in the Foreclosure Prevention Program Fund, and any other funds
11 appropriated for this purpose, to make grants to (i) approved
12 counseling agencies for approved housing counseling and (ii)
13 approved community-based organizations for approved
14 foreclosure prevention outreach programs. The Authority shall
15 promulgate rules to implement this Program and may adopt
16 emergency rules as soon as practicable to begin implementation
17 of the Program.

18 (b) Subject to appropriation, the Authority shall make
19 grants from the Foreclosure Prevention Program Fund derived
20 from fees paid as specified in subsection (a) of Section
21 15-1504.1 of the Code of Civil Procedure as follows:

22 (1) 25% of the moneys in the Fund shall be used to make
23 grants to approved counseling agencies that provide

1 services in Illinois outside of the City of Chicago. Grants
2 shall be based upon the number of foreclosures filed in an
3 approved counseling agency's service area, the capacity of
4 the agency to provide foreclosure counseling services, and
5 any other factors that the Authority deems appropriate.

6 (2) 25% of the moneys in the Fund shall be distributed
7 to the City of Chicago to make grants to approved
8 counseling agencies located within the City of Chicago for
9 approved housing counseling or to support foreclosure
10 prevention counseling programs administered by the City of
11 Chicago.

12 (3) 25% of the moneys in the Fund shall be used to make
13 grants to approved community-based organizations located
14 outside of the City of Chicago for approved foreclosure
15 prevention outreach programs.

16 (4) 25% of the moneys in the Fund shall be used to make
17 grants to approved community-based organizations located
18 within the City of Chicago for approved foreclosure
19 prevention outreach programs, with priority given to
20 programs that provide door-to-door outreach.

21 (b-1) Subject to appropriation, the Authority shall make
22 grants from the Foreclosure Prevention Program Fund derived
23 from fees paid as specified in paragraph (1) of subsection
24 (a-5) of Section 15-1504.1 of the Code of Civil Procedure, as
25 follows:

26 (1) 30% shall be used to make grants for approved

1 housing counseling in Cook County outside of the City of
2 Chicago;

3 (2) 25% shall be used to make grants for approved
4 housing counseling in the City of Chicago;

5 (3) 30% shall be used to make grants for approved
6 housing counseling in DuPage, Kane, Lake, McHenry, and Will
7 Counties; and

8 (4) 15% shall be used to make grants for approved
9 housing counseling in Illinois in counties other than Cook,
10 DuPage, Kane, Lake, McHenry, and Will Counties provided
11 that grants to provide approved housing counseling to
12 borrowers residing within these counties shall be based (i)
13 proportionately on the amount of fees paid to the
14 respective clerks of the courts within these counties and
15 (ii) on any other factors that the Authority deems
16 appropriate.

17 (b-5) As used in this Section:

18 "Approved community-based organization" means a
19 not-for-profit entity that provides educational and financial
20 information to residents of a community through in-person
21 contact. "Approved community-based organization" does not
22 include a not-for-profit corporation or other entity or person
23 that provides legal representation or advice in a civil
24 proceeding or court-sponsored mediation services, or a
25 governmental agency.

26 "Approved foreclosure prevention outreach program" means a

1 program developed by an approved community-based organization
2 that includes in-person contact with residents to provide (i)
3 pre-purchase and post-purchase home ownership counseling, (ii)
4 education about the foreclosure process and the options of a
5 mortgagor in a foreclosure proceeding, and (iii) programs
6 developed by an approved community-based organization in
7 conjunction with a State or federally chartered financial
8 institution.

9 "Approved counseling agency" means a housing counseling
10 agency approved by the U.S. Department of Housing and Urban
11 Development.

12 "Approved housing counseling" means in-person counseling
13 provided by a counselor employed by an approved counseling
14 agency to all borrowers, or documented telephone counseling
15 where a hardship would be imposed on one or more borrowers. A
16 hardship shall exist in instances in which the borrower is
17 confined to his or her home due to a medical condition, as
18 verified in writing by a physician, or the borrower resides 50
19 miles or more from the nearest approved counseling agency. In
20 instances of telephone counseling, the borrower must supply all
21 necessary documents to the counselor at least 72 hours prior to
22 the scheduled telephone counseling session.

23 (c) (Blank). ~~As used in this Section, "approved counseling~~
24 ~~agencies" and "approved housing counseling" have the meanings~~
25 ~~ascribed to those terms in Section 15-1502.5 of the Code of~~
26 ~~Civil Procedure.~~

1 (Source: P.A. 96-1419, eff. 10-1-10.)

2 (20 ILCS 3805/7.31)

3 Sec. 7.31. Abandoned Residential Property Municipality
4 Relief Program.

5 (a) The Authority shall establish and administer an
6 Abandoned Residential Property Municipality Relief Program.
7 The Authority shall use moneys in the Abandoned Residential
8 Property Municipality Relief Fund, and any other funds
9 appropriated for this purpose, to make grants to municipalities
10 and to counties to assist with ~~removal costs and securing or~~
11 ~~enclosing~~ costs incurred by the municipality or county for:
12 cutting of neglected weeds or grass, trimming of trees or
13 bushes, and removal of nuisance bushes or trees; extermination
14 of pests or prevention of the ingress of pests; removal of
15 garbage, debris, and graffiti; boarding up, closing off, or
16 locking windows or entrances or otherwise making the interior
17 of a building inaccessible to the general public; surrounding
18 part or all of an abandoned residential property's underlying
19 parcel with a fence or wall or otherwise making part or all of
20 the abandoned residential property's underlying parcel
21 inaccessible to the general public; demolition of abandoned
22 residential property; and repair or rehabilitation of
23 abandoned residential property pursuant to Section 11-20-15.1
24 ~~of the Illinois Municipal Code~~, as approved by the Authority
25 under the Program. For purposes of this subsection (a), "pests"

1 has the meaning ascribed to that term in subsection (c) of
2 Section 11-20-8 of the Illinois Municipal Code. The Authority
3 shall promulgate rules for the administration, operation, and
4 maintenance of the Program and may adopt emergency rules as
5 soon as practicable to begin implementation of the Program.

6 (b) Subject to appropriation, the Authority shall make
7 grants from the Abandoned Residential Property Municipality
8 Relief Fund derived from fees paid as specified in paragraph
9 (1) of subsection (a-5) of Section 15-1504.1 of the Code of
10 Civil Procedure as follows:

11 (1) 30% of the moneys in the Fund shall be used to make
12 grants to municipalities other than the City of Chicago in
13 Cook County and to Cook County; 75% of the moneys in the
14 Fund shall be distributed to municipalities, other than the
15 City of Chicago, to assist with removal costs and securing
16 or enclosing costs incurred by the municipality pursuant to
17 Section 11-20-15.1 of the Illinois Municipal Code.

18 (2) 25% of the moneys in the Fund shall be used to make
19 grants to the City of Chicago; 25% of the moneys in the
20 Fund shall be distributed to the City of Chicago to assist
21 with removal costs and securing or enclosing costs incurred
22 by the municipality pursuant to Section 11-20-15.1 of the
23 Illinois Municipal Code.

24 (3) 30% of the moneys in the Fund shall be used to make
25 grants to municipalities in DuPage, Kane, Lake, McHenry and
26 Will Counties, and to those counties; and

1 (4) 15% of the moneys in the Fund shall be used to make
2 grants to municipalities in Illinois in counties other than
3 Cook, DuPage, Kane, Lake, McHenry, and Will Counties, and
4 to counties other than Cook, DuPage, Kane, Lake, McHenry,
5 and Will Counties. Grants distributed to the
6 municipalities and counties identified in this paragraph
7 (4) shall be based (i) proportionately on the amount of
8 fees paid to the respective clerks of the courts within
9 these counties and (ii) on any other factors that the
10 Authority deems appropriate.

11 (Source: P.A. 96-1419, eff. 10-1-10.)

12 Section 10. The Criminal Code of 2012 is amended by
13 changing Section 21-3 as follows:

14 (720 ILCS 5/21-3) (from Ch. 38, par. 21-3)

15 Sec. 21-3. Criminal trespass to real property.

16 (a) A person commits criminal trespass to real property
17 when he or she:

18 (1) knowingly and without lawful authority enters or
19 remains within or on a building;

20 (2) enters upon the land of another, after receiving,
21 prior to the entry, notice from the owner or occupant that
22 the entry is forbidden;

23 (3) remains upon the land of another, after receiving
24 notice from the owner or occupant to depart;

1 (3.5) presents false documents or falsely represents
2 his or her identity orally to the owner or occupant of a
3 building or land in order to obtain permission from the
4 owner or occupant to enter or remain in the building or on
5 the land; ~~or~~

6 (3.7) intentionally removes a notice posted on
7 residential real estate as required by subsection (1) of
8 Section 15-1505.8 of Article XV of the Code of Civil
9 Procedure before the date and time set forth in the notice;
10 or

11 (4) enters a field used or capable of being used for
12 growing crops, an enclosed area containing livestock, an
13 agricultural building containing livestock, or an orchard
14 in or on a motor vehicle (including an off-road vehicle,
15 motorcycle, moped, or any other powered two-wheel vehicle)
16 after receiving, prior to the entry, notice from the owner
17 or occupant that the entry is forbidden or remains upon or
18 in the area after receiving notice from the owner or
19 occupant to depart.

20 For purposes of item (1) of this subsection, this Section
21 shall not apply to being in a building which is open to the
22 public while the building is open to the public during its
23 normal hours of operation; nor shall this Section apply to a
24 person who enters a public building under the reasonable belief
25 that the building is still open to the public.

26 (b) A person has received notice from the owner or occupant

1 within the meaning of Subsection (a) if he or she has been
2 notified personally, either orally or in writing including a
3 valid court order as defined by subsection (7) of Section
4 112A-3 of the Code of Criminal Procedure of 1963 granting
5 remedy (2) of subsection (b) of Section 112A-14 of that Code,
6 or if a printed or written notice forbidding such entry has
7 been conspicuously posted or exhibited at the main entrance to
8 the land or the forbidden part thereof.

9 (b-5) Subject to the provisions of subsection (b-10), as an
10 alternative to the posting of real property as set forth in
11 subsection (b), the owner or lessee of any real property may
12 post the property by placing identifying purple marks on trees
13 or posts around the area to be posted. Each purple mark shall
14 be:

15 (1) A vertical line of at least 8 inches in length and
16 the bottom of the mark shall be no less than 3 feet nor
17 more than 5 feet high. Such marks shall be placed no more
18 than 100 feet apart and shall be readily visible to any
19 person approaching the property; or

20 (2) A post capped or otherwise marked on at least its
21 top 2 inches. The bottom of the cap or mark shall be not
22 less than 3 feet but not more than 5 feet 6 inches high.
23 Posts so marked shall be placed not more than 36 feet apart
24 and shall be readily visible to any person approaching the
25 property. Prior to applying a cap or mark which is visible
26 from both sides of a fence shared by different property

1 owners or lessees, all such owners or lessees shall concur
2 in the decision to post their own property.

3 Nothing in this subsection (b-5) shall be construed to
4 authorize the owner or lessee of any real property to place any
5 purple marks on any tree or post or to install any post or
6 fence if doing so would violate any applicable law, rule,
7 ordinance, order, covenant, bylaw, declaration, regulation,
8 restriction, contract, or instrument.

9 (b-10) Any owner or lessee who marks his or her real
10 property using the method described in subsection (b-5) must
11 also provide notice as described in subsection (b) of this
12 Section. The public of this State shall be informed of the
13 provisions of subsection (b-5) of this Section by the Illinois
14 Department of Agriculture and the Illinois Department of
15 Natural Resources. These Departments shall conduct an
16 information campaign for the general public concerning the
17 interpretation and implementation of subsection (b-5). The
18 information shall inform the public about the marking
19 requirements and the applicability of subsection (b-5)
20 including information regarding the size requirements of the
21 markings as well as the manner in which the markings shall be
22 displayed. The Departments shall also include information
23 regarding the requirement that, until the date this subsection
24 becomes inoperative, any owner or lessee who chooses to mark
25 his or her property using paint, must also comply with one of
26 the notice requirements listed in subsection (b). The

1 Departments may prepare a brochure or may disseminate the
2 information through agency websites. Non-governmental
3 organizations including, but not limited to, the Illinois
4 Forestry Association, Illinois Tree Farm and the Walnut Council
5 may help to disseminate the information regarding the
6 requirements and applicability of subsection (b-5) based on
7 materials provided by the Departments. This subsection (b-10)
8 is inoperative on and after January 1, 2013.

9 (b-15) Subsections (b-5) and (b-10) do not apply to real
10 property located in a municipality of over 2,000,000
11 inhabitants.

12 (c) This Section does not apply to any person, whether a
13 migrant worker or otherwise, living on the land with permission
14 of the owner or of his or her agent having apparent authority
15 to hire workers on this land and assign them living quarters or
16 a place of accommodations for living thereon, nor to anyone
17 living on the land at the request of, or by occupancy, leasing
18 or other agreement or arrangement with the owner or his or her
19 agent, nor to anyone invited by the migrant worker or other
20 person so living on the land to visit him or her at the place he
21 is so living upon the land.

22 (d) A person shall be exempt from prosecution under this
23 Section if he or she beautifies unoccupied and abandoned
24 residential and industrial properties located within any
25 municipality. For the purpose of this subsection, "unoccupied
26 and abandoned residential and industrial property" means any

1 real estate (1) in which the taxes have not been paid for a
2 period of at least 2 years; and (2) which has been left
3 unoccupied and abandoned for a period of at least one year; and
4 "beautifies" means to landscape, clean up litter, or to repair
5 dilapidated conditions on or to board up windows and doors.

6 (e) No person shall be liable in any civil action for money
7 damages to the owner of unoccupied and abandoned residential
8 and industrial property which that person beautifies pursuant
9 to subsection (d) of this Section.

10 (e-5) Mortgagee or agent of the mortgagee exceptions.

11 (1) A mortgagee or agent of the mortgagee shall be
12 exempt from prosecution for criminal trespass for
13 entering, securing, or maintaining an abandoned
14 residential property.

15 (2) No mortgagee or agent of the mortgagee shall be
16 liable to the mortgagor or other owner of an abandoned
17 residential property in any civil action for negligence or
18 civil trespass in connection with entering, securing, or
19 maintaining the abandoned residential property.

20 (3) For the purpose of this subsection (e-5) only,
21 "abandoned residential property" means mortgaged real
22 estate that the mortgagee or agent of the mortgagee
23 determines in good faith meets the definition of abandoned
24 residential property set forth in Section 15-1200.5 of
25 Article XV of the Code of Civil Procedure.

26 (f) This Section does not prohibit a person from entering a

1 building or upon the land of another for emergency purposes.
2 For purposes of this subsection (f), "emergency" means a
3 condition or circumstance in which an individual is or is
4 reasonably believed by the person to be in imminent danger of
5 serious bodily harm or in which property is or is reasonably
6 believed to be in imminent danger of damage or destruction.

7 (g) Paragraph (3.5) of subsection (a) does not apply to a
8 peace officer or other official of a unit of government who
9 enters a building or land in the performance of his or her
10 official duties.

11 (h) Sentence. A violation of subdivision (a)(1), (a)(2),
12 (a)(3), or (a)(3.5) is a Class B misdemeanor. A violation of
13 subdivision (a)(4) is a Class A misdemeanor.

14 (i) Civil liability. A person may be liable in any civil
15 action for money damages to the owner of the land he or she
16 entered upon with a motor vehicle as prohibited under paragraph
17 (4) of subsection (a) of this Section. A person may also be
18 liable to the owner for court costs and reasonable attorney's
19 fees. The measure of damages shall be: (i) the actual damages,
20 but not less than \$250, if the vehicle is operated in a nature
21 preserve or registered area as defined in Sections 3.11 and
22 3.14 of the Illinois Natural Areas Preservation Act; (ii) twice
23 the actual damages if the owner has previously notified the
24 person to cease trespassing; or (iii) in any other case, the
25 actual damages, but not less than \$50. If the person operating
26 the vehicle is under the age of 16, the owner of the vehicle

1 and the parent or legal guardian of the minor are jointly and
2 severally liable. For the purposes of this subsection (i):

3 "Land" includes, but is not limited to, land used for
4 crop land, fallow land, orchard, pasture, feed lot, timber
5 land, prairie land, mine spoil nature preserves and
6 registered areas. "Land" does not include driveways or
7 private roadways upon which the owner allows the public to
8 drive.

9 "Owner" means the person who has the right to
10 possession of the land, including the owner, operator or
11 tenant.

12 "Vehicle" has the same meaning as provided under
13 Section 1-217 of the Illinois Vehicle Code.

14 (j) This Section does not apply to the following persons
15 while serving process:

16 (1) a person authorized to serve process under Section
17 2-202 of the Code of Civil Procedure; or

18 (2) a special process server appointed by the circuit
19 court.

20 (Source: P.A. 97-184, eff. 7-22-11; 97-477, eff. 8-22-11;
21 97-813, eff. 7-13-12; 97-1108, eff. 1-1-13.)

22 Section 15. The Code of Civil Procedure is amended by
23 changing Sections 15-1219, 15-1503, 15-1504, 15-1504.1, and
24 15-1508 and by adding Sections 15-1108, 15-1200.5, 15-1200.7,
25 and 15-1505.8 as follows:

1 (735 ILCS 5/15-1108 new)

2 Sec. 15-1108. Declaration of policy relating to abandoned
3 residential property. The following findings directly relate
4 to the changes made by this amendatory Act of the 97th General
5 Assembly. The General Assembly finds that residential mortgage
6 foreclosures and the abandoned properties that sometimes
7 follow create enormous challenges for Illinois residents,
8 local governments, and the courts, reducing neighboring
9 property values, reducing the tax base, increasing crime,
10 placing neighbors at greater risk of foreclosure, imposing
11 additional costs on local governments, and increasing the
12 burden on the courts of this State; conversely, maintaining and
13 securing abandoned properties stabilizes property values and
14 the tax base, decreases crime, reduces the risk of foreclosure
15 for nearby properties, thus reducing costs for local
16 governments and making a substantial contribution to the
17 operation and maintenance of the courts of this State by
18 reducing the volume of matters which burden the court system in
19 this State. The General Assembly further finds that the average
20 foreclosure case for residential property takes close to 2
21 years in Illinois; when a property is abandoned, the lengthy
22 foreclosure process harms lien-holders, neighbors, and local
23 governments, and imposes significant and unnecessary burdens
24 on the courts of this State; and an expedited foreclosure
25 process for abandoned residential property can also help the

1 courts of this State by decreasing the volume of foreclosure
2 cases and allowing these cases to proceed more efficiently
3 through the court system. The General Assembly further finds
4 that housing counseling has proven to be an effective way to
5 help many homeowners find alternatives to foreclosure; and that
6 housing counseling therefore also reduces the volume of matters
7 which burden the court system in this State and allows the
8 courts to more efficiently handle the burden of foreclosure
9 cases.

10 (735 ILCS 5/15-1200.5 new)

11 Sec. 15-1200.5. Abandoned residential property. "Abandoned
12 residential property" means residential real estate that:

13 (a) either:

14 (1) is not occupied by any mortgagor or lawful occupant
15 as a principal residence; or

16 (2) contains an incomplete structure if the real estate
17 is zoned for residential development, where the structure
18 is empty or otherwise uninhabited and is in need of
19 maintenance, repair, or securing; and

20 (b) with respect to which either:

21 (1) two or more of the following conditions are shown
22 to exist:

23 (A) construction was initiated on the property and
24 was discontinued prior to completion, leaving a
25 building unsuitable for occupancy, and no construction

1 has taken place for at least 6 months;

2 (B) multiple windows on the property are boarded up
3 or closed off or are smashed through, broken off, or
4 unhinged, or multiple window panes are broken and
5 unrepaired;

6 (C) doors on the property are smashed through,
7 broken off, unhinged, or continuously unlocked;

8 (D) the property has been stripped of copper or
9 other materials, or interior fixtures to the property
10 have been removed;

11 (E) gas, electrical, or water services to the
12 entire property have been terminated;

13 (F) there exist one or more written statements of
14 the mortgagor or the mortgagor's personal
15 representative or assigns, including documents of
16 conveyance, which indicate a clear intent to abandon
17 the property;

18 (G) law enforcement officials have received at
19 least one report of trespassing or vandalism or other
20 illegal acts being committed at the property in the
21 last 6 months;

22 (H) the property has been declared unfit for
23 occupancy and ordered to remain vacant and unoccupied
24 under an order issued by a municipal or county
25 authority or a court of competent jurisdiction;

26 (I) the local police, fire, or code enforcement

1 authority has requested the owner or other interested
2 or authorized party to secure or winterize the property
3 due to the local authority declaring the property to be
4 an imminent danger to the health, safety, and welfare
5 of the public;

6 (J) the property is open and unprotected and in
7 reasonable danger of significant damage due to
8 exposure to the elements, vandalism, or freezing; or

9 (K) there exists other evidence indicating a clear
10 intent to abandon the property; or

11 (2) the real estate is zoned for residential
12 development and is a vacant lot that is in need of
13 maintenance, repair, or securing.

14 (735 ILCS 5/15-1200.7 new)

15 Sec. 15-1200.7. Abandoned residential property;
16 exceptions. A property shall not be considered abandoned
17 residential property if: (i) there is an unoccupied building
18 which is undergoing construction, renovation, or
19 rehabilitation that is proceeding diligently to completion,
20 and the building is in substantial compliance with all
21 applicable ordinances, codes, regulations, and laws; (ii)
22 there is a building occupied on a seasonal basis, but otherwise
23 secure; (iii) there is a secure building on which there are
24 bona fide rental or sale signs; (iv) there is a building that
25 is secure, but is the subject of a probate action, action to

1 quiet title, or other ownership dispute; or (v) there is a
2 building that is otherwise secure and in substantial compliance
3 with all applicable ordinances, codes, regulations, and laws.

4 (735 ILCS 5/15-1219) (from Ch. 110, par. 15-1219)

5 Sec. 15-1219. Residential Real Estate. "Residential real
6 estate" means any real estate, except a single tract of
7 agricultural real estate consisting of more than 40 acres,
8 which is improved with a single family residence or residential
9 condominium units or a multiple dwelling structure containing
10 single family dwelling units for six or fewer families living
11 independently of each other, which residence, or at least one
12 of which condominium or dwelling units, is occupied as a
13 principal residence either (i) if a mortgagor is an individual,
14 by that mortgagor, that mortgagor's spouse or that mortgagor's
15 descendants, or (ii) if a mortgagor is a trustee of a trust or
16 an executor or administrator of an estate, by a beneficiary of
17 that trust or estate or by such beneficiary's spouse or
18 descendants or (iii) if a mortgagor is a corporation, by
19 persons owning collectively at least 50 percent of the shares
20 of voting stock of such corporation or by a spouse or
21 descendants of such persons. The use of a portion of
22 residential real estate for non-residential purposes shall not
23 affect the characterization of such real estate as residential
24 real estate. For purposes of the definition of the term
25 "abandoned residential property" in Section 15-1200.5 of this

1 Article, "abandoned residential property" shall not include
2 the requirement that the real estate be occupied, or if zoned
3 for residential development, improved with a dwelling
4 structure.

5 (Source: P.A. 85-907.)

6 (735 ILCS 5/15-1503) (from Ch. 110, par. 15-1503)

7 Sec. 15-1503. Notice of Foreclosure.

8 (a) A notice of foreclosure, whether the foreclosure is
9 initiated by complaint or counterclaim, made in accordance with
10 this Section and recorded in the county in which the mortgaged
11 real estate is located shall be constructive notice of the
12 pendency of the foreclosure to every person claiming an
13 interest in or lien on the mortgaged real estate, whose
14 interest or lien has not been recorded prior to the recording
15 of such notice of foreclosure. Such notice of foreclosure must
16 be executed by any party or any party's attorney and shall
17 include (i) the names of all plaintiffs and the case number,
18 (ii) the court in which the action was brought, (iii) the names
19 of title holders of record, (iv) a legal description of the
20 real estate sufficient to identify it with reasonable
21 certainty, (v) a common address or description of the location
22 of the real estate and (vi) identification of the mortgage
23 sought to be foreclosed. An incorrect common address or
24 description of the location, or an immaterial error in the
25 identification of a plaintiff or title holder of record, shall

1 not invalidate the lis pendens effect of the notice under this
2 Section. A notice which complies with this Section shall be
3 deemed to comply with Section 2-1901 of the Code of Civil
4 Procedure and shall have the same effect as a notice filed
5 pursuant to that Section; however, a notice which complies with
6 Section 2-1901 shall not be constructive notice unless it also
7 complies with the requirements of this Section.

8 (b) With respect to residential real estate, a copy of the
9 notice of foreclosure described in subsection (a) of Section
10 15-1503 shall be sent by first class mail, postage prepaid, to
11 the municipality within the boundary of which the mortgaged
12 real estate is located, or to the county within the boundary of
13 which the mortgaged real estate is located if the mortgaged
14 real estate is located in an unincorporated territory. A
15 municipality or county must clearly publish on its website a
16 single address to which such notice shall be sent. If a
17 municipality or county does not maintain a website, then the
18 municipality or county must publicly post in its main office a
19 single address to which such notice shall be sent. In the event
20 that a municipality or county has not complied with the
21 publication requirement in this subsection (b), then the copy
22 of the ~~such~~ notice to the municipality or county shall be sent
23 by first class mail, postage prepaid, to the chairperson of the
24 county board or county clerk in the case of a county, to the
25 mayor or city clerk in the case of a city, to the president of
26 the board of trustees or village clerk in the case of a

1 village, or to the president or town clerk in the case of a
2 town ~~provided pursuant to Section 2-211 of the Code of Civil~~
3 Procedure. Additionally, if the real estate is located in a
4 city with a population of more than 2,000,000, regardless of
5 whether that city has complied with the publication requirement
6 in this subsection (b), the party must, within 10 days after
7 filing the complaint or counterclaim: (i) send by first class
8 mail, postage prepaid, a copy of the notice of foreclosure to
9 the alderman for the ward in which the real estate is located
10 and (ii) file an affidavit with the court attesting to the fact
11 that the notice was sent to the alderman for the ward in which
12 the real estate is located. The failure to send a copy of the
13 notice to the alderman or to file an affidavit as required
14 results in the dismissal without prejudice of the complaint or
15 counterclaim on a motion of a party or the court. If, after the
16 complaint or counterclaim has been dismissed without
17 prejudice, the party refiles the complaint or counterclaim,
18 then the party must again comply with the requirements that the
19 party send by first class mail, postage prepaid, the notice to
20 the alderman for the ward in which the real estate is located
21 and file an affidavit attesting to the fact that the notice was
22 sent.

23 (Source: P.A. 96-856, eff. 3-1-10.)

24 (735 ILCS 5/15-1504) (from Ch. 110, par. 15-1504)

25 Sec. 15-1504. Pleadings and service.

1 (a) Form of Complaint. A foreclosure complaint may be in
2 substantially the following form:

3 (1) Plaintiff files this complaint to foreclose the
4 mortgage (or other conveyance in the nature of a mortgage)
5 (hereinafter called "mortgage") hereinafter described and
6 joins the following person as defendants: (here insert
7 names of all defendants).

8 (2) Attached as Exhibit "A" is a copy of the mortgage
9 and as Exhibit "B" is a copy of the note secured thereby.

10 (3) Information concerning mortgage:

11 (A) Nature of instrument: (here insert whether a
12 mortgage, trust deed or other instrument in the nature
13 of a mortgage, etc.)

14 (B) Date of mortgage:

15 (C) Name of mortgagor:

16 (D) Name of mortgagee:

17 (E) Date and place of recording:

18 (F) Identification of recording: (here insert book
19 and page number or document number)

20 (G) Interest subject to the mortgage: (here insert
21 whether fee simple, estate for years, undivided
22 interest, etc.)

23 (H) Amount of original indebtedness, including
24 subsequent advances made under the mortgage:

25 (I) Both the legal description of the mortgaged
26 real estate and the common address or other information

1 sufficient to identify it with reasonable certainty:

2 (J) Statement as to defaults, including, but not
3 necessarily limited to, date of default, current
4 unpaid principal balance, per diem interest accruing,
5 and any further information concerning the default:

6 (K) Name of present owner of the real estate:

7 (L) Names of other persons who are joined as
8 defendants and whose interest in or lien on the
9 mortgaged real estate is sought to be terminated:

10 (M) Names of defendants claimed to be personally
11 liable for deficiency, if any:

12 (N) Capacity in which plaintiff brings this
13 foreclosure (here indicate whether plaintiff is the
14 legal holder of the indebtedness, a pledgee, an agent,
15 the trustee under a trust deed or otherwise, as
16 appropriate):

17 (O) Facts in support of redemption period shorter
18 than the longer of (i) 7 months from the date the
19 mortgagor or, if more than one, all the mortgagors (I)
20 have been served with summons or by publication or (II)
21 have otherwise submitted to the jurisdiction of the
22 court, or (ii) 3 months from the entry of the judgment
23 of foreclosure, if sought (here indicate whether based
24 upon the real estate not being residential, ~~7~~
25 ~~abandonment~~, or real estate value less than 90% of
26 amount owed, etc.):

1 (P) Statement that the right of redemption has been
2 waived by all owners of redemption, if applicable:

3 (Q) Facts in support of request for attorneys' fees
4 and of costs and expenses, if applicable:

5 (R) Facts in support of a request for appointment
6 of mortgagee in possession or for appointment of
7 receiver, and identity of such receiver, if sought:

8 (S) Offer to mortgagor in accordance with Section
9 15-1402 to accept title to the real estate in
10 satisfaction of all indebtedness and obligations
11 secured by the mortgage without judicial sale, if
12 sought:

13 (T) Name or names of defendants whose right to
14 possess the mortgaged real estate, after the
15 confirmation of a foreclosure sale, is sought to be
16 terminated and, if not elsewhere stated, the facts in
17 support thereof:

18 REQUEST FOR RELIEF

19 Plaintiff requests:

20 (i) A judgment of foreclosure and sale.

21 (ii) An order granting a shortened redemption period,
22 if sought.

23 (iii) A personal judgment for a deficiency, if sought.

24 (iv) An order granting possession, if sought.

25 (v) An order placing the mortgagee in possession or

1 appointing a receiver, if sought.

2 (vi) A judgment for attorneys' fees, costs and
3 expenses, if sought.

4 (b) Required Information. A foreclosure complaint need
5 contain only such statements and requests called for by the
6 form set forth in subsection (a) of Section 15-1504 as may be
7 appropriate for the relief sought. Such complaint may be filed
8 as a counterclaim, may be joined with other counts or may
9 include in the same count additional matters or a request for
10 any additional relief permitted by Article II of the Code of
11 Civil Procedure.

12 (c) Allegations. The statements contained in a complaint in
13 the form set forth in subsection (a) of Section 15-1504 are
14 deemed and construed to include allegations as follows:

15 (1) that, on the date indicated, the obligor of the
16 indebtedness or other obligations secured by the mortgage
17 was justly indebted in the amount of the indicated original
18 indebtedness to the original mortgagee or payee of the
19 mortgage note;

20 (2) that the exhibits attached are true and correct
21 copies of the mortgage and note and are incorporated and
22 made a part of the complaint by express reference;

23 (3) that the mortgagor was at the date indicated an
24 owner of the interest in the real estate described in the
25 complaint and that as of that date made, executed and
26 delivered the mortgage as security for the note or other

1 obligations;

2 (4) that the mortgage was recorded in the county in
3 which the mortgaged real estate is located, on the date
4 indicated, in the book and page or as the document number
5 indicated;

6 (5) that defaults occurred as indicated;

7 (6) that at the time of the filing of the complaint the
8 persons named as present owners are the owners of the
9 indicated interests in and to the real estate described;

10 (7) that the mortgage constitutes a valid, prior and
11 paramount lien upon the indicated interest in the mortgaged
12 real estate, which lien is prior and superior to the right,
13 title, interest, claim or lien of all parties and nonrecord
14 claimants whose interests in the mortgaged real estate are
15 sought to be terminated;

16 (8) that by reason of the defaults alleged, if the
17 indebtedness has not matured by its terms, the same has
18 become due by the exercise, by the plaintiff or other
19 persons having such power, of a right or power to declare
20 immediately due and payable the whole of all indebtedness
21 secured by the mortgage;

22 (9) that any and all notices of default or election to
23 declare the indebtedness due and payable or other notices
24 required to be given have been duly and properly given;

25 (10) that any and all periods of grace or other period
26 of time allowed for the performance of the covenants or

1 conditions claimed to be breached or for the curing of any
2 breaches have expired;

3 (11) that the amounts indicated in the statement in the
4 complaint are correctly stated and if such statement
5 indicates any advances made or to be made by the plaintiff
6 or owner of the mortgage indebtedness, that such advances
7 were, in fact, made or will be required to be made, and
8 under and by virtue of the mortgage the same constitute
9 additional indebtedness secured by the mortgage; and

10 (12) that, upon confirmation of the sale, the holder of
11 the certificate of sale or deed issued pursuant to that
12 certificate or, if no certificate or deed was issued, the
13 purchaser at the sale will be entitled to full possession
14 of the mortgaged real estate against the parties named in
15 clause (T) of paragraph (3) of subsection (a) of Section
16 15-1504 or elsewhere to the same effect; the omission of
17 any party indicates that plaintiff will not seek a
18 possessory order in the order confirming sale unless the
19 request is subsequently made under subsection (h) of
20 Section 15-1701 or by separate action under Article 9 of
21 this Code.

22 (d) Request for Fees and Costs. A statement in the
23 complaint that plaintiff seeks the inclusion of attorneys' fees
24 and of costs and expenses shall be deemed and construed to
25 include allegations that:

26 (1) plaintiff has been compelled to employ and retain

1 attorneys to prepare and file the complaint and to
2 represent and advise the plaintiff in the foreclosure of
3 the mortgage and the plaintiff will thereby become liable
4 for the usual, reasonable and customary fees of the
5 attorneys in that behalf;

6 (2) ~~that~~ the plaintiff has been compelled to advance or
7 will be compelled to advance, various sums of money in
8 payment of costs, fees, expenses and disbursements
9 incurred in connection with the foreclosure, including,
10 without limiting the generality of the foregoing, filing
11 fees, stenographer's fees, witness fees, costs of
12 publication, costs of procuring and preparing documentary
13 evidence and costs of procuring abstracts of title, Torrens
14 certificates, foreclosure minutes and a title insurance
15 policy;

16 (3) ~~that~~ under the terms of the mortgage, all such
17 advances, costs, attorneys' fees and other fees, expenses
18 and disbursements are made a lien upon the mortgaged real
19 estate and the plaintiff is entitled to recover all such
20 advances, costs, attorneys' fees, expenses and
21 disbursements, together with interest on all advances at
22 the rate provided in the mortgage, or, if no rate is
23 provided therein, at the statutory judgment rate, from the
24 date on which such advances are made;

25 (4) ~~that~~ in order to protect the lien of the mortgage,
26 it may become necessary for plaintiff to pay taxes and

1 assessments which have been or may be levied upon the
2 mortgaged real estate;

3 (5) ~~that~~ in order to protect and preserve the mortgaged
4 real estate, it may also become necessary for the plaintiff
5 to pay liability (protecting mortgagor and mortgagee),
6 fire and other hazard insurance premiums on the mortgaged
7 real estate, make such repairs to the mortgaged real estate
8 as may reasonably be deemed necessary for the proper
9 preservation thereof, advance for costs to inspect the
10 mortgaged real estate or to appraise it, or both, and
11 advance for premiums for pre-existing private or
12 governmental mortgage insurance to the extent required
13 after a foreclosure is commenced in order to keep such
14 insurance in force; and

15 (6) ~~that~~ under the terms of the mortgage, any money so
16 paid or expended will become an additional indebtedness
17 secured by the mortgage and will bear interest from the
18 date such monies are advanced at the rate provided in the
19 mortgage, or, if no rate is provided, at the statutory
20 judgment rate.

21 (e) Request for Foreclosure. The request for foreclosure is
22 deemed and construed to mean that the plaintiff requests that:

23 (1) an accounting may be taken under the direction of
24 the court of the amounts due and owing to the plaintiff;

25 (2) ~~that~~ the defendants be ordered to pay to the
26 plaintiff before expiration of any redemption period (or,

1 if no redemption period, before a short date fixed by the
2 court) whatever sums may appear to be due upon the taking
3 of such account, together with attorneys' fees and costs of
4 the proceedings (to the extent provided in the mortgage or
5 by law);

6 (3) ~~that~~ in default of such payment in accordance with
7 the judgment, the mortgaged real estate be sold as directed
8 by the court, to satisfy the amount due to the plaintiff as
9 set forth in the judgment, together with the interest
10 thereon at the statutory judgment rate from the date of the
11 judgment;

12 (4) ~~that~~ in the event the plaintiff is a purchaser of
13 the mortgaged real estate at such sale, the plaintiff may
14 offset against the purchase price of such real estate the
15 amounts due under the judgment of foreclosure and order
16 confirming the sale;

17 (5) ~~that~~ in the event of such sale and the failure of
18 any person entitled thereto to redeem prior to such sale
19 pursuant to this Article, the defendants made parties to
20 the foreclosure in accordance with this Article, and all
21 nonrecord claimants given notice of the foreclosure in
22 accordance with this Article, and all persons claiming by,
23 through or under them, and each and any and all of them,
24 may be forever barred and foreclosed of any right, title,
25 interest, claim, lien, or right to redeem in and to the
26 mortgaged real estate; and

1 (6) ~~that~~ if no redemption is made prior to such sale, a
2 deed may be issued to the purchaser thereat according to
3 law and such purchaser be let into possession of the
4 mortgaged real estate in accordance with Part 17 of this
5 Article.

6 (f) Request for Deficiency Judgment. A request for a
7 personal judgment for a deficiency in a foreclosure complaint
8 if the sale of the mortgaged real estate fails to produce a
9 sufficient amount to pay the amount found due, the plaintiff
10 may have a personal judgment against any party in the
11 foreclosure indicated as being personally liable therefor and
12 the enforcement thereof be had as provided by law.

13 (g) Request for Possession or Receiver. A request for
14 possession or appointment of a receiver has the meaning as
15 stated in subsection (b) of Section 15-1706.

16 (h) Answers by Parties. Any party may assert its interest
17 by counterclaim and such counterclaim may at the option of that
18 party stand in lieu of answer to the complaint for foreclosure
19 and all counter complaints previously or thereafter filed in
20 the foreclosure. Any such counterclaim shall be deemed to
21 constitute a statement that the counter claimant does not have
22 sufficient knowledge to form a belief as to the truth or
23 falsity of the allegations of the complaint and all other
24 counterclaims, except to the extent that the counterclaim
25 admits or specifically denies such allegations.

26 (Source: P.A. 91-357, eff. 7-29-99; revised 8-3-12.)

1 (735 ILCS 5/15-1504.1)

2 Sec. 15-1504.1. Filing fee for Foreclosure Prevention
3 Program Fund and Abandoned Residential Property Municipality
4 Relief Fund.

5 (a) Fee paid by all plaintiffs with respect to residential
6 real estate. With respect to residential real estate, at the
7 time of the filing of a foreclosure complaint, the plaintiff
8 shall pay to the clerk of the court in which the foreclosure
9 complaint is filed a fee of \$50 for deposit into the
10 Foreclosure Prevention Program Fund, a special fund created in
11 the State treasury. The clerk shall remit the fee collected
12 pursuant to this subsection (a) to the State Treasurer ~~as~~
13 ~~provided in this Section~~ to be expended for the purposes set
14 forth in Section 7.30 of the Illinois Housing Development Act.
15 All fees paid by plaintiffs to the clerk of the court as
16 provided in this subsection (a) ~~Section~~ shall be disbursed
17 within 60 days after receipt by the clerk of the court as
18 follows: (i) 98% to the State Treasurer for deposit into the
19 Foreclosure Prevention Program Fund, and (ii) 2% to the clerk
20 of the court for administrative expenses related to
21 implementation of this subsection (a) ~~Section~~. Notwithstanding
22 any other law to the contrary, the Foreclosure Prevention
23 Program Fund is not subject to sweeps, administrative
24 charge-backs, or any other fiscal maneuver that would in any
25 way transfer any amounts from the Foreclosure Prevention

1 Program Fund into any other fund of the State.

2 (a-5) Additional fee paid by plaintiffs with respect to
3 residential real estate.

4 (1) Until January 1, 2018, with respect to residential
5 real estate, at the time of the filing of a foreclosure
6 complaint and in addition to the fee set forth in
7 subsection (a) of this Section, the plaintiff shall pay to
8 the clerk of the court in which the foreclosure complaint
9 is filed a fee for the Foreclosure Prevention Program Fund
10 and the Abandoned Residential Property Municipality Relief
11 Fund as follows:

12 (A) The fee shall be \$500 if:

13 (i) the plaintiff, together with its
14 affiliates, has filed a sufficient number of
15 foreclosure complaints so as to be included in the
16 first tier foreclosure filing category and is
17 filing the complaint on its own behalf as the
18 holder of the indebtedness; or

19 (ii) the plaintiff, together with its
20 affiliates, has filed a sufficient number of
21 foreclosure complaints so as to be included in the
22 first tier foreclosure filing category and is
23 filing the complaint on behalf of a mortgagee that,
24 together with its affiliates, has filed a
25 sufficient number of foreclosure complaints so as
26 to be included in the first tier foreclosure filing

1 category; or

2 (iii) the plaintiff is not a depository
3 institution and is filing the complaint on behalf
4 of a mortgagee that, together with its affiliates,
5 has filed a sufficient number of foreclosure
6 complaints so as to be included in the first tier
7 foreclosure filing category.

8 (B) The fee shall be \$250 if:

9 (i) the plaintiff, together with its
10 affiliates, has filed a sufficient number of
11 foreclosure complaints so as to be included in the
12 second tier foreclosure filing category and is
13 filing the complaint on its own behalf as the
14 holder of the indebtedness; or

15 (ii) the plaintiff, together with its
16 affiliates, has filed a sufficient number of
17 foreclosure complaints so as to be included in the
18 first or second tier foreclosure filing category
19 and is filing the complaint on behalf of a
20 mortgagee that, together with its affiliates, has
21 filed a sufficient number of foreclosure
22 complaints so as to be included in the second tier
23 foreclosure filing category; or

24 (iii) the plaintiff, together with its
25 affiliates, has filed a sufficient number of
26 foreclosure complaints so as to be included in the

1 second tier foreclosure filing category and is
2 filing the complaint on behalf of a mortgagee that,
3 together with its affiliates, has filed a
4 sufficient number of foreclosure complaints so as
5 to be included in the first tier foreclosure filing
6 category; or

7 (iv) the plaintiff is not a depository
8 institution and is filing the complaint on behalf
9 of a mortgagee that, together with its affiliates,
10 has filed a sufficient number of foreclosure
11 complaints so as to be included in the second tier
12 foreclosure filing category.

13 (C) The fee shall be \$50 if:

14 (i) the plaintiff, together with its
15 affiliates, has filed a sufficient number of
16 foreclosure complaints so as to be included in the
17 third tier foreclosure filing category and is
18 filing the complaint on its own behalf as the
19 holder of the indebtedness; or

20 (ii) the plaintiff, together with its
21 affiliates, has filed a sufficient number of
22 foreclosure complaints so as to be included in the
23 first, second, or third tier foreclosure filing
24 category and is filing the complaint on behalf of a
25 mortgagee that, together with its affiliates, has
26 filed a sufficient number of foreclosure

1 complaints so as to be included in the third tier
2 foreclosure filing category; or

3 (iii) the plaintiff, together with its
4 affiliates, has filed a sufficient number of
5 foreclosure complaints so as to be included in the
6 third tier foreclosure filing category and is
7 filing the complaint on behalf of a mortgagee that,
8 together with its affiliates, has filed a
9 sufficient number of foreclosure complaints so as
10 to be included in the first tier foreclosure filing
11 category; or

12 (iv) the plaintiff, together with its
13 affiliates, has filed a sufficient number of
14 foreclosure complaints so as to be included in the
15 third tier foreclosure filing category and is
16 filing the complaint on behalf of a mortgagee that,
17 together with its affiliates, has filed a
18 sufficient number of foreclosure complaints so as
19 to be included in the second tier foreclosure
20 filing category; or

21 (v) the plaintiff is not a depository
22 institution and is filing the complaint on behalf
23 of a mortgagee that, together with its affiliates,
24 has filed a sufficient number of foreclosure
25 complaints so as to be included in the third tier
26 foreclosure filing category.

1 (2) The clerk shall remit the fee collected pursuant to
2 paragraph (1) of this subsection (a-5) to the State
3 Treasurer to be expended for the purposes set forth in
4 Sections 7.30 and 7.31 of the Illinois Housing Development
5 Act and for administrative expenses. All fees paid by
6 plaintiffs to the clerk of the court as provided in
7 paragraph (1) shall be disbursed within 60 days after
8 receipt by the clerk of the court as follows:

9 (A) 28% to the State Treasurer for deposit into the
10 Foreclosure Prevention Program Fund;

11 (B) 70% to the State Treasurer for deposit into the
12 Abandoned Residential Property Municipality Relief
13 Fund; and

14 (C) 2% to the clerk of the court for administrative
15 expenses related to implementation of this subsection
16 (a-5).

17 (3) To determine whether a plaintiff is subject to the
18 fee as set forth in paragraph (1) of this subsection (a-5),
19 a person, including the clerk of the court, may rely on:

20 (A) a verified statement filed by the plaintiff at
21 the time of filing the foreclosure complaint that
22 states whether the plaintiff has an obligation to pay
23 an additional fee as set forth in subsection (a-5) and
24 if so whether the fee is due under subparagraph (A),
25 (B), or (C) of paragraph (1) of subsection (a-5); or

26 (B) such other processes established by the clerk

1 of the court for plaintiffs to certify their
2 eligibility for the exemption from the additional fee
3 set forth in subsection (a-5).

4 (4) This subsection (a-5) is inoperative on and after
5 January 1, 2018.

6 (b) Not later than March 1 of each year, the clerk of the
7 court shall submit to the Illinois Housing Development
8 Authority a report of the funds collected and remitted pursuant
9 to this Section during the preceding year.

10 (c) As used in this Section:

11 "Affiliate" means any company that controls, is controlled
12 by, or is under common control with another company.

13 "Approved counseling agency" and "approved housing
14 counseling" have the meanings ascribed to those terms in
15 Section 7.30 of the Illinois Housing Development Act.

16 "Depository institution" means a bank, savings bank,
17 savings and loan association, or credit union chartered,
18 organized, or holding a certificate of authority to do business
19 under the laws of this State, another state, or the United
20 States.

21 "First tier foreclosure filing category" is a
22 classification that only applies to a plaintiff that has filed
23 175 or more foreclosure complaints on residential real estate
24 located in Illinois during the calendar year immediately
25 preceding the date of the filing of the subject foreclosure
26 complaint.

1 "Second tier foreclosure filing category" is a
2 classification that only applies to a plaintiff that has filed
3 at least 50, but no more than 174, foreclosure complaints on
4 residential real estate located in Illinois during the calendar
5 year immediately preceding the date of the filing of the
6 subject foreclosure complaint.

7 "Third tier foreclosure filing category" is a
8 classification that only applies to a plaintiff that has filed
9 no more than 49 foreclosure complaints on residential real
10 estate located in Illinois during the calendar year immediately
11 preceding the date of the filing of the subject foreclosure
12 complaint.

13 (d) In no instance shall the fee set forth in subsection
14 (a-5) be assessed for any foreclosure complaint filed before
15 the effective date of this amendatory Act of the 97th General
16 Assembly.

17 (e) Notwithstanding any other law to the contrary, the
18 Abandoned Residential Property Municipality Relief Fund is not
19 subject to sweeps, administrative charge-backs, or any other
20 fiscal maneuver that would in any way transfer any amounts from
21 the Abandoned Residential Property Municipality Relief Fund
22 into any other fund of the State.

23 (Source: P.A. 96-1419, eff. 10-1-10; 97-333, eff. 8-12-11.)

24 (735 ILCS 5/15-1505.8 new)

25 Sec. 15-1505.8. Expedited judgment and sale procedure for

1 abandoned residential property.

2 (a) Upon motion and notice, the mortgagee may elect to
3 utilize the expedited judgment and sale procedure for abandoned
4 residential property stated in this Section to obtain a
5 judgment of foreclosure pursuant to Section 15-1506. The motion
6 to expedite the judgment and sale may be combined with or made
7 part of the motion requesting a judgment of foreclosure. The
8 notice of the motion to expedite the judgment and sale shall be
9 sent by first-class mail to the last known address of the
10 mortgagor, and the notice required by paragraph (1) of
11 subsection (1) of this Section shall be posted at the property
12 address.

13 (b) The motion requesting an expedited judgment of
14 foreclosure and sale may be filed by the mortgagee at the time
15 the foreclosure complaint is filed or any time thereafter, and
16 shall set forth the facts demonstrating that the mortgaged real
17 estate is abandoned residential real estate under Section
18 15-1200.5 and shall be supported by affidavit.

19 (c) If a motion for an expedited judgment and sale is filed
20 at the time the foreclosure complaint is filed or before the
21 period to answer the foreclosure complaint has expired, the
22 motion shall be heard by the court no earlier than before the
23 period to answer the foreclosure complaint has expired and no
24 later than 15 days after the period to answer the foreclosure
25 complaint has expired.

26 (d) If a motion for an expedited judgment and sale is filed

1 after the period to answer the foreclosure complaint has
2 expired, the motion shall be heard no later than 15 days after
3 the motion is filed.

4 (e) The hearing shall be given priority by the court and
5 shall be scheduled to be heard within the applicable time
6 period set forth in subsection (c) or (d) of this Section.

7 (f) Subject to subsection (g), at the hearing on the motion
8 requesting an expedited judgment and sale, if the court finds
9 that the mortgaged real estate is abandoned residential
10 property, the court shall grant the motion and immediately
11 proceed to a trial of the foreclosure. A judgment of
12 foreclosure under this Section shall include the matters
13 identified in Section 15-1506.

14 (g) The court may not grant the motion requesting an
15 expedited judgment and sale if the mortgagor, an unknown owner,
16 or a lawful occupant appears in the action in any manner before
17 or at the hearing and objects to a finding of abandonment.

18 (h) The court shall vacate an order issued pursuant to
19 subsection (f) of this Section if the mortgagor or a lawful
20 occupant appears in the action at any time prior to the court
21 issuing an order confirming the sale pursuant to subsection
22 (b-3) of Section 15-1508 and presents evidence establishing to
23 the satisfaction of the court that the mortgagor or lawful
24 occupant has not abandoned the mortgaged real estate.

25 (i) The reinstatement period and redemption period for the
26 abandoned residential property shall end in accordance with

1 paragraph (4) of subsection (b) of Section 15-1603, and the
2 abandoned residential property shall be sold at the earliest
3 practicable time at a sale as provided in this Article.

4 (j) The mortgagee or its agent may enter, secure, and
5 maintain abandoned residential property subject to subsection
6 (e-5) of Section 21-3 of the Criminal Code of 2012.

7 (k) Personal property.

8 (1) Upon confirmation of the sale held pursuant to
9 Section 15-1507, any personal property remaining in or upon
10 the abandoned residential property shall be deemed to have
11 been abandoned by the owner of such personal property and
12 may be disposed of or donated by the holder of the
13 certificate of sale (or, if none, by the purchaser at the
14 sale). In the event of donation of any such personal
15 property, the holder of the certificate of sale (or, if
16 none, the purchaser at the sale) may transfer such donated
17 property with a bill of sale. No mortgagee or its
18 successors or assigns, holder of a certificate of sale, or
19 purchaser at the sale shall be liable for any such disposal
20 or donation of personal property.

21 (2) Notwithstanding paragraph (1) of this subsection
22 (k), in the event a lawful occupant is in possession of the
23 mortgaged real estate who has not been made a party to the
24 foreclosure and had his or her interests terminated
25 therein, any personal property of the lawful occupant shall
26 not be deemed to have been abandoned, nor shall the rights

1 of the lawful occupant to any personal property be
2 affected.

3 (1) Notices to be posted at property address.

4 (1) The notice set out in this paragraph (1) of this
5 subsection (1) shall be conspicuously posted at the
6 property address at least 14 days before the hearing on the
7 motion requesting an expedited judgment and sale and shall
8 be in boldface, in at least 12 point type, and in
9 substantially the following form:

10 "NOTICE TO ANY TENANT OR OTHER LAWFUL
11 OCCUPANT OF THIS PROPERTY

12 A lawsuit has been filed to foreclose on this property, and the
13 party asking to foreclose on this property has asked a judge to
14 find that THIS PROPERTY IS ABANDONED.

15 The judge will be holding a hearing to decide whether this
16 property is ABANDONED.

17 IF YOU LAWFULLY OCCUPY ANY PART OF THIS PROPERTY, YOU MAY
18 CHOOSE TO GO TO THIS HEARING and explain to the judge how you
19 are a lawful occupant of this property.

20 If the judge is satisfied that you are a LAWFUL OCCUPANT of
21 this property, the court will find that this property is NOT

1 ABANDONED.

2 This hearing will be held in the courthouse at the following
3 address, date, and time:

4 Court name:

5 Court address:

6 Court room number where hearing will be held:

7 (There should be a person in this room called a CLERK who can
8 help you. Make sure you know THIS PROPERTY'S ADDRESS.)

9 Date of hearing:

10 Time of hearing:

11 MORE INFORMATION

12 Name of lawsuit:

13 Number of lawsuit:

14 Address of this property:

15 IMPORTANT

16 This is NOT a notice to vacate the premises. You may wish to
17 contact a lawyer or your local legal aid or housing counseling
18 agency to discuss any rights that you may have.

19 WARNING

1 INTENTIONAL REMOVAL OF THIS NOTICE BEFORE THE DATE AND TIME
2 STATED IN THIS NOTICE IS A CLASS B MISDEMEANOR, PUNISHABLE BY
3 UP TO 180 DAYS IN JAIL AND A FINE OF UP TO \$1500, UNDER ILLINOIS
4 LAW. 720 ILCS 5/21-3(a).

5 NO TRESPASSING

6 KNOWINGLY ENTERING THIS PROPERTY WITHOUT LAWFUL AUTHORITY IS A
7 CLASS B MISDEMEANOR, PUNISHABLE BY UP TO 180 DAYS IN JAIL AND A
8 FINE OF UP TO \$1500, UNDER ILLINOIS LAW. 720 ILCS 5/21-3(a)."

9 (2) The notice set out in this paragraph (2) of this
10 subsection (1) shall be conspicuously posted at the
11 property address at least 14 days before the hearing to
12 confirm the sale of the abandoned residential property and
13 shall be in boldface, in at least 12 point type, and in
14 substantially the following form:

15 "NOTICE TO ANY TENANT OR OTHER LAWFUL

16 OCCUPANT OF THIS PROPERTY

17 A lawsuit has been filed to foreclose on this property, and the
18 judge has found that THIS PROPERTY IS ABANDONED. As a result,
19 THIS PROPERTY HAS BEEN OR WILL BE SOLD.

20 HOWEVER, there still must be a hearing for the judge to approve

1 the sale. The judge will NOT APPROVE this sale if the judge
2 finds that any person lawfully occupies any part of this
3 property.

4 IF YOU LAWFULLY OCCUPY ANY PART OF THIS PROPERTY, YOU MAY
5 CHOOSE TO GO TO THIS HEARING and explain to the judge how you
6 are a lawful occupant of this property. You also may appear
7 BEFORE this hearing and explain to the judge how you are a
8 lawful occupant of this property.

9 If the judge is satisfied that you are a LAWFUL OCCUPANT of
10 this property, the court will find that this property is NOT
11 ABANDONED, and there will be no sale of the property at this
12 time.

13 This hearing will be held in the courthouse at the following
14 address, date, and time:

15 Court name:

16 Court address:

17 Court room number where hearing will be held:

18 (There should be a person in this room called a CLERK who can
19 help you. Make sure you know THIS PROPERTY'S ADDRESS.)

20 Date of hearing:

21 Time of hearing:

1

MORE INFORMATION

2 Name of lawsuit:

3 Number of lawsuit:

4 Address of this property:

5

IMPORTANT

6 This is NOT a notice to vacate the premises. You may wish to
7 contact a lawyer or your local legal aid or housing counseling
8 agency to discuss any rights that you may have.

9

WARNING

10 INTENTIONAL REMOVAL OF THIS NOTICE BEFORE THE DATE AND TIME
11 STATED IN THIS NOTICE IS A CLASS B MISDEMEANOR, PUNISHABLE BY
12 UP TO 180 DAYS IN JAIL AND A FINE OF UP TO \$1500, UNDER ILLINOIS
13 LAW. 720 ILCS 5/21-3(a).

14

NO TRESPASSING

15 KNOWINGLY ENTERING THIS PROPERTY WITHOUT LAWFUL AUTHORITY IS A
16 CLASS B MISDEMEANOR, PUNISHABLE BY UP TO 180 DAYS IN JAIL AND A
17 FINE OF UP TO \$1500, UNDER ILLINOIS LAW. 720 ILCS 5/21-3(a)."

18

(735 ILCS 5/15-1508) (from Ch. 110, par. 15-1508)

1 Sec. 15-1508. Report of Sale and Confirmation of Sale.

2 (a) Report. The person conducting the sale shall promptly
3 make a report to the court, which report shall include a copy
4 of all receipts and, if any, certificate of sale.

5 (b) Hearing. Upon motion and notice in accordance with
6 court rules applicable to motions generally, which motion shall
7 not be made prior to sale, the court shall conduct a hearing to
8 confirm the sale. Unless the court finds that (i) a notice
9 required in accordance with subsection (c) of Section 15-1507
10 was not given, (ii) the terms of sale were unconscionable,
11 (iii) the sale was conducted fraudulently, or (iv) justice was
12 otherwise not done, the court shall then enter an order
13 confirming the sale. The confirmation order shall include a
14 name, address, and telephone number of the holder of the
15 certificate of sale or deed issued pursuant to that certificate
16 or, if no certificate or deed was issued, the purchaser, whom a
17 municipality or county may contact with concerns about the real
18 estate. The confirmation order may also:

19 (1) approve the mortgagee's fees and costs arising
20 between the entry of the judgment of foreclosure and the
21 confirmation hearing, those costs and fees to be allowable
22 to the same extent as provided in the note and mortgage and
23 in Section 15-1504;

24 (2) provide for a personal judgment against any party
25 for a deficiency; and

26 (3) determine the priority of the judgments of parties

1 who deferred proving the priority pursuant to subsection
2 (h) of Section 15-1506, but the court shall not defer
3 confirming the sale pending the determination of such
4 priority.

5 (b-3) Hearing to confirm sale of abandoned residential
6 property. Upon motion and notice by first-class mail to the
7 last known address of the mortgagor, which motion shall be made
8 prior to the sale and heard by the court at the earliest
9 practicable time after conclusion of the sale, and upon the
10 posting at the property address of the notice required by
11 paragraph (2) of subsection (1) of Section 15-1505.8, the court
12 shall enter an order confirming the sale of the abandoned
13 residential property, unless the court finds that a reason set
14 forth in items (i) through (iv) of subsection (b) of this
15 Section exists for not approving the sale, or an order is
16 entered pursuant to subsection (h) of Section 15-1505.8. The
17 confirmation order also may address the matters identified in
18 items (1) through (3) of subsection (b) of this Section. The
19 notice required under subsection (b-5) of this Section shall
20 not be required.

21 (b-5) Notice with respect to residential real estate. With
22 respect to residential real estate, the notice required under
23 subsection (b) of this Section shall be sent to the mortgagor
24 even if the mortgagor has previously been held in default. In
25 the event the mortgagor has filed an appearance, the notice
26 shall be sent to the address indicated on the appearance. In

1 all other cases, the notice shall be sent to the mortgagor at
2 the common address of the foreclosed property. The notice shall
3 be sent by first class mail. Unless the right to possession has
4 been previously terminated by the court, the notice shall
5 include the following language in 12-point boldface
6 capitalized type:

7 IF YOU ARE THE MORTGAGOR (HOMEOWNER), YOU HAVE THE RIGHT TO
8 REMAIN IN POSSESSION FOR 30 DAYS AFTER ENTRY OF AN ORDER OF
9 POSSESSION, IN ACCORDANCE WITH SECTION 15-1701(c) OF THE
10 ILLINOIS MORTGAGE FORECLOSURE LAW.

11 (b-10) Notice of confirmation order sent to municipality or
12 county. A copy of the confirmation order required under
13 subsection (b) shall be sent to the municipality in which the
14 foreclosed property is located, or to the county within the
15 boundary of which the foreclosed property is located if the
16 foreclosed property is located in an unincorporated territory.
17 A municipality or county must clearly publish on its website a
18 single address to which a copy of the order ~~such notice~~ shall
19 be sent. If a municipality or county does not maintain a
20 website, then the municipality or county must publicly post in
21 its main office a single address to which a copy of the order
22 ~~such notice~~ shall be sent. In the event that a municipality or
23 county has not complied with the publication requirement in
24 this subsection (b-10), then a copy of the order ~~such notice to~~
25 ~~the municipality or county~~ shall be sent by first class mail,
26 postage prepaid, to the chairperson of the county board or

1 county clerk in the case of a county, to the mayor or city
2 clerk in the case of a city, to the president of the board of
3 trustees or village clerk in the case of a village, or to the
4 president or town clerk in the case of a town ~~provided pursuant~~
5 ~~to Section 2-211 of the Code of Civil Procedure.~~

6 (b-15) Notice of confirmation order sent to known insurers.
7 With respect to residential real estate, the party filing the
8 complaint shall send a copy of the confirmation order required
9 under subsection (b) by first class mail, postage prepaid, to
10 the last known property insurer of the foreclosed property.
11 Failure to send or receive a copy of the order shall not impair
12 or abrogate in any way the rights of the mortgagee or purchaser
13 or affect the status of the foreclosure proceedings.

14 (c) Failure to Give Notice. If any sale is held without
15 compliance with subsection (c) of Section 15-1507 of this
16 Article, any party entitled to the notice provided for in
17 paragraph (3) of that subsection (c) who was not so notified
18 may, by motion supported by affidavit made prior to
19 confirmation of such sale, ask the court which entered the
20 judgment to set aside the sale. Any such party shall guarantee
21 or secure by bond a bid equal to the successful bid at the
22 prior sale, unless the party seeking to set aside the sale is
23 the mortgagor, the real estate sold at the sale is residential
24 real estate, and the mortgagor occupies the residential real
25 estate at the time the motion is filed. In that event, no
26 guarantee or bond shall be required of the mortgagor. Any

1 subsequent sale is subject to the same notice requirement as
2 the original sale.

3 (d) Validity of Sale. Except as provided in subsection (c)
4 of Section 15-1508, no sale under this Article shall be held
5 invalid or be set aside because of any defect in the notice
6 thereof or in the publication of the same, or in the
7 proceedings of the officer conducting the sale, except upon
8 good cause shown in a hearing pursuant to subsection (b) of
9 Section 15-1508. At any time after a sale has occurred, any
10 party entitled to notice under paragraph (3) of subsection (c)
11 of Section 15-1507 may recover from the mortgagee any damages
12 caused by the mortgagee's failure to comply with such paragraph
13 (3). Any party who recovers damages in a judicial proceeding
14 brought under this subsection may also recover from the
15 mortgagee the reasonable expenses of litigation, including
16 reasonable attorney's fees.

17 (d-5) Making Home Affordable Program. The court that
18 entered the judgment shall set aside a sale held pursuant to
19 Section 15-1507, upon motion of the mortgagor at any time prior
20 to the confirmation of the sale, if the mortgagor proves by a
21 preponderance of the evidence that (i) the mortgagor has
22 applied for assistance under the Making Home Affordable Program
23 established by the United States Department of the Treasury
24 pursuant to the Emergency Economic Stabilization Act of 2008,
25 as amended by the American Recovery and Reinvestment Act of
26 2009, and (ii) the mortgaged real estate was sold in material

1 violation of the program's requirements for proceeding to a
2 judicial sale. The provisions of this subsection (d-5), except
3 for this sentence, shall become inoperative on January 1, 2013
4 for all actions filed under this Article after December 31,
5 2012, in which the mortgagor did not apply for assistance under
6 the Making Home Affordable Program on or before December 31,
7 2012.

8 (e) Deficiency Judgment. In any order confirming a sale
9 pursuant to the judgment of foreclosure, the court shall also
10 enter a personal judgment for deficiency against any party (i)
11 if otherwise authorized and (ii) to the extent requested in the
12 complaint and proven upon presentation of the report of sale in
13 accordance with Section 15-1508. Except as otherwise provided
14 in this Article, a judgment may be entered for any balance of
15 money that may be found due to the plaintiff, over and above
16 the proceeds of the sale or sales, and enforcement may be had
17 for the collection of such balance, the same as when the
18 judgment is solely for the payment of money. Such judgment may
19 be entered, or enforcement had, only in cases where personal
20 service has been had upon the persons personally liable for the
21 mortgage indebtedness, unless they have entered their
22 appearance in the foreclosure action.

23 (f) Satisfaction. Upon confirmation of the sale, the
24 judgment stands satisfied to the extent of the sale price less
25 expenses and costs. If the order confirming the sale includes a
26 deficiency judgment, the judgment shall become a lien in the

1 manner of any other judgment for the payment of money.

2 (g) The order confirming the sale shall include,
3 notwithstanding any previous orders awarding possession during
4 the pendency of the foreclosure, an award to the purchaser of
5 possession of the mortgaged real estate, as of the date 30 days
6 after the entry of the order, against the parties to the
7 foreclosure whose interests have been terminated.

8 An order of possession authorizing the removal of a person
9 from possession of the mortgaged real estate shall be entered
10 and enforced only against those persons personally named as
11 individuals in the complaint or the petition under subsection
12 (h) of Section 15-1701 and in the order of possession and shall
13 not be entered and enforced against any person who is only
14 generically described as an unknown owner or nonrecord claimant
15 or by another generic designation in the complaint.

16 Notwithstanding the preceding paragraph, the failure to
17 personally name, include, or seek an award of possession of the
18 mortgaged real estate against a person in the confirmation
19 order shall not abrogate any right that the purchaser may have
20 to possession of the mortgaged real estate and to maintain a
21 proceeding against that person for possession under Article 9
22 of this Code or subsection (h) of Section 15-1701; and
23 possession against a person who (1) has not been personally
24 named as a party to the foreclosure and (2) has not been
25 provided an opportunity to be heard in the foreclosure
26 proceeding may be sought only by maintaining a proceeding under

1 Article 9 of this Code or subsection (h) of Section 15-1701.

2 (h) With respect to mortgaged real estate containing 5 or
3 more dwelling units, the order confirming the sale shall also
4 provide that (i) the mortgagor shall transfer to the purchaser
5 the security deposits, if any, that the mortgagor received to
6 secure payment of rent or to compensate for damage to the
7 mortgaged real estate from any current occupant of a dwelling
8 unit of the mortgaged real estate, as well as any statutory
9 interest that has not been paid to the occupant, and (ii) the
10 mortgagor shall provide an accounting of the security deposits
11 that are transferred, including the name and address of each
12 occupant for whom the mortgagor holds the deposit and the
13 amount of the deposit and any statutory interest.

14 (Source: P.A. 96-265, eff. 8-11-09; 96-856, eff. 3-1-10;
15 96-1245, eff. 7-23-10; 97-333, eff. 8-12-11; 97-575, eff.
16 8-26-11.)

17 Section 20. The Conveyances Act is amended by changing
18 Section 11 as follows:

19 (765 ILCS 5/11) (from Ch. 30, par. 10)

20 Sec. 11. (a) Mortgages of lands may be substantially in the
21 following form:

22 The Mortgagor (here insert name or names), mortgages and
23 warrants to (here insert name or names of mortgagee or
24 mortgagees), to secure the payment of (here recite the nature

1 and amount of indebtedness, showing when due and the rate of
2 interest, and whether secured by note or otherwise), the
3 following described real estate (here insert description
4 thereof), situated in the County of, in the State of
5 Illinois.

6 Dated (insert date).

7 (signature of mortgagor or mortgagors)

8 The names of the parties shall be typed or printed below
9 the signatures. Such form shall have a blank space of 3 1/2
10 inches by 3 1/2 inches for use by the recorder. However, the
11 failure to comply with the requirement that the names of the
12 parties be typed or printed below the signatures and that the
13 form have a blank space of 3 1/2 inches by 3 1/2 inches for use
14 by the recorder shall not affect the validity and effect of
15 such form.

16 Such mortgage, when otherwise properly executed, shall be
17 deemed and held a good and sufficient mortgage in fee to secure
18 the payment of the moneys therein specified; and if the same
19 contains the words "and warrants," the same shall be construed
20 the same as if full covenants of ownership, good right to
21 convey against incumbrances of quiet enjoyment and general
22 warranty, as expressed in Section 9 of this Act were fully
23 written therein; but if the words "and warrants" are omitted,
24 no such covenants shall be implied. When the grantor or
25 grantors in such deed or mortgage for the conveyance of any

1 real estate desires to release or waive his, her or their
2 homestead rights therein, they or either of them may release or
3 waive the same by inserting in the form of deed or mortgage (as
4 the case may be), provided in Sections 9, 10 and 11, after the
5 words "State of Illinois," in substance the following words,
6 "hereby releasing and waiving all rights under and by virtue of
7 the homestead exemption laws of this State."

8 Mortgages securing "reverse mortgage" loans shall be
9 subject to this Section except where requirements concerning
10 the definiteness of the term and amount of indebtedness
11 provisions of a mortgage would be inconsistent with the Acts
12 authorizing "reverse mortgage" loans, or rules and regulations
13 promulgated under those Acts.

14 Mortgages securing "revolving credit" loans shall be
15 subject to this Section.

16 (b) The provisions of subsection (a) regarding the form of
17 a mortgage are, and have always been, permissive and not
18 mandatory. Accordingly, the failure of an otherwise lawfully
19 executed and recorded mortgage to be in the form described in
20 subsection (a) in one or more respects, including the failure
21 to state the interest rate or the maturity date, or both, shall
22 not affect the validity or priority of the mortgage, nor shall
23 its recordation be ineffective for notice purposes regardless
24 of when the mortgage was recorded.

25 (Source: P.A. 91-357, eff. 7-29-99.)

26 Section 99. Effective date. This Act takes effect June 1,

1 2013.