## In The Circuit Court of Cook County, Illinois County Department, Chancery Division Mortgage Foreclosure / Mechanics Lien Section

#### **Standing Order for Receivers**

Judge Lloyd James Brooks Calendar 57 Courtroom 2809

**Judicial Law Clerk:** 

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#### IT IS HEREBY ORDERED:

1. **Motions to Appoint Receiver.** Motions to Appoint Receiver or Mortgagee in Possession can be scheduled with the Judge's Law Clerk, upon request of the movant. These motions are heard on Wednesdays and Fridays at 10:30 a.m., and must be scheduled a week before the presentment date. (If the Clerk of the Circuit Court affords a 9:45 a.m. hearing time only, submit a Notice of Motion for that time, serve the same, and also notify the adverse parties that the Motion will be held by the Judge to 10:30 a.m. Receiver motions will not be called before 10:30 a.m.)

When scheduling the motion, the moving party shall provide, at a minimum, copies of the complaint, mortgage, and note; curriculum vitae of the proposed receiver, including rates/compensation; proof of service as required by section 15-1706(d) of the IMFL; and a proposed order to appoint receiver / allow mortgagee to have possession. The receiver MUST be present when the motion is scheduled to be heard. The form order for appointment of a receiver is available on the internet at www.cookcountycourt.org. The motion must also comply with the Chancery Division's "Mortgage Foreclosure Courtroom Procedures."

- 2. **Initial Hearing Appointing Receiver.** The proposed receiver seeking appointment for the property <u>must be</u> present at the initial hearing. The proposed receiver must, in advance of hearing, submit for the court's review a curriculum vitae, fee structure, and information regarding the management company, if any. The court will not appoint a management company as receiver. If a manager or management company is proposed, the proposed fee structure must be described in the motion for appointment of the receiver, and any contract requested by the manager or management company must be attached to the motion.
- 3. **Receivers' Bonds.** The receiver's bond must be issued by a court-approved surety and signed by a court-approved "attorney-in-fact." <u>See</u> Cook County Circuit Court Rule 9.2. The bond must have: 1) a raised seal; 2) the case number; 3) the signature of the receiver; and 4) a signature block for the Judge. The original bond, along with three copies, must be dropped off in Chambers and NOT filed in 802. In addition, one copy of the order appointing receiver must be submitted. The original bond and order will be filed with the court by the court clerk. The order appointing receiver will NOT become effective until Judge Brooks signs and approves the bond. Entered bonds will be placed in the pick-up slot in the 28<sup>th</sup> floor reception area upon entry by the courtroom clerk.

You may check the status of the bond by searching the online docket available at www.cookcountyclerkofcourt.org. Movant is responsible to insure all parties of interest receive a copy of the order and the bond.

- 4. **Proposed Order to Appoint Receiver -** The receiver's duties and rates of compensation, along with the duties and rates of the management company assisting the receiver and names, rates, and duties of all employees must be included within the text of the order to appoint receiver. This information must not be attached as a separate sheet to the order. The proposed order to appoint receiver must be included with the motion to appoint receiver. The form order to appoint receiver is available at www.cookcountycourt.org.
- 5. **Hearings on Receivers' Reports.** Receivers' reports are only heard on the judge's contested call and will be heard at 10:30 a.m. The receiver or the receiver's representative who has direct knowledge of the property must be present at any and all hearings pertaining to the receiver's reports. If a receiver cannot be present at the scheduled court date, receivers must notify the judge's law clerk at least four court days in advance to reschedule the hearing. All Receivers' Reports must be certified pursuant to 735 ILCS 5/1-109.
- 6. **Courtesy Copies of Reports –** Unless excused, courtesy copies of the Report must be submitted in compliance with Judge Brooks' <u>General Standing Order</u>.
- 7. **Failure to Deliver Courtesy Copies Correctly -** If a courtesy copy of the report is not provided to the court according to the court's order, the report must be set and noticed on the judge's contested call for the next available date. Courtesy copies of the report must be resubmitted according to the Judge Brooks' <u>General Standing Order</u>.
- 8. **Final Reports –** If a receiver is appointed for a property where the plaintiff is seeking to have the judicial sale confirmed, the Motion to Approve the Sale must be accompanied by a final receiver's report and presented on the contested call. Both courtesy copies of the Motion and the Final Report must be submitted to the court at least ten court days in advance. The order approving sale will not be entered without presentment and approval of the Final Report.
- 9. **Appointing an Attorney for the Receiver -** If a receiver needs an attorney to represent him or her, the receiver must present a motion for the appointment of an attorney prior to retaining the attorney pursuant to <u>Circuit Court of Cook County Rule 8.2</u>. The motion must contain specific information as to why the receiver needs counsel and what duties and responsibilities the receiver expects the attorney to perform. The motion must also contain as an exhibit the attorney's curriculum vitae and his / her rate of compensation. The receiver may set the motion for the appointment of an attorney on the judge's contested call or present it along with the receiver's report, so long as it is provided to all parties at least ten court days prior to the hearing of the motion.
- 10. **Motions** Receivers may bring motions before the court without representation of counsel. Motions should be properly noticed to all parties and set for hearing with the clerk of court. Receivers are to comply with the <u>Mortgage Foreclosure Courtroom Procedures</u>.
- 11. **Emergency Motions** Receivers may bring emergency motions before the court without representation of counsel. Receivers are to use the same emergency motion procedure as provided in Judge Brooks' General Standing Order.

- 12. **Amended Reports** If the court requires the receiver to amend or supplement its report, the receiver may either: 1) attach and submit only the information requested by the court; or 2) highlight the new or additional information included in the revised report.
- 13. **Proposed Order Approving the Report** Receivers should submit a proposed order to the judge with its report stating the amount of fees and reimbursements to be approved and a blank section for the next hearing date for the report. The proposed order may not be stapled or bound to any other document.
- 14. **Receivers' Reports** All receivers' reports must be verified in the manner provided under 735 ILCS 5/1-109 and follow the Outline provided in this Standing Order, entitled <u>Outline for Receiver's Report</u>. Failure to include items specified in said Outline, if such items exist or are relevant, shall be grounds for the denial of requested fees, costs, or reimbursements; rejection of the report; discharge of the receiver; or other sanctions. Mortgagees in possession shall also be required to submit reports pursuant to the order allowing possession. Such reports shall also follow the Outline to the extent practicable and relevant, with any significant failure to do so subject to equivalent sanctions, including restoration of possession to the mortgagor. <u>Circuit Court of Cook County Rule</u> 8.5(b) shall also apply.

# OUTLINE FOR RECEIVER'S REPORTS

Cover Sheet – Must include the following:

- Case caption (including case number)
- Hearing date and time
- Name of receiver
- Contact information for the receiver
- Certificate of service of the report to all parties

Index – An index or table of contents shall follow the cover sheet if the report exceeds seven (7) pages, excluding receiver's signature. An index or table of contents for exhibits shall precede exhibits if there are more than five (5) exhibits.

#### I. Overview

- A. Period the report covers
- B. Address of the property
- C. Type of property
- D. Whether the property is occupied
- E. Condition of the property, generally
- F. Status on insurance
- G. Status on property taxes
- H. Status on municipal violations, if any
- I. Inspections conducted during the period this section should include the date the inspection was made, who performed the inspection, the rate of compensation for the inspection, the duration of the inspection, and what was done and observed at the inspection. If travel time is included, it must be stated how much time was spent traveling to the property.
- J. Whether the defendant is complying with the order appointing receiver -- this should include what specific items the receiver needs from the defendant, not just what is stated in the order appointing receiver.
- K. Whether the property is secured, generally
- L. Whether an attorney has been appointed for the receiver
- M. A discernible color photo of the property (only required for the first report or to show the court what repairs need to be made)
- N. A summary statement identifying all fees, costs, and expenses sought for approval in the report, clearly referencing the invoices, statements, and accounts supplied as indicated in this Outline below, in such a fashion as to allow the reader to cross-reference the summary figures with said detailed information later supplied in the report. The summary shall set forth a ledger, spread sheet, or balance sheet clearly indicating the aforesaid financial information.

## **II.** Condition of the Property

A. Repairs made during the period – in this section the receiver should detail each repair made, the cost of the repair (referencing each invoice which must be labeled

- as an exhibit to the report), who completed the repair, why the repair was necessary, and the date of repair.
- B. Future Repairs This section will set forth each repair the receiver anticipates will be needed in the future, whether it will need to be submitted for bid or not, estimated cost, why the repair is necessary, and any alternatives available for this repair. If bids have been gathered, they must be attached to the report as an exhibit and referenced as such in this section.
- C. Health or safety concerns at property, if any

#### **III.** Rent and Tenant Issues

- A. Number of units occupied and vacant
- B. Whether tenants are current on rent including how many are delinquent, and how much rent is due, with a reference to the rent roll which is required as an exhibit to the report.
- C. Whether any five day notices have been sent
- D. Intent to file for eviction
- E. Status on evictions, if any
- F. Status on eviction court proceedings, if any

#### IV. Receiver Fees

- A. Set out hourly rate for receiver
- B. Number of hours the receiver is charging for this period
- C. Fee detail on time charged what was done by the receiver, which day the work was performed, how much of the time was billed for travel. It must reference the time sheet as an exhibit to the report.
- D. Monthly meetings receiver must document exactly what occurs at these meetings and why the meetings are necessary. Receiver may charge a different (lesser) amount for these meetings, so long as it is reasonable.
- E. Expenses must be detailed. For example "Copy Fee \$1" must say what was copied, i.e. "copying first receiver's report \$1."
- F. Receivers and/or managers, may not charge for the use of software program.

#### V. Management Fees

- A. How much is being charged for the period
- B. What duties and responsibilities the management company is performing to justify the rate of compensation requested including any detail (including time spent, what work was done, who performed the work) and referencing any exhibit that relates to these duties
- C. Monthly meetings (see above)
- D. What services the management company provided outside its usual duties during this period, if any

#### VI. Maintenance and Security

- A. Whether maintenance people are employed by the receiver or management company, their names, duties, and rates
- B. Detail of what services the maintenance personnel preformed during this period, the date this was done, the cost, etc.
- C. Whether security is employed, their names and rates

#### VII. Accounts and Disbursements

- A. Whether a separate account has been set up for the receivership
- B. Amount in the account
- C. Whether any disbursements were made during the period, when they were made, to whom, and how much

#### VIII. Bills

A. All bills must be attached as an exhibit to the report. This section should explain why the bills are unpaid or contested along with when payment is expected

#### IX. Mandatory Exhibits

All exhibits must be clearly labeled with either numbers or letters and referenced whenever necessary in the narrative body of the report. An index or table of contents for the exhibits shall be included if there are more than five (5) exhibits. Exhibits should be attached in the following order:

- A. Order appointing receiver
- B. A copy of the bond
- C. Photo (for first report only, or to show if repairs are necessary)
- D. Insurance certificate
- E. Code violation notices, if any
- F. Rent rolls, if any
- G. Invoices for repairs or purchases made during the period, if any
- H. Bids or proposed repair estimates, if any
- I. Bills

### X. Prior Court Orders

All prior court orders related to the receiver, including orders requiring a report and/or setting a hearing on a report, must be provided along with the receiver's report. They may be included as exhibits if so desired.

**Judge Lloyd James Brooks** 

Entered:

**May 18 2023** 

Circuit Court - 2246

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