



Illinois Department of Financial and Professional Regulation

Division of Profession Regulation - Real Estate

PAT QUINN
Governor

BRENT E. ADAMS
Secretary

DONALD W. SEASOCK
Acting Director
Division of Professional Regulation

MINUTES REAL ESTATE ADMINISTRATION & DISCIPLINARY BOARD June 17, 2010

The Real Estate Administration and Disciplinary Board convened at 11:15 a.m. on June 17, 2010, at the Department of Financial & Professional Regulation Division of Professional Regulation, 100 W. Randolph, Chicago, Illinois for the purpose of conducting a general business meeting.

The following member(s) were present for all or part of the meeting:

Ron Hardgrove, Chairman – Real Estate
Judy Higgins Stowe, Member
Paul Park, Member
Chris Read, Member
Patrick Sharpe, Member
Carol Strader, Member
Scott Toban, Member

The following member(s) were excused from the meeting:

James Schaid, Member

Also present for all or part of the meeting:

Young Brockhouse, Acting Chief Testing Officer
Mark Oaks, Education Coordinator
Craig Capilla, Staff Attorney
Kristine Gleason, representing General Council Mark Thompson
Ernest Hernandez, Chief of Investigations
Debra Dolinski, Board Liaison/Administrative Assistant

APPROVAL OF MINUTES:

Motion: A motion made/seconded to approve the May 20, 2010 Real Estate Administration and Disciplinary Board Minutes. Motion passed unanimously.

AGENCY UPDATE:

Mr. Hernandez mentioned that 5 candidates were interviewed for the Chicago Investigator's position on May 26, 2010; a candidate was selected who is an expert in commercial real estate. Interviews for the Springfield's position will start sometime at the end of July.

Mr. Capilla mentioned that the new Chief of Prosecutions will start July 12th; it is possible that there will be an attorney that will be starting soon. Tiffany Key is the new law student that started two weeks ago. Carol Kendal is attending today's Board Meeting representing General Council due to Kristine Gleason assisting with the Internal Audit; Ms. Gleason will be here later on for closed session.

EDUCATIONAL ADVISORY COUNCIL (EAC):

EAC approved the following number of applications on June 17, 2010:

- 4 CE courses
- 5 CE Instructors with 1 being limited
- 2 Pre-License Instructors
- 1 CE Instructor workshop

LICENSING:

The Licensing Report reflecting the number of all professional licenses issued within the Real Estate Bureau for May 2010 was distributed.

Mr. Brockhouse mentioned that approximately 4,000 brokers did not renew their license; approximately 3,900 renewed in May.

A report showed the pass rate for broker and salesperson's State Examinations from January through April 2010.

The License Law is requiring all salespersons' license to transition to a broker's license by April 30, 2012. The Department has extended the expiration of the salesperson's license from April 30, 2011 to April 30, 2012; the Board suggested having on our website a notification that the licensee can print to show that the license will expire on April 30, 2012. There was a discussion on the Real Estate License Act requiring display of licenses.

Active Real Estate Licensees for May

All Licensees	81,958
Brokers	24,313
Salespersons	44,079 (this does not include licenses with an inoperative status)
Leasing agents	1,489

EXAMINATIONS:

Distributed were the Examination Reports dated May 20, 2010 & June 17, 2010 that was categorized by "Examinations Completed – Licensees with First Examination," "Follow-Up Examinations Completed by Examiner," "Examinations Referred to Supervisor-Closed" for the months of April and May. For the month of April, Examinations have conducted 81 audits by using the "Brokerage Verification Report." Examiners completed 29 examinations. The follow up examinations showed 23 offices in compliance, 3 offices were referred to Supervisor. "Examination Referred to Supervisor-Closed" showed 8 offices the issues were resolved, 1 office did a sponsor change, 1 office had no activity

and 1 office was returned to the examiner with instruction. For the month of May, Examinations have conducted 112 audits by using the "Brokerage Verification Report;" Examiners completed 21 examinations; the follow-up examinations showed 24 offices in compliance, 4 referred to Supervisor, 4 no longer required; 4 were resolved, 3 returned to examiner and 1 license status change under "Examinations Referred to Supervisor."

The 4 examiners that are currently working are located in the Southern Part of Illinois; and there is no indication that the Department will be hiring any examiners for the Northern Part of Illinois. The examiners have agreed to travel to the Northern Part of Illinois to conduct examinations.

Mr. Hardgrove explained the development of the "Broker Verification Report" for the new Board Members. The Board suggested posting the number of audits conducted on a monthly basis and the volitions that were found.

INVESTIGATIONS:

Mr. Hernandez verbally reported that Investigations has 73 open cases; and Investigations are in the process of conducting their internal audit of the open cases.

There were 5 candidates applied for Real Estate Investigator; the next step will be conducting interviews for the investigator's position in Springfield.

The Investigators will start conducting "on-site" interviews with the respondents.

PROSECUTIONS:

The Prosecution Report was distributed showing the Real Estate activity for the month of May. The total caseload for Prosecutions is approximately 600; around half of which are Appraisal Cases. Prosecutions was able to close 70 cases last month which majority of the cases consisted of continuing education deficiency.

There will be informal conferences held on July 7th and July 21st that will begin at 10:00 am. There will also be a 2 day formal hearing on June 29th and 30th; Judy Higgs Stowe volunteered for June 29th and Carol Strader volunteered on June 30th.

OLD BUSINESS:

Distributed was an updated draft copy of the Emergency Rules that was approved by the industry, administration and at today's EAC Meeting; following will be the approval from READ Board. Mr. Brockhouse mentioned that the wording is different but the substance is the same and the following changes were added: section 1450.279 a) on proctoring the proficiency exams either by electronic or paper format delivery, of setting the proficiency pass score at 75 and the cut off date in taking the proficiency exam will be 45 days prior to April 30, 2011. The Department welcomes comments but would like READ to approve the Emergency Rules and address any changes in the final Rules. At the EAC Meeting, Council recommended to remove the words "at the time of approval" in section 1450.279 a)2.

MOTION:

Motion made/seconded to approve the Department's Emergency Rules with or without the removal of "at the time of approval" in section 1450.279 a)2. Motion passed unanimously.

The Department hopes to file the Emergency Rules within the next couple of days and in the next month or so to have the final rules completed to File. The Department will draft the final version of the

Rules; once this is agreed upon it will be presented to the Industry and Educators for their input followed by EAC and READ for their input.

NEW BUSINESS:

At last month's meeting, the Board received a draft version of the "Detailed Content Outlines for Real Estate Transition Proficiency Examinations" that was approved by the IL DPR Task Force dated May 19, 2010 and a draft version of "90 hour Broker Pre-License Courses" outline. The Department now has a draft curriculum outline for the 30 hour broker post license course and the 45 hour broker management pre-license course that can be emailed to the members.

The time-frame for the proficiency was also presented at last month's meeting. The "launch" date for the proficiency exams will be mid December. The Department received from AMP a draft plan for the web delivery versus the pen and paper delivery. The main concern is the security of the exam being offered in a paper format.

IAR has invited EAC & READ Members to attend a New License Law Session on Wednesday July 14th at 3:30 pm at the IAR Office. On July 15th, EAC's meeting will start at 9:00 AM; the READ Board Meeting will follow at approximately 10:15 – 10:30.

DELIBERATIONS:

At 12:30 p.m., a motion made/seconded to go into closed session to deliberate on disciplinary matters pursuant to the provisions of Section 2 of the Open Public Meeting Act. Motion passed unanimously.

DPR v. Robert Bradshaw #2009-09796
DPR v. Deanne Thomas #2000-61638

REOPEN THE MEETING:

A motion made/seconded to reopen the closed meeting of the Real Estate Administration and Disciplinary Board at 2:30 p.m.

RATIFICATIONS:

Case File Review Committee Members for June 17, 2010 were Patrick Sharpe, Ron Hardgrove, Bill Laskaris, Craig Capilla and Ernest Hernandez

Motion made/seconded to ratify the 26 cases recommended for closure with 1 case referred to Prosecutions and 1 remaining in investigations from Investigations from the memo dated May 27, 2010. Motion passed unanimously.

Motion made/seconded to ratify the 25 cases being referred to Prosecutions; and 3 cases issue administrative warning letters from Investigations from the memo dated May 27, 2010. Motion passed unanimously.

RECOMMENDATIONS:

Upon reconvening in open session, motion was made, seconded to approve as presented consent orders in the following case:

DPR v. Robert Bradshaw #2009-09796
DPR v. Deanne Thomas #2000-61638

FINDINGS/CONCLUSIONS/RECOMMENDATIONS:

The Board signed Findings of Fact, Conclusions of Law and Recommendations to the Director:

DPR v. Lizette Marshall #2008-07252
DPR v. Todd A. Van Buren #2007-60397
DPR v. David Mandel #2000-61745
DPR v. Kenneth Bivens #2008-00546
DPR v. Michael LaHood #2007-60616
DPR v. Johnathan Scott #2007-60461
DPR v. Lana McCarroll #2007-70274
DPR v. Thomas Tully #2009-07703
DPR v. Diane Street #2006-80061
DPR v. Jorge Cruz #2009-02682
DPR v. Samad Moragheb #2009-07373
DPR v. Risa Williams #2008-08140

ADJOURNMENT:

Motion made/seconded to adjourn the meeting at 2:20 pm. Motion passed unanimously. The next scheduled meeting of the Real Estate Administration and Disciplinary Board is July 15, 2010 at 320 W. Washington, Springfield, IL.

APPROVED:

Respectfully submitted,

REAL ESTATE ADMINISTRATION
AND DISCIPLINARY BOARD

Ron Hardgrove, Real Estate Director

DATE: _____

Debra Dolinski, Liaison