



Illinois Department of Financial and Professional Regulation

Division of Profession Regulation - Real Estate

ROD R. BLAGOJEVICH
Governor

DEAN MARTINEZ
Secretary

DANIEL BLUTHARDT
Director
Division of Professional Regulation

MINUTES REAL ESTATE ADMINISTRATION & DISCIPLINARY BOARD September 11, 2008

The Real Estate Administration and Disciplinary Board convened at 11:00 a.m. on September 11, 2008, 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
Judie McConville, Member
Paul Park, Member
Carol Shields, Member
Patrick Sharpe, Member
Walter Son, Member

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

Also present for all or part of the meeting:

Young Brockhouse, Manager of Licensing & Education
Mark Oaks, Education Coordinator
John Botner, Chief of Prosecutions
Ernest Hernandez, Chief of Investigations
Debra Dolinski, Board Liaison/Administrative Assistant

MOMENT OF SILENCE:

The Board had a moment of silence to reflect the terrorist attack on September 11, 2001.

APPROVAL OF MINUTES:

Motion: A motion made/seconded to approve the August 14, 2008 Real Estate Administration and Disciplinary Board Minutes. Motion passed unanimously.

AGENCY UPDATE:

Mr. Hernandez mentioned there were 5 candidates of which 2 were interviewed for the 2 bid openings for the investigator's position; 1 candidate fulfilled the requirements and is being forwarded to the next level. For the second posting, applications are now open to veterans to apply.

EDUCATIONAL ADVISORY COUNCIL (EAC):

EAC approved the following number of applications at today's meeting:

- 22 CE courses
- 4 CE instructors
- 1 Pre-license instructor
- 1 CE school

FISCAL:

Mr. Brockhouse verbally reported that the 850 Administration Fund has a balance of \$22 ½ million.

LICENSING:

The Licensing report reflecting the number of all professional licenses issued within the Real Estate Bureau for August 2008 was distributed. Corporation, Branch, Partnership and LLC's are in their renewal cycle with those licenses expiring October 31, 2008. For the month of August, Licensing processed a high volume of sponsor deletes and/or changes. The number of active Loan Originator Licenses is still showing that the number increase; the Division has not flipped their status to "non-renewed" as of this date. Home Inspection's are the next profession that will be in renewal with their license expiring November 30, 2008; renewal postcards will be sent out in the next several weeks.

Report was given on the passing rate for broker and salesperson's State Examinations through July 2008.

Active Real Estate Licensees for August

- All Licensees 91,956
- Brokers 26,460
- Salespersons 54,720
- Leasing agents 1,197

EXAMINATIONS:

Distributed was the Examination Report dated September 11, 2008 that was categorized by "Examinations Completed by Examiner – Compliance Review," "Examinations – 60 Day Follow-Up," and "Examinations referred to Supervisor – Closed" for the month of August. For the month of August, Examinations have conducted 1 audit by using the "Brokerage Verification Report." Examiners completed 7 examinations. The 60 day follow up showed 1 office "follow-up not required-License status change." Examinations Referred to Supervisor – Closed showed 5 issues resolved; 3 "examinations completed after referral;" 1 with no license activity; and 1 with a license status change.

On June 12th, the Division started utilizing examiners as investigators; therefore, there's not much activity for examinations.

INVESTIGATIONS:

Mr. Hernandez distributed the Investigation Report reflecting the activity since the last Board Meeting. The report reflected 788 (+ 37 Auctioneer cases) open cases with the breakdown of the number of cases in each year.

Mr. Hardgrove mentioned that even with the additional help, cases are not moving as quickly as we would like it to be. Therefore, Mr. Hardgrove is suggesting having a session with Mr. Hernandez and all the investigators to review all cases coding them 1,2,3, or 4 to distinguish them from technical to severe violations and to continue to code all future cases.

Director Bluthardt is putting together the requirements to hire contractual investigators.

Mr. Botner mentioned that with the increased help in Investigations will eventually transfer over to a backlog in Prosecutions. Mr. Botner asked the Board if they would be available for Prosecutions to increase scheduling informal conferences to 1 or 2 additional days during the month.

PROSECUTIONS:

Distributed was the Prosecution Report reflecting the total real estate cases in Legal; and the activity for the month of August 2008. Mr. Botner mentioned that Mr. Capilla will email the Board Members asking what dates they will be available to schedule the additional days for informal conferences.

The new law student, Ben Kempton, is doing a fine job.

OLD BUSINESS:

At today's EAC Meeting, there was a lengthy discussion on suggestions of what topics and disciplinary actions the case studies should include for the rewrite Broker Management Course. Hopefully, in time, the Division will be able to differentiate the sponsoring and managing brokers from the rest of the brokers.

DELIBERATIONS:

At 11:45 a.m., a motion made/seconded to go into closed session to deliberate on disciplinary matters and September's CRC recommendations pursuant to the provisions of Section 2 of the Open Public Meeting Act. Motion passed unanimously.

Alan Gold

DPR v. Joseph Giglietti #2006-60754

DPR v. David Brown #2006-80060

DPR v. Roger Parris #2007-61059

DPR v. Thornell Pye #2007-61085

DPR v. Gaylon Ryg #2007-70074

REOPEN THE MEETING:

A motion made/seconded to reopen the closed meeting of the Real Estate Administration and Disciplinary Board at 12:30 p.m.

RECOMMENDATION:

Alan Gold submitted a request to grant an extension to renew his license that expired for over 2 years due to family hardship. Motion made/seconded denying this request due to the Act prohibits any extension. Motion passed unanimously.

RATIFICATIONS:

Case File Review Committee Members for September 10, 2008 were Patrick Sharpe, Ron Hardgrove, John Botner and Ernest Hernandez.

Motion made/seconded to ratify the 23 cases recommended for closure from Investigations with 1 case issuing a compliance directive, 3 cases issuing an AWL from the memo dated August 29, 2008. Motion passed unanimously.

Motion made/seconded to ratify the 1 case recommended for closure with an AWL to be issued from the memo dated August 29, 2008. Motion passed unanimously.

Motion made/seconded to ratify that 10 cases being referred to Prosecutions from Investigations with 1 case being closed, and 4 cases receiving compliance directive, 1 case receiving an administrative warning letter and 1 case receiving a letter from the memo dated August 29, 2008. Motion passed unanimously.

Motion made/seconded to ratify the 9 cases recommended for closure by Prosecutions from the memo dated August 29, 2008. Motion passed unanimously.

Motion made/seconded to ratify the 4 cases recommended for closure by Prosecutions from the memo dated September 10, 2008. Motion passed unanimously.

RECOMMENDATIONS:

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

DPR v. Joseph Giglietti #2007-60754

DPR v. David Brown #2006-80060

DPR v. Roger Parris #2007-61059

RECOMMENDATIONS:

Upon reconvening in open session, motions were made in the following cases:

DPR v. Thornell Pye #2007-61085

Motion made/seconded that Mr. Pye's broker's license refuse to renew. Motion passed unanimously.

DPR v. Gaylon Ryg #2007-70074

Motion made/seconded that Mr. Ryg's salesperson license be indefinite suspended for a minimum period of 5 years and be imposed a \$10,000.00 fine. Motion passed with Judie McConville AB.

ADJOURNMENT:

Motion made/seconded to adjourn the meeting at 12:30 pm. Motion passed unanimously. The next scheduled meeting of the Real Estate Administration and Disciplinary Board is October 9, 2008, 2008 at 100 W. Randolph, Chicago, Illinois.

APPROVED:

Respectfully submitted,

REAL ESTATE ADMINISTRATION
AND DISCIPLINARY BOARD

Ron Hardgrove, Real Estate Director

DATE: _____

Debra Dolinski, Liaison