



Illinois Department of Financial and Professional Regulation

Division of Profession Regulation - Real Estate

PAT QUINN
Governor

BRENT E. ADAMS
Secretary

JAY STEWART
Director
Division of Professional Regulation

MINUTES REAL ESTATE ADMINISTRATION & DISCIPLINARY BOARD AUGUST 11, 2011

The Real Estate Administration and Disciplinary Board convened at 11:30 a.m. on August 11, 2011, 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
James Schaid, Member
Patrick Sharpe, Member
Carol Strader, Member
Scott Toban, Member
Linda Walton-Todd, Member
Wayne Williams, Member

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

Also present for all or part of the meeting:

Daniel Faermark, Chief of Prosecutions
Careen Gordon, General Council
Matt Rupsis, representing General Council Mark Thompson
Young Brockhouse, Chief Testing Officer
Mark Oaks, Education Coordinator
Terese Burton, Investigator
Alan Zack, Investigator
Debra Malinowski, Board Liaison/Administrative Assistant

APPROVAL OF MINUTES:

Motion: A motion made/seconded to approve the July 14, 2011 Real Estate Administration and Disciplinary Board Minutes. Motion passed unanimously.

AGENCY UPDATE:

Jennifer Wilson, Real Estate Attorney, has accepted a position in Medical Department - Department of Professional Regulations effective August 1, 2011. Tiffany Kay, law student, has returned to assist in Real Estate Prosecutions.

EDUCATIONAL ADVISORY COUNCIL (EAC):

EAC approved the following number of applications on August 11, 2011:

- 5 CE courses
- 2 CE Instructors with limited scope
- 1 CE Instructor
- 3 Pre-Instructors
- 1 Pre-license school
- 7 Broker Pre-License courses
- 13 Broker Post license courses
- 17 Managing Broker Pre-license courses
- 3 Transition Courses

LICENSING:

The Licensing Report reflecting the number of all professional licenses issued within the Real Estate Bureau for July 2011 was distributed. As of yesterday, there are 1,190 managing broker licenses issued.

The report also showed the state examination pass rate for brokers from January through July; salespersons from January through March; and Managing Brokers for the last three months.

Prior to July 1, 2011, there were 74 pre-license schools licensed; effective July, 1, 2011, pre-license schools were required to meet new statutory requirements which, as of today, only 26 pre-license schools renewed with 11 more in process to be licensed.

As of August 10, 2011, the number that passed for the proficiency exam salesperson to broker was 11,684; and broker to managing broker was 3,470. Also, broker's that transition to managing broker are 1,190; salesperson's that transition to broker are 3,313.

Active Real Estate Licensees for July

All Licensees	78,587
Managing Broker	1,089
Brokers	28,599
Salespersons	38,838 (this does not include licenses with an inoperative status)
Leasing agents	1,719

EXAMINATIONS:

Mr. Hardgrove distributed the Examination Reports dated August 11, 2011. They are categorized by "First Examinations Completed," Follow-Up Examinations Completed by Examiner," "Examinations Referred to Supervisor-Closed" for the month of July. For the month of July,

Examinations have conducted 37 audits by using the “Brokerage Verification Report.” Examiners completed 28 examinations. The follow up examinations showed 39 offices in compliance, 5 offices were referred to Supervisor, 2 follow-up not required. “Examination Referred to Supervisor- Closed” showed 3 offices the issues were resolved.

INVESTIGATIONS:

Ms. Burton distributed the Real Estate Investigation Report dated August 11, 2011 that showed the number of cases received and completed since the last Board Meeting. There are 44 open real estate cases with 0 cases that are over 6 months old. The Real Estate Investigators have been asked to become more involved in the Mortgage Fraud Task Force Investigations; the investigators are also involved in appraisal and auction cases. In the very near future, Real Estate Investigators will be assigned Time Share/Land Sales Investigations; arrangements have been made to obtain training in the necessary policies and procedures to investigate these cases.

The report indicated that Investigator Markos will continue on maternity leave as it was announced that she had a baby girl. Also, 2 investigators have submitted bids to other professions/agencies; the results will be made known as the bid process proceeds.

PROSECUTIONS:

Mr. Faermark presented the Prosecution Report reflecting the Real Estate activity for the month of July. To be noted, there were 22 Cases Referred to Prosecutions in July, 26 Cases Closed from Prosecutions; and 27 orders were signed by the Director. The current total Real Estate caseload was reported to be 327. Mr. Faermark will email Ron Hardgrove and Deb Malinowski every Friday the status of the upcoming trials; Deb will be forward report to the Board Members.

The Department of Revenue sent over 200 cases to Real Estate Prosecutions that consist of real estate licensees delinquent in Illinois taxes or didn't file a tax return which if not resolve will result with a suspension.

DELIBERATIONS:

At 11:50 a.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. Andrew Lewis #2007-80009
DPR v. Sandra Perez #2008-09517
DPR v. Elizabeth Martinez #2009-03287
DPR v. Jorge Paredez/Omega Realtors Ltd #2010-09391
DPR v. Joseph Zugalj #2008-03340
DPR v. Elizabeth Thiele #2011-02342
DPR v. Regina Richardson #2011-02338
DPR v. Harold Hart #2011-04474
DPR v. Lanita Billingsley Morris #2010-05506
4 non-disciplinary Consent Orders

REOPEN THE MEETING:

A motion made/seconded to reopen the closed meeting of the Real Estate Administration and Disciplinary Board at 1:20 p.m.

RATIFICATIONS:

Case File Review Committee Members for August 10, 2011 were Paul Park, Ron Hardgrove, Daniel Faermark and Terese Burton.

Motion made/seconded to ratify the 18 cases recommended for closure be closed; 1 case remaining in investigations; and one referred to Prosecutions from the memo Cases being closed from Investigations dated July 28, 2011, remain open pending that disposition. Motion passed unanimously.

Motion made/seconded to ratify the 23 cases being referred to Prosecutions from the memo Cases Referred to Prosecutions dated July 28, 2011. Motion passed unanimously.

Motion made/seconded to ratify the 10 cases recommended for closure from the memo Cases for Closure from Prosecutions dated July 28, 2011. Motion passed unanimously.

Motion made/seconded to ratify the 5 cases recommended for closure from the updated memo Cases for Closure from Prosecutions dated August 11, 2011. 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. Joseph Zugalj #2008-03340
DPR v. Elizabeth Thiele #2011-02342
DPR v. Regina Richardson #2011-02338
DPR v. Harold Hart #2011-04474
DPR v. Lanita Billingsley Morris #2010-05506
4 non-disciplinary Consent Orders

RECOMMENDATIONS:

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

DPR v. Andrew Lewis #2007-80009

Motion made/seconded that the above-mentioned license shall be revoked and fined \$100,000.00. Motion passed unanimously.

DPR v. Sandra Perez #2008-09517

Motion made/seconded that the above-mentioned license shall be revoked and fined \$50,000.00. Motion passed unanimously.

DPR v. Elizabeth Martinez #2009-03287

Motion made/seconded that the above-mentioned license shall be indefinitely suspended for a minimum period of 5 years and fined \$5,000.00. Motion passed unanimously.

DPR v. Jorge Paredez/Omega Realtors Ltd #2010-09391

Motion made/seconded that the above-mentioned licenses shall be revoked; in addition, Jorge Paredez be fined \$50,000.00. Motion passed unanimously.

FINDINGS/CONCLUSIONS/RECOMMENDATIONS:

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

DPR v. Martha Quezada #2007-60478

DPR v. Richard Knapp #2009-00485

DPR v. Nickos Lambros #2010-00321

DPR v. Todd Van Buren #2007-60397

DPR v. Zeal Management LLC & Eliot Higueros #2010-01704

DPR v. Atukwe Newell #2008-03336

DPR v. Blaine Holtke/ Reliable Property Management & Realty #2010-08589

ADJOURNMENT:

Motion made/seconded to adjourn the meeting at 1:00 pm. Motion passed unanimously. The next scheduled meeting of the Real Estate Administration and Disciplinary Board is September 8, 2011 at 100 W. Randolph, Chicago, IL.

APPROVED:

Respectfully submitted,

REAL ESTATE ADMINISTRATION
AND DISCIPLINARY BOARD

Ron Hardgrove, Real Estate Director

DATE:_____

Debra Malinowski, Liaison