



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 January 13, 2011

The Real Estate Administration and Disciplinary Board convened at 11:30 a.m. on January 13, 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
Patrick Sharpe, Member
Carol Strader, Member
Scott Toban, Member
Linda Walton-Todd, Member

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

James Schaid, Member

Also present for all or part of the meeting:

Young Brockhouse, Chief Testing Officer
Daniel Faermark, Chief of Prosecutions for Real Estate Professions
Mark Oaks, Education Coordinator
Eleni Markos, Investigator
Debra Dolinski, Board Liaison/Administrative Assistant

APPROVAL OF MINUTES:

Motion: A motion made/seconded to approve the December 9, 2010 Real Estate Administration and Disciplinary Board Minutes. Motion passed unanimously.

AGENCY UPDATE:

Linda Walton-Todd, READ's new public Board Member, was introduced to the Board. Dana Wild is Prosecution's new law student; also assisting in Prosecutions is Patrick Bernard.

EDUCATIONAL ADVISORY COUNCIL (EAC):

EAC approved the following number of applications on January 13, 2011:

- 6 CE courses
- 1 pre-license course
- 8 CE Instructors
- 2 Pre-License Instructors
- 1 Pre-License Instructor Development Workshop
- 1 CE Instructor Development Workshop

At EAC's meeting, Mr. Oaks reported the cumulative educational licenses that were issued in 2010; which were: 2 pre-license schools, 14 pre-license school branches, 17 pre-license instructors, 14 pre-license courses, 33 continuing education instructors, and 50 continuing education courses.

LICENSING:

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

The report also showed the pass rate for broker and salesperson's State Examinations each month from January through December 2010. The number of candidates taking the State Exam has dropped dramatically from the number of candidates taking the State Exam 7 years ago; the 2008 year was the lowest.

Mr. Brockhouse reported that over 500 licensees have taken the proficiency exam with approximately 90 percent passing. Mr. Brockhouse will be able to generate a report that will have the total numbers of licensees taking the proficiency exams for the Board.

Ms. Read asked with all the recent updates for salespersons and brokers how does the Department makes sure that AMP's tests gets updated; Mr. Brockhouse's reply was that AMP continues to update the test and the Department has more control with the State portion than the National. AMP also meets with the Department once a year to conduct tests review and they do a job analysis survey every 3 years that polls licensees from all over the Country. In 2009, Illinois along with 11 other jurisdictions participated with AMP to draft the survey that was sent to the Licensees in the beginning of 2010; the results were received this past Spring. In October of 2010, Scott Toban, Ron Hardgrove, Young Brockhouse and several other industry members met with AMP to discuss updating the National Pre-License Salesperson and Broker exams.

Home Inspector's license expired November 30, 2010; there was a drop in the number of licenses that were renewed due to both the real estate market and cost of renewal fees.

Active Real Estate Licensees for December

All Licensees	76,756
Brokers	25,571
Salespersons	42,304 (this does not include licenses with an inoperative status)
Leasing agents	1,460

EXAMINATIONS:

Two Examination Reports were distributed; one report was the Monthly Examination Report and the other was the 2010 Year End Examination Report. The "Monthly Examination Report was categorized by "First Examinations Completed," Follow-Up Examinations Completed by Examiner," "Examinations Referred to Supervisor-Closed" and Examinations Completed-Findings Summary (4th Quarter 2010) for the month of December. For the month of December, Examinations have conducted 32 audits by using the "Brokerage Verification Report." Examiners completed 30 examinations. The follow up examinations showed 40 offices in compliance and 5 offices were referred to Supervisor. "Examination Referred to Supervisor- Closed" showed 12 offices the issues were resolved, 2 license status changed and 1 office returned to examiner with further instruction.

The 2010 Year End Examination Report was categorized by Statewide Examinations Completed in 2010, Statewide Examinations Completed in 2010-Findings Summary, Chicago Area Region Examinations Completed in 2010, and Chicago Area Region Examinations Completed in 2010- Findings Summary. There was a discussion on the Statewide versus Chicago Area Region Examinations Findings, the Examination Program and Broker Verification Report.

INVESTIGATIONS:

Eleni Markos distributed the Real Estate Investigation Report dated January 13, 2011 that showed the number of cases received and completed since the last Board Meeting. There are 36 open real estate cases with 0 cases that are over 6 months old.

The candidate that was selected for Real Estate Investigator position in Chicago is scheduled to begin January 18, 2011; and will be trained and evaluated during his six months probationary period.

The report also had an abbreviated management report for the year 2010.

PROSECUTIONS:

Dan Faermark presented the Prosecution Report reflecting the Real Estate activity for the month of December. To be noted, there were 21 Cases Referred to Prosecutions in December; 9 Cases Closed from Prosecutions; and 24 orders referred to the Director. The current total Real Estate caseload was reported to be 397 cases. There is 1 Formal Hearing set in December for January 19, 2011.

Mr. Faermark distributed the decision made by the Appellate Court of Illinois 4th District in the case against Carol Gruwell versus IDFP.

A report was distributed showing the number of complaints that were opened in Complaint Intake for the entire Real Estate Professions from December 27 – January 2, 2009 and 2010; for the month of December 2009 and 2010; and for January through December 2009 and 2010. Another report was distributed showing the Closed Prosecution Cases with the disciplinary actions taken from January 1, 2010 through December 31, 2010.

OLD BUSINESS:

The first publication of the 45 day comment period for the Administrative Rules ended December 6th. The Department has drafted our response and waiting for approval from General Council and the Director before its submitted back to JCAR which could be as early as tomorrow but most likely next week. The Department either adopted the comments or declined some with comments of explanation; the draft Rules can be viewed on IDFFP's website. The 2nd comment period starts when we re-file the response to JCAR; from there, JCAR will schedule a hearing which is scheduled once a month. The Department hopes to have the response in before the February's Hearing deadline. The Board had a discussion on who attends and what

could possibly happen at the JCAR's hearings. Once the draft Rules pass JCAR's Hearing and the 2nd comment period, they will become effective; the Department hopes this will occur by the middle of March.

At the EAC meeting, the Attendees discussed the problems with the website test that the Department should address with AMP. The licensee is able to find out immediately if they pass the proficiency exam if it's taken by the website test. There are also more prep courses being offered to help the licensee prepare for the exam that might increase the pass rate.

At last month's meeting, the Board discussed the balance in the Recovery Fund and requested more information regarding deposits and payouts. At today's meeting, there was a discussion on the process the State Comptroller Office and the Department takes in collecting unpaid disciplinary fines. Mr. Brockhouse suggested viewing the Comptroller's website for more information. Mr. Brockhouse will also inquire to see if a report can be generated.

DELIBERATIONS:

At 12:45 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. Joshua Blank #2007-70138
DPR v. James O'Neal #2010-05621
DPR v. Michael Chang #2009-00252
DPR v. Richard Trinidad #2007-60323
DPR v. Marc Stuckey #2010-05642
DPR v. ES & Associates #2008-00556

REOPEN THE MEETING:

A motion made/seconded to reopen the closed meeting of the Real Estate Administration and Disciplinary Board at 1:40 p.m.

RATIFICATIONS:

Case File Review Committee Members for January 12, 2011 were Judie Higgins Stowe, Carol Strader, Ron Hardgrove, Daniel Faermark and Eleni Markos

Motion made/seconded to ratify the 4 cases recommended for closure with 1 case to remain in investigations from the memo Cases being closed from Investigations dated December 30, 2010. Motion passed unanimously.

Motion made/seconded to ratify the 11 cases being referred to Prosecutions from the memo Cases Referred to Prosecutions dated December 30, 2010. Motion passed unanimously.

Motion made/seconded to ratify the 3 cases recommended for closure from the memo cases for closure from Prosecutions dated December 30, 2010. Motion passed unanimously.

Motion made/seconded to ratify the 14 cases recommended for closure from the updated memo Cases for Closure from Prosecutions dated January 12, 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. Joshua Blank #2007-70138
DPR v. James O'Neal #2010-05621
DPR v. Michael Chang #2009-00252
DPR v. Richard Trinidad #2007-60323
DPR v. Marc Stuckey #2010-05642

RECOMMENDATIONS:

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

DPR v. ES & Associates #2008-00556

Motion made/second that ES & Associates' license shall be revoked and fined \$25,000.00. Motion passed unanimously.

FINDINGS/CONCLUSIONS/RECOMMENDATIONS:

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

DPR v. Michael Cain #2010-03879
DPR v. Samad Moragheb #2008-08171
DPR v. Paul Freitag #2007-60598
DPR v. Bryan Weeks #2006-60324
DPR v. Denise Davenport #2008-06567

ADJOURNMENT:

Motion made/seconded to adjourn the meeting at 1:40 pm. Motion passed unanimously. The next scheduled meeting of the Real Estate Administration and Disciplinary Board is February 10, 2011 at 100 W. Randolph, Chicago, IL.

APPROVED:

Respectfully submitted,

REAL ESTATE ADMINISTRATION
AND DISCIPLINARY BOARD

Ron Hardgrove, Real Estate Director

DATE: _____

Debra Dolinski, Liaison